

# News Summary

NYTimes

TUESDAY, JULY 12, 1977 JUL 12 1977

## International

Attacks are being made in Congress and the aerospace industry on the Administration's decision to sell \$1.2 billion in highly complex airborne radar systems to Iran. There are charges that the Defense Department blocked all competition and failed to offer the Shah of Iran a less expensive alternative. Critics also say that the proposed sale goes against President Carter's policy of limiting the sales of weapons abroad. [Page 1, Column 2.]

Dr. Veniamin G. Levich, a Soviet Jewish scientist who has been denied permission to emigrate, said in Moscow that it was a bad sign for the future that he had also been kept from an international conference on physical chemistry now being held in his honor in Oxford, England. He asked all Western intellectuals to take up his and similar cases with Soviet representatives at every opportunity. [1:1.]

The comfortable legislative majorities voters have given Japan's governing Liberal-Democratic Party for most of the last 22 years ended in Sunday's election when the party lost control of the upper house of Parliament by a few seats. The party will continue to control the chamber, however, with the help of three conservative independents whose support will give the Liberal Democrats a bare majority of 127 seats in the 252-seat upper house. [1:3.]

Truckloads of homeless Eritreans are fleeing to the Sudan from villages devastated by bombing and burning in the area wrested from the Ethiopian Army by nationalist guerrillas. Although 90 percent of the population is gone, the Eritrean fighters are confident of winning independence and are sustaining civilian life with a system of schools, hospitals and development programs. [1:4-5.]

All but three hostages were freed in Helsinki by two hijackers who took

over a Soviet plane on a domestic flight Sunday in an attempt to reach Sweden. Finnish officials negotiated with the hijackers through a plane window, but the hijackers broke off the talks last night. The plane was carrying 78 other passengers and crew. [4:3-6.]

## National

Broad changes in labor laws will be called for by President Carter in a message to Congress this week to make it easier and quicker for unions to organize and to recruit new members, Administration and labor officials said. The message is apparently intended in part to regain for the Administration the labor support that has eroded steadily since President Carter took office. [1:6.]

The House ethics committee's chairman has been criticized by the committee's special counsel for going too slowly in conducting the inquiry into alleged influence buying in Washington by South Korea, Congressional officials said. The counsel, Philip A. Lacovara, sent a confidential memo to other committee members saying that Representative John J. Flynt Jr., the committee chairman, had failed to carry forward a timely investigation and he urged efforts to overcome what he described as "shortcomings." The memo was said to reflect a series of disagreements between the two men in recent weeks. [1:1-3.]

## Metropolitan

The State Senate approved by 31 to 26 the plan to revive New York's no-fault automobile insurance system passed by the Assembly last month. The Republican majority thus adopted the move of the Democratic-controlled Assembly after months of erratic negotiations, tenuous compromises and political maneuvering. [1:4-5.]

Newark's Springfield Avenue — the battle corridor of the racial riots that

began there 10 years ago today—still attests to that uprising and is a symbol of the 311-year-old city's decay. But Ferry Street, only a mile away, attests to the city's residential renewal and commercial vitality. [1:4-6.]

## Business/Finance

A timetable for worldwide trade negotiations was presented to Common Market leaders in Brussels by Robert S. Strauss, President Carter's trade negotiator with an expression of hope that the talks would be concluded by spring with an agreement that would last a decade. [39:6.]

Spain suspended foreign exchange trading in the peseta and the Central Bank announced that the foreign exchange market would be closed indefinitely. Banking sources in Madrid said the reduction of the peseta's international exchange might be postponed until the fall, but Spanish newspapers said it was imminent. A 20 percent devaluation was rumored over the weekend. Tourists arriving in Spain could not exchange their funds for Spanish currency. [39:4.]

Guided by indications of a slower economic growth rate later this year—provided by equity and commodity prices—stock market investors in a bearish mood switched from industrial issues to some of the growth and glamour shares. The bearishness affected the Dow Jones industrial average, which fell 2.46 points to 905.53. Other indicators were also off. The New York Stock Exchange's composite index declined 0.16 point and Standard & Poor's average of 500 shares eased 0.24. During the session, 740 issues fell and 649 gained. [39:5-6.]

Ministers from the recently reunited Organization of Petroleum Exporting Countries arrived in Sweden for their semiannual meeting, their first since Saudi Arabia and the United Arab Emirates split the cartel in what turned out to be a futile effort to cut this year's 10 percent oil price in half. Extraordinary security measures have been taken at the Grand Hotel in Saltsjobaden, a fashionable summer resort about 12 miles from Stockholm, where many economic decisions have been reached. [39:2-5.]

