

News Summary

TUESDAY, SEPTEMBER 20, 1977

SEP 20 1977

NYTimes

International

Jacqueline Onassis negotiated a settlement with her late husband's daughter, Christina. Miss Onassis's friends report, under which she will receive \$20 million in return for abandoning all further claims to Aristotle Onassis's estate. Christina Onassis was said to have agreed to the settlement because she was eager to cut all ties to her stepmother and because she was advised that Mrs. Onassis would not consider anything less than \$20 million without pressing her claims in court. [Page 1, Columns 5-6.]

President Carter told Moshe Dayan, the Foreign Minister of Israel, that if there was to be a lasting Middle East settlement it was important for Israel and the Arab states to show "courageous leadership" and to make compromises. After their meeting, a White House statement issued with Israeli concurrence acknowledged that major gaps remained between Israel and the United States on such matters as Palestinian representation at a renewed Geneva peace conference and possible American dealings with the Palestine Liberation Organization. [12:3-6.]

National

Minority group members got a strong endorsement from the Carter Administration that they may constitutionally receive special consideration in university admissions, but the difficult question of whether specific racial quotas may be used to achieve that special consideration was avoided. The Administration's position was stated in a Justice Department brief filed with the Supreme Court. It modified an earlier draft, which explicitly argued against such quotas. [1:1-2.]

In the hearings on Bert Lance, Congressional staff members said he misled them, before his confirmation as budget director, about financial problems at his Georgia bank. The staff

members testified at a continuation of the hearings into Mr. Lance's financial affairs. It was clear from the testimony that neither the staff nor the members of the Senate Governmental Affairs Committee had vigorously investigated his background. [1:2.]

The C.I.A.'s testing of LSD-25 and other psychochemicals on unsuspecting subjects was the greatest potential abuse of governmental authority or medical ethics, a Senate subcommittee has concluded, in the agency's highly secretive and long-running drug-testing program in which mind control was an objective. An unusual relationship between the C.I.A. and a senior narcotics official is among new details that have been learned about the drug-testing projects. [1:1-2.]

Major production operations of the Youngstown Sheet and Tube Company will be transferred from Youngstown, Ohio, to its Indiana Harbor plant near Chicago and the company's headquarters will follow "in the near future," R. C. Rieder, the company's chairman said. About 5,000 Youngstown employees will be laid off in the shift to Indiana Harbor. [1:4.]

The biggest fuel savers among the 1978 model cars are foreign and diesel-engine cars, the Environmental Protection Agency said in its annual report on mileage figures. Critics have said that the figures do not reflect the actual road performance of the automobiles tested. Douglas M. Costle, the E.P.A.'s administrator, conceded that the figures could not tell a car buyer what he could expect in gasoline mileage, but that they could give good indication of the relative performance of the tested cars. [18:3.]

Metropolitan

The voter turnout in New York's Democratic mayoral runoff was reported to be lighter than the record of 910,000 voters—45 percent of those eligible—in the Sept. 8 primary. The voters in

the runoff were choosing between the two top finishers in the seven-man primary—52-year-old Edward I. Koch and Mario M. Cuomo, 45. Democrats were also choosing a nominee for City Council President. [1:6.]

Setback for New York: A long-awaited public offering of New York City short-term notes was hindered when it became known that the safeguards the city had wanted to accompany the sale would require action by the State Legislature. The Legislature is in recess, but could conceivably convene this fall to act on certain guarantees for repayment of the notes. City officials believed this was unlikely. [1:5.]

The Port Authority was rebuked by the chief judge of a Federal appeals court for the Authority's 18-month delay on a decision setting noise standards the Concorde SST would have to meet to be able to use Kennedy International Airport. [1:4.]

Business/Finance

Housing starts at an annual rate of 2.02 million in August were one of the strongest segments of a softening economy. This was indicated by figures released by the Commerce Department. August housing starts were down slightly from the July rate of nearly 2.08 million, but still were 32 percent above the rate of 1.53 million in August 1976. A rise in building permits issued for future housing construction was also a good augury for the industry. [57:5-6.]

R. H. Macy & Co. will close its Jamaica, Queens, branch. It announced that the lease would not be renewed when it expires Nov. 1. The branch was opened in 1947 at 89-22 165th Street and has been one of the principal stores in the Jamaica Avenue shopping district. [57:4.]

Stock prices fell to their lowest levels in 20 months, bringing down the Dow Jones industrial average 5.29 points to 851.52. The average hadn't been that badly off since Dec. 23, 1975, when it closed at 843.75. The average has lost about 150 points this year. Yesterday's selling pressure was attributed by analysts to a decline in industrial production in August. [57:1-2.]

