

International

President Carter told Helmut Schmidt, the visiting West German chancellor, that the United States would try to avoid turning the East-West conference in Belgrade into a forum for polemics over Soviet policies on human rights or other issues. Seeking to ease widespread European concern over the impact of the human rights campaign on overall East-West relations, he assured Mr. Schmidt of his desire for a fruitful and productive conference. [Page A1, Column 1.]

Agreement is near in Belgrade on the agenda and procedures for the full-scale East-West conference there this fall, according to Western diplomats at the preparatory meeting in the Yugoslav capital. A proposal by nine neutral countries brought an apparent breakthrough that surprised some participants. Soviet insistence on a cut-off date for the main conference was said to be the remaining point to be decided. [A4:3-4.]

The Joint Chiefs of Staff did not want to withdraw all United States ground forces from Korea within a five-year period, as was decided by President Carter, according to testimony by Gen. Bernard W. Rogers, the Army Chief of Staff, before the House Armed Services Committee. Army sources said that the Joint Chiefs had made this recommendation two days before President Carter renewed his campaign commitment to withdrawal. [A6:3-4.]

British trade union leaders told the Labor Government they would no longer be bound by the voluntary restraints under which wages and prices have been regulated since 1975. Prime Minister James Callaghan was said to have warned them that wage increases over 10 percent in the next 12 months would endanger Britain's economic recovery. [A2:1.]

National

The Senate voted funds to develop the neutron bomb as requested by President Carter. It rejected, by a vote of 58 to 38, a proposal to cancel production funds for the controversial nuclear warhead. [A1:6.]

The unexpected resignation of E. Henry Knoche as deputy chief of the Central Intelligence Agency followed sharp policy differences with the new director, Adm. Stansfield Turner, according to senior Administration sources. This revived reports of worsening employee morale, and that the admiral had had several disputes with the professional intelligence officers who manage the agency. [A1:2.]

A new approach to job safety, using economic incentives for management rather than strict enforcement of rules, has been urged on President Carter by three of his senior advisers. They called the Occupational Safety and Health Administration, which enforces Federal regulations, the leading national symbol of overregulation. The substitution of market incentives, in their view, could also affect the Administration's approach to other bodies such as the Environmental Protection Agency and the National Highway Traffic and Safety Administration. [A1:5.]

Last winter's bizarre weather is still worrying experts in the Federal Government and other countries. International efforts are in progress to see if a major change in climate is in progress. Most agree that the planet has entered a period of extreme variations in weather. [A1:4-5.]

Metropolitan

Agreement on stiffer sentences for serious crimes by juveniles, particularly against the elderly, came reluctantly from leaders of the Democratic-controlled New York State Assembly. Their

hope was to gain a concession from the Republican-controlled Senate on extending the temporary release program for adult prisoners. The compromise assumed that Governor Carey would approve the Senate measure, which seemed uncertain. [A1:3.]

Accounts for travel expenses by officials of the Port Authority of New York and New Jersey indicate a pattern of overseas travel for them and often their wives that was vastly more systematic, extensive and expensive than previously reported. Often there was no officially reported result, nor any readily identifiable impact. [A1:4.]

The Soviet Mission to the United Nations has complained to the United States Mission that its senior military adviser was brutally beaten by two men in a premeditated attack near his Manhattan home. The attack was not reported to the New York City Police Department, and the Russians at first refused to let the police interview the victim. No money was taken, but to some thought it a mugging. [38:5-6.]

Business/Finance

Whether there is price-fixing in steel is under investigation by the Department of Justice. The Government is inquiring into whether 10 of the nation's biggest steel companies have been doing this on products used in items such as kitchen appliances and cars. One issue is whether the suspected price-fixing was conducted through public statements, which in turn raises a constitutional question of free speech. [47:3-6.]

The oil price freeze proposed by Saudi Arabia and Iran drew indications of resistance from some of the small and more radical oil exporting countries. But others attending the meeting in Sweden of the Organization of Petroleum Exporting Countries either said it was too early to discuss prices for 1978 or remained silent. [47:1-2.]

Stock prices ended the day virtually unchanged when a late spate of buying made up most of the lost ground. The Dow Jones industrial average dipped below the 900 level several times during the session but closed at 902.99 for a net loss of 0.42. [47:1-2.]

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Weekend

FRIDAY IN
The New York Times

Quotation of the Day

"You are welcome to this house, madame. You are part of the Spanish history I have lived through."—Antonio Hernández Gil, President of Spain's Parliament, greeting the long-time Communist leader Dolores Ibarruri, who was known in the civil war as La Pasionaria. [A3:5.]

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CORRECTION

A picture caption in The Times Monday incorrectly identified the Village Chess Shop Ltd. as the Chess Mart Inc.