News Summary

THURSDAY, JUNE 30, 1977

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International

NYTimes

Friendly American-Chinese relations are "a central part" of United States foreign policy, says Secretary of State Cyrus R. Vance. Speaking at a dinner here, he said that Washington was committed to seeking full diplomatic ties with Peking. In the Carter Administration's first high-level policy statement on East Asia, Mr. Vance said that the United States "will remain an Asian and Pacific power" and would maintain "a strong military presence" there. [Page A1, Column 6.]

Defying the Vatican, Archbishop Marcel Lefebvre, leader of a movement that rejects liberal reforms in the Roman Catholic Church, ordained 14 students of his unauthorized seminary as priests and consecrated 16 as subdeacons in Econe, Switzerland. The conservative French prelate was suspended by Pope Paul VI from performing all priestly functions last July. [A1:5-6.]

A limited accord with Italy's Communist Party was reached by the minority Christian Democratic Government. The agreement on a limited legislative program with the Communists and other groups was entered into in an effort to get unpopular economic and other major bills through Parliament. [A3:1.]

Concerned that inner London may become a ghost city, the British Government is now trying to reverse a postwar policy of encouraging people and industry to move to the suburbs and new towns. The dispersal has been so successful that the population of Greater London is now more than one and a half million people below the level that existed before World War II. It is down to 7 million. [A1:3-5.]

National

Federal funds for most abortions would be barred under a bill approved by the Senate after the Supreme Court acted to lift an injunction against a similar ban voted last year. Medicaid funds could not be spent on abortions except when the mother's life was endangered, in cases of rape or incest or in certain other cases of medical need. Under a bill previously passed by the House, no Federal funds could be spent for abortions under any circumstances. [Al:1.]

The death penalty may not be imposed for rape, at least of adults, the Supreme Court held in the final day of its term. The Court did not specify whether death was impermissible for rapists of children, as well as adults, but the sense of the opinions in the case from Georgia suggested that the penalty be barred in such rapes also. The Court found that the penalty was unconstitutional in being cruel and unusual punishment. [A1:2.]

An attempt to revoke a raise for members of Congress was defeated in the House of Representatives by a vote of 241 to 181. The \$12,900 increase, a politically sensitive issue, was mandated by the President earlier this year, subject to Congressional veto. [A10:1-2.]

Metropolitan

A liberalized marijuana law was signed by Governor Carey, making New York the ninth state to decriminalize possession of small amounts. The law, which takes effect in 30 days, makes it a violation similar to a traffic offense to possess up to about seven-eighths of an ounce of marijuana. Punishment for first offenders is a fine up to \$100, for second offenders a fine of up to \$200 and for third offenders a maximum fine of \$250 or 15 days in jail. [A1:4-5.]

Peter A. Peyser, faced with expected rejection by the Republican-controlled New York State Senate, withdrew as Governor Carey's nominee to head the Public Service Commission. Mr. Peyser is a former Republican Representative in Congress who became a Democrat

two months ago. Opposition to his nomination was attributed to legislative politics and the Governor's style of operating. [29:3.]

The New York State Assembly passed a bill that was only supposed to implement a labor settlement by the state with its employees. But hidden in it, by agreement of legislative leaders, were provisions giving substantially higher pensions to some legislators and staff members. Also included among the salary figures in the bill were two measures that Governor Carey had previously vetoed and special deals unknown even to some leaders. [A1:3.]

Business/Finance

A 5 percent oil price increase scheduled for Friday will not be imposed by nine members of the Organization of Petroleum Exporting Countries. The decision, an effort to achieve unity among them, was announced after six months of acrimony. The dispute arose last December when 11 of the group's members voted to raise prices by 10 percent Jan. 1 and 5 percent July 1. Saudi Arabia and the United Arab Emirates agreed to only a 5 percent increase this year. [A1:2.]

Regulation of natural gas prices, as proposed by President Carter, was approved by the House Commerce Committee, which reversed a proposal for deregulation accepted three weeks ago by a subcommittee. The 22-to-21 vote came amid intensive lobbying from both sides. Under the Carter plan, a ceiling price would be effective on gas sold in both intrastate and interstate markets. [37:6.]

A Government index aimed at signaling future economic trends eased two-tenths of 1 percent in May, the Commerce Department reported. Economists were not certain about the significance of the decline in indicating a slackening in the strong recovery in 1977, noting that a trend of two or three months was usually necessary to confirm a pattern. [37:1.]

Stocked prices moved slightly lower. The Dow Jones industrial average eased 2.29 points to 913.33, its smallest decline this week. [37:4-5.]

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Weekend

FRIDAY IN Che New York Eimes

Quotation of the Day

"We consider friendly relations with China to be a central part of our foreign policy. China's role in maintaining world peace is vital. A constructive relationship with China is important, not only regionally, but also for global equilibrium. Such a relationship will threaten no one. It will serve only peace."—Secretary of State Cyrus R. Vance. [A1:6.]

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