

# News Summary

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## International

A conciliatory vie was taken by President Carter toward Prime Minister Menahem Begin's decision to legalize three existing Jewish settlements in the West Bank occupied by Israel. He said the decision was an obstacle but not an unsurmountable barrier to a Middle East peace. He seemed to wish, however, that the settlements would not be established while the United States was actively seeking a new Geneva conference on the Middle East. [Page 1, Column 6.]

President Carter bowed to Congressional opposition and agreed to put off until September his controversial offer to sell a modern airborne radar warning system to Iran. He changed his mind only a few hours after he had defended the proposed sale in a news conference. The House International Relations Committee shocked the Administration by voting 19 to 17 to block the sale. Members of the Senate Foreign Relations Committee said they would also have voted against the sale if Mr. Carter had not retreated. [A1:4-5.]

## National

A new restraining order that has the nationwide effect of continuing Federal reimbursement for abortions under Medicaid was issued by a Federal District Court judge in Brooklyn. The order will remain in effect until Wednesday, when Judge John F. Dooling Jr. will hear arguments on a motion for a new preliminary injunction that potentially could be permanent. [A1:1-2.]

Portraying himself and Congress as the last hope of America's poor, President Carter charged that critics damaged the optimism of the underprivileged by suggesting national leaders did not care about their welfare. "This removed from them that prospect of a better life," Mr. Carter said, suggesting that recent public criticism of his attitude was not only "erroneous" but "demagogic" as well. [A1:3.]

The people generally approve of President Carter, according to a nationwide telephone survey conducted by The New York Times and CBS News, but there has been a marked decline in confidence that he can achieve such objectives as significantly reducing unemployment or balancing the national budget. The poll covered tough current issues, and it found that the President had accurately read the country's mood and fashioned his own positions to conform with prevailing views. [A1:5-6.]

The new director of the National Endowment for the Humanities will be Joseph D. Duffey, an assistant secretary of state for Educational and Cultural Affairs, according to cultural sources in Washington, who said President Carter would announce the appointment Tuesday. The post has been vacant since the resignation last January of Dr. Ronald S. Berman. Mr. Duffey, a former Baptist minister, campaigned actively for Mr. Carter. The report that he would succeed Dr. Berman was received with surprise in scholarly circles. [A1:4.]

## Metropolitan

In a unanimous vote, the New York State Board of Regents approved the advertising of services and fees by physicians, dentists and other professionals in newspapers and magazines, which had formerly been prohibited. The regulations were also relaxed sufficiently to permit professionals to advertise their services, but not fees, on television and radio. The new rules become effective Oct. 1. [A1:1-2.]

An investigation of possible tax cheating and evasion by as many as 300 officials and employees of the Port Authority has been started by New York State tax agents, James H. Tully Jr., the Tax Commissioner, announced. The New York State Comptroller meanwhile issued an audit report that found travel expenses of Port Authority officials and their wives "extravagant and

outrageous" and recommended immediate recovery of unjustified expenditures. [A1:1-3.]

## Business/Finance

Proposed special duties on imports of Japanese television sets were rejected, 3 to 2, by the Court of Customs and Patent Appeals at Washington in overruling a lower Customs Court. The Zenith Corporation had sought the tariff protection. Robert S. Strauss, the Special Representative for Trade Negotiations, said he was "very pleased" by the decision, regarded by the Administration as a major legal victory. Zenith said it would appeal to the Supreme Court. [A1:4.]

White House documents suggest that President Carter was influenced by a campaign commitment to maritime unions in his support of controversial legislation benefiting the maritime industry. In his support of the cargo preference bill, which requires that a fixed percentage of American oil imports be transported by American-flag ships, President Carter passed over the advice of his economic advisers, who warned that the bill would decrease employment, depress the gross national product, reverse United States policy favoring free competition, and violate treaties with more than 30 nations, according to 53 documents released by Representative Paul N. McCloskey, a California Republican. [D1:6.]

A "keep-the-frills" fare plan will be presented by Pan American World Airways to the Civil Aeronautics Board today in response to a Laker Airways no-frills \$135 New York-to-London fare. The Pan Am fare would be \$146 to London and, because of the dollar-pound relationship, \$110 the other way. The round-trip fare of \$256 would be not quite \$20 more than Laker's round trip. [D1:4.]

Oil stocks gave the market the little strength it was able to muster following the drop of 19.75 points Wednesday in the Dow Jones industrial average. The average showed small changes during yesterday's session and finished ahead 1.56 points at 889.99. Steel shares continued to decline. Declining stocks generally outnumbered rising ones by a 4-to-3 ratio, and for every stock that reached a high for the year, two dropped to a 1977 low. [D1:1-2.]

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"Urban members are beginning to care about the problems of rural members and the future of the family farmer, and rural members have graphically demonstrated that they care about what happens in the cities."—Representative Fred Richmond, Democrat of Brooklyn, commenting on the House urban-rural coalition that won passage of a four-year farm bill that includes a revised food stamp program. [A19:1.]

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## CORRECTIONS

In Richard Eder's review yesterday of "Man and Superman," at the Shaw Festival in Ontario, the opening sentence should have read: "Wit can be hard work and on stage it can be the hardest work of all."

In the obituary of Oskar Morgenstern, the economist, in Wednesday's Times it was incorrectly reported that his mother was the illegitimate granddaughter of Emperor Frederick III of Germany. In fact, she was Frederick III's illegitimate daughter. In addition, New York University has established an Oskar Morgenstern Research Professorship, rather than a research fellowship as incorrectly reported.