# Index

## International

- Five on trial in Israel in plot to  
down airliner 2
- Castro is adamant on troops in  
Angola 3
- 70 arrested in clashes at struck  
plant in London 3
- Kidnapped Fiat aide in France freed  
after 3 months 3
- Ready availability of PX goods  
creates problems in Philippines 5
- World News Briefs 6

## Government/Politics

- Some military men still voice doubts  
on cruise missile 7
- Addabbo may get defense appropri-  
ations chairmanship 9
- Misuse of Congressional stationery  
for partisan causes questioned 10
- Senate refuses to limit nuclear  
breeder funding 11
- Postal Service approves two-tier  
mail rates 12
- State official predicts Beame's anti-  
pollution plan will be approved 17
- Senate G.O.P. refuses to pass bill to  
avert a default by Long Beach 19
- Albany Senate opens debate on rev-  
isions in no-fault car insurance 20
- Five Democratic candidates debate  
over lunch 25

## General

- Attorneys for Chowchilla defendants  
seek to suppress evidence 11
- Around the Nation 12
- Judge orders Kent demonstrators to  
leave 12
- Governor Brown unable to curb  
bureaucracy 12
- Alaska pipeline expected to reopen  
this week 12
- U.S. considers having local anti-  
poverty officials appointed 18
- Nassau seeks to recruit blacks and  
women for police force 25
- Metropolitan Briefs 31
- Texans inspect S.I. site for possible  
Atlantic oil-search base 31

- Chinatown "Mayor" who opposed  
youth gangs is stabbed 31
- Duped car-repair customers fail to  
get satisfaction 31
- Comptroller's office checking on bill-  
ing by Brooklyn institute 32
- Day-care program director accused  
in Suffolk 32
- State investigating jail work-release  
program 50
- Former assistant prosecutor in  
Brooklyn indicted on stock charge 50

## Health/Science

- Scientists say new tests show lac-  
trile is worthless against cancer 13

## Amusements/Arts

- "The Newscasters" and "The Cam-  
era Never Blinks" are reviewed 33
- Scene-changing can get riotous in  
London theaters 35
- John Mayall and Scarlet Rivera lead  
groups at Bottom Line 36
- Dances of India, at Connecticut Col-  
lege, are one-man shows 36
- Berkshire Theater Festival revives  
"Broadway" 37
- Gabriel Kohn's lyrical constructions  
at Washington's Corcoran Gallery 37
- "Soap" stirs worries about backlash  
against permissiveness 31

## Family/Style

- A hospital birthing room offers  
home-style deliveries 34
- An English clan reconciles its past 34
- The Annie Hall look 34

## Obituaries

- A. Arthur Schiller, retired Columbia  
law professor 30
- Samuel H. Schwartz, long-time  
theatrical business manager 30

## Business/Finance

- Carter wants more oil imports  
carried on U.S. tankers 39
- A cautious Administration and the  
price-wage spiral 39
- Security rings Swedish luxury hotel  
of OPEC delegates 39
- Prices edge downward in key credit  
markets in quiet trading 40
- U.S. surveying banks' loans abroad 41
- Iran is investing in worldwide joint  
ventures 41

## Quotation of the Day

"Maybe they were in too big a hurry. People have to learn to walk before they can run."—Jack Turner, director of the Department of Interior Pipeline Office, discussing the events that led up to the explosion on the Trans-Alaska Pipeline. [12:3.]

- Taxes & Accounting: Flagging ques-  
tionable tax items 43
- People and Business: American Pres-  
ident Lines names new chief 43
- Heavy selling of soybean contracts  
follows rain in Middle West 47

	Page		Page
Advt. News.....	45	Exchange Rates ..	47
Amer. Stocks.....	46	Market Place.....	40
Bond Sales.....	44	Market Profile....	39
Business Records..	38	Money .....	47
Commodities .....	47	Mutual Funds.....	48
Corp. Affairs.....	38	N.Y. Stocks.....	42
Counter List.....	48	Out-of-Town .....	47
Dividends .....	44	People/Business ..	43

## Sports

- Does Steinbrenner manage Yankees? 21
- Rookie named Reed starts coaching 21
- Angels dismiss Sherry, hire Garcia 21
- Atkinson's suit for slander begins 21
- Watkins Glen events reflect prob-  
lems of road racing 21
- Meadowlands set for richest race 21
- Harris signs 5-year Charger pact 22
- Racers bar effort to join N.H.L. 22
- Collegians win Ike team golf 23
- Chefs often butcher the bluefish 23
- Mets don't impress All-Star voters 24

## Features/Notes

- About New York 32
- Going Out Guide 36
- Notes on People 51

## News Analysis

- Thomas E. Mullaney discusses the  
Northeast's economy 39

## Editorials/Comment

- Editorials and Letters 28
- Tom Wicker: a "dirty business" that  
yields little dirt 29
- Russell Baker foresees flood of un-  
wanted paupers 29
- Herbert Scoville, Edward Teller on  
the neutron weapon 29