

People and Business *By LEONARD SLOANE*

## Court Action Is Expected On Illegal Gifts to Nixon

The Public Citizens Litigation Group, a Washington based organization linked to the Ralph Nader group, is expected to follow up in the courts its demand—rejected by the board of American Airlines — that **George A. Spater**, former chairman of the carrier, be punished for his role in an illegal corporate contribution to President Nixon's re-election campaign.

**Aian B. Morrison**, director of the group, said yesterday that he had not received any response to a Nov. 6 letter to American, although a published report of the board's decision appeared yesterday. "It's highly likely that we'll pursue it," he said.

Mr. Morrison added that he had written similar letters to three of the other companies that have admitted making such contributions—Minnesota Mining & Manufacturing, Braniff Airways and Ashland Oil, Inc. He said that the Braniff directors would meet on Jan. 31 to discuss his request and that the 3M board had appointed a special committee and special counsel to investigate the situation. The letter to Ashland was mailed Wednesday, he said.

**Claybourne A. Cash**, president of the Diamond Shamrock Corporation, has been named chief executive officer. He succeeds **James A. Hughes**, who continues as chairman of the chemical, oil and gas company.

Mr. Cash, a 59-year-old executive with a broad operations background, was named president in 1971. He joined one of the two predecessors of Diamond Shamrock in 1935. Mr. Hughes, who is 61 years old, came to the corporation in 1955 and assumed the duties of chief executive officer 15 years later.

should act as an intermediary in recycling oil revenues. "My guess is that reflow of funds [