Index

International

West German President defends antiterrorism measures	2
Turks try to revive tourism in occupied part of Cyprus	2
Refugees give a generally negative picture of Vietnam	3
Vietnamese refugees take off for San Francisco	3
China asks revival of army discipline	4
Kissinger appraises U.S. foreign policy	6
Senate panel finds report of blackmail by Panama unfounded	7
Iranian plane deal gains in Congress	10
Substitute for B-1 is again urged	11
Israeli forces on alert on Lebanese border	13
World News Briefs	16

Government/Politics

Stevenson warns Seoul on Tongsun Park case	14
Seoul may seek "trade" for Tongsun Park	14
15 mayoral aspirants woo Seattle with style	18
Carter still undecided on future of Lance	24
Senate panel's staff is in unusual spotlight during testimony	26
New Justice Department panel to review Lance questions	28
Government brief is only one of 58 in Bakke case	34
Koch campaigns down to wire, while Cuomo relaxes	46

General

Around the Nation	18
State fire officials and club owners rebuked in Kentucky fire	19
Judge rules L.I. sewage may be dumped into the ocean	35
Connecticut's holding of mental patients ruled unconstitutional	35
New Jersey Briefs	45
Last two members of casino panel approved by Senate	45

Imperiale withdraws from election race for Governor	45
Boy, injured in school bus accident, is awarded \$540,000	45

Amusements/Arts

"Agency of Fear," by Edward Jay Epstein, is reviewed	39
Toronto is planning a \$34 million music center	48
Alejandro Dance Theater seeks best of two worlds	48
Sarah Lawrence Chorus offers wide-ranging program	48
San Francisco Opera's "Katya Kabanova" wins critical salutes	48
Cocteau Repertory stages "New Way to Pay Old Debts"	49
"Lou Grant" opens on CBS-TV	81
ABC-TV's Oswald movie forces CBS to hold off	81
Five live City Opera performances slated on WNCN	82

Family/Style

Madison Avenue boutiques present fall fashions	50
Vegetarian diet and breast milk	50
A party for Warhol's "Folk and Funk"	51

Obituaries

Manny E. Duell, realty man	44
----------------------------	----

Business/Finance

Carter told Senate will reject his gas pricing plan	57
Gerber triumphant but investors lose	57
Orders for rail cars are on the increase	57
Dollar is mostly off in trading abroad	58
Credit markets gain; Treasury bill rates decline slightly	59
Lumber and plywood futures fall; wheat rises	63
Sony's earnings for quarter ended July 31 declined 28.1 percent	65
Taxes & Accounting: Possibility of streamlining I.R.S. appeals	67

Page	Page
Advt. News.....68	Exchange Rates...71
Amer. Stocks.....66	Highs and Lows...59
Bond Sales.....64	Market Place....58
Business Records.72	Market Profile...57
Commodities....63	Money.....71
Corp. Affairs.....69	Mutual Funds...70
Counter List.....70	N.Y. Stocks.....62
Dividends.....64	Out-of-Town....71

Quotation of the Day

"I cannot help but have the feeling that the Port Authority does not want to come to grips with this thing."—Chief Judge Irving R. Kaufman of the Federal Court of Appeals criticizing the authority's delay in establishing noise standards for the Concorde SST. [1:4.]

Sports

Jerry Quarry returning to boxing	52
Yankees open series with Red Sox	53
Jeter gets his chance with Giants	53
Horses are flown here to beat ban	53
Harper: Jets' rookie with a flair	53
Rangers and Islanders open camps	53
Aussies scored for poor challenge	54

Features/Notes

Notes on People	38
About New York	47
Going Out Guide	48
Issue and Debate: Sudden-death playoffs divide golfdom	55
Man in the News: Sidney Gottlieb	71

News Analysis

John F. Burns on protests over black South African's death	5
David E. Rosenbaum assesses Government's brief in the Bakke case	34
Thomas E. Mullaney: Is Fed money policy overly restrictive?	57

Editorials/Comment

Editorials and Letters	40
Tom Wicker: taking the F.B.I. out of espionage	41
Russell Baker: recognizing a capital crisis	41
Michael McCloskey: resolving environmental disputes	41
Victor Li and John Lewis: the China recognition dilemma	41

CORRECTION

The address for the memorial service for Charles Stanley, who died Sept. 3 on Vancouver Island, British Columbia, was incorrectly given in The Times Sunday. The service will be held tomorrow at 7:30 P.M. at the Circle Repertory Company, 99 Seventh Avenue South.