

News Summary

NYTimes

WEDNESDAY, DECEMBER 29, 1976 DEC 29 1976

International

A major shakeup in China of party members and local government officials was announced by the new Communist party chairman, Hua Kuo-feng, as the main task for 1977. The aim is to get rid of all who won their positions through connection with Chiang Ching, widow of Mao Tse-tung, and her three associates in disgrace. Plans for rapid economic growth were also outlined. [Page 1, Column 1.]

An international arms swindle that involved shady munitions dealers, Libyan agents in Spain, a Swiss bank account and 3,000 pairs of fake night-vision binoculars is under investigation in Paris. Purporting to be Startrons costing \$5,000 each, the binoculars were actually models costing \$32. [1:1-2.]

South Korea's ambassador, Hahn Pyong Choon, commenting in Washington on allegations of Korean bribes to American congressmen, said the damage was "rather serious" and could become worse unless more was done to protect the basic bilateral relationship. He said he was optimistic because members of Congress saw the common interests of the two countries. [10:1-2.]

National

An oil spill on the Delaware River spreading south from Philadelphia to New Castle, Del., after the grounding of a Liberian tanker, threatens 60,000 waterfowl wintering in the estuary. Russell E. Train, head of the Environmental Protection Agency, said it was time for more stringent territorial regulation of foreign shipping in United States waters. [1:1-2.]

Members of the Carter Cabinet-to-be met in Georgia to hear the President-elect exhort them to carry out his campaign promises, but his advisers and his spokesman said that an assured cut in defense spending was not among

these commitments. Another Cabinet member was doubtful of speedy fulfillment of the promise of Federal assumption of welfare costs. [1:5.]

Some sub-Cabinet positions in the Carter Administration may be left vacant, to set the stage for Government reorganization and as an example of reducing Federal bureaucracy. An aide said that the President-elect had ordered studies of reducing Cabinet members' personal staffs and secretariats as well as the higher posts. [12:1-2.]

Opposition is fading to the nomination of Griffin B. Bell as Attorney General, according to spokesmen for some of the groups that have been investigating his background as a Federal judge. It now appears that a serious effort to block confirmation is unlikely. [12:1-2.]

Metropolitan

The death at 78 of Alex Rose, leader of the millinery union who made the Liberal Party a significant factor in New York City, New York State and national politics, left the party's future cloudy. Next year's Mayoral election could be a pivotal element in its development. An even bigger question is what the Liberal Party can accomplish without Mr. Rose's political skills. [1:1-2.]

Meeting with Mayor Beame and Governor Carey, President-elect Carter promised to work to keep New York City out of bankruptcy. He said he would also help assure the meeting of the city's future borrowing needs and would keep reviewing what action he could take to help end its budget deficit next year. The city and state leaders welcomed this word as a signal to the banks and labor leaders to help redeem the city's previously frozen

short-term notes. [1:6.]

Rev. Sun Myung Moon's writings and the principles of his Unification Church were called "anti-Jewish, anti-Christian and antidemocratic" by a panel

of Roman Catholic, Protestant and Jewish leaders. They said they would send copies of their findings to all members of Congress with an appeal for continued Federal investigation of Mr. Moon's alleged links with the South Korean intelligence agency and Washington influence-peddling. [14:4-6.]

Business/Finance

President Ford rejected the Civil Aeronautics Board's plan to expand trans-Atlantic routes to give 11 additional metropolitan areas non-stop service to Europe. Citing foreign policy reasons, he returned the plan to the C.A.B. for further study. [1:3-4.]

The Dec. 31, 1976, stock prices will gain a kind of immortality in tax history. Under the Tax Reform Act, which comes into effect on New Year's Day, taxpayers who die will no longer elude capital gains taxes. These will be computed on the basis of market prices of Dec. 31. [1:6.]

Fears of fuel shortages, especially in natural gas, have been stirred this winter by cold weather driving energy costs higher all over the country. With supplies already tight, plant closings and job losses could occur before spring. Demand for fuel oil is up 22 percent, pushing prices higher and causing a surge in imported oil. [1:5.]

The November trade deficit set a \$906 million record and raised the 11-month excess of imports over exports to \$5 billion compared with a surplus of \$11 billion for all of 1975, the Commerce Department reported. The swing has not depreciated the dollar's exchange value and has been a major help to other countries, both industrial and less developed, with big balance-of-payments deficits. The American Government has expressed little concern. [35:6.]

Stock prices registered a broad advance, with the Dow industrial average gaining 3.99 points to close at 1,000.08, finishing above the 1,000 level for the first time in three months. [35:4.] The credit market displayed a surprising surge in bidder interest as the Treasury sold \$2.5 billion of new 61-month notes at an average yield of 6.19 percent. [36:3.]

Index

International

- Discovery of ancient sanctuary is reported in Rome 2
- Black death toll put at 70 in South African rioting 2
- New dam in Pakistan stirs farmers' hopes 2
- Guerrilla buildup in south Lebanon worries Christian leaders 3
- Kissinger to give library his telephone transcripts 3
- World News Briefs 4
- Rock music distinguishes East Europe's atmosphere from Soviet's 6
- Ex-Soviet security officer describes nuclear incident 7
- Portugal is worried by delay in U.S. loan 7

Government/Politics

- House study assails Civil Service Commission 10
- Acting Mayor is chosen in Chicago 10
- Mayor of Yonkers in imbroglio with the City Manager 23

General

- Women are found facing conflict of values 8
- Twenty are indicted in alleged union embezzlement 9
- Around the Nation 10
- Thumbprint on Hughes "will" envelope linked to beneficiary 10
- Argo Merchant's grounding tied to navigation 14
- Modern Language Association meets 25
- Metropolitan Briefs 29
- Up to 3 inches of snow falls on New York area 29
- 86th St. group and mental agency fail to reach accord 29
- Kibbee warns on City University cuts 29

Industry/Labor

- Teamsters fund assets are made public 9
- Survey buoys city optimism for construction industry 22

Education/Welfare

- Unemployment rate is high for teachers in Europe 3
- City Hall says Carey cuts threaten day care 22
- Greatest use of G.I. bill is in West 23

Health/Science

- Financier given geodetic station plaque 10
- City agency gets calls concerning poisoning 23
- Helicopter seeks uranium in Antarctica 25
- Nassau officials accused over contaminated wells 46

Amusements/Arts

- Glen Covington, pianist and singer, at Jimmy Weston's 16
- Museum in SoHo is devoted to holography 16
- Strike may jeopardize New York City Ballet's season 22
- Book on Hart and one on Rodgers and Hart reviewed 23
- Julie Harris in "Belle of Amherst" tonight on public television 47

Family/Style

- The lives of single politicians 15
- A guide to caviar 15
- Enameling makes a comeback 15

Obituaries

- Tributes made to Alex Rose 13
- Mainbocher, a dominant figure in Paris fashion in the 1930's 14
- Philip E. Iselin, president of Jets and Monmouth Park 28
- Dr. James L. Troupin, public-health leader 28

Business/Finance

- Price agency finds no paper shortages near 35
- Ferkauf now a consultant for companies 35
- Shoe industry hurt by imports, says trade panel 35
- Bear Fund hopes to benefit when stocks fall 35
- Barter agreement means Soviet oil for India 35
- Technology: Achieving strength with lightness 35

Quotation of the Day

"Bankruptcy is not a viable alternative for New York and we have eliminated that as a possibility for the future."—President-elect Carter, after meeting with Governor Carey and Mayor Beame. [1:6.]

- Skyline Oil in deal with Texas Eastern 37
- Dollar weakens in Europe on news of U.S. deficit 39
- Coffee futures decline 3 cents a pound, the daily limit 39
- Careers: M.B.A.'s of '76 found to be faring well 43

	Page		Page
Advertising News	41	Market Indicators	33
Amer. Exchange	42	Market Place	36
Bond Sales	40	Money	39
Commodities	39	Mutual Funds	44
Corp. Affairs	43	N.Y. Stock Exch.	38
Dividends	40	Out-of-Town	39
Foreign Exchange	39	Over the Counter	44

Sports

- Vikings are relaxing until Friday 30
- Sammy White and Haynes named top rookies in N.F.L. 30
- Steve Turner a world tennis traveler 30
- Resist politics, Olympic nations told 31
- Rockets, Knick foes, scrappy team 31
- Rangers finally find backup goalie 31
- Holiday Festival resumes tonight 31
- 25-1 shot wins Irish Sweepstakes 31
- Junior soccer tourney ends today 32
- Victory spurs Irish hopes for '77 34
- Artificial snow falls at Gore 34

Features/Notes

- Going Out Guide 18
- Notes on People 22

News Analysis

- Eileen Shanahan on Carter economic stimulus 12
- Frank Lynn on a Liberal successor to Alex Rose 13

Editorials/Comment

- Editorials and Letters 26
- James Reston appraises Carter's chain of command 27
- C. L. Sulzberger discusses Giscard's world view 27
- C. Vann Woodward on the aging of America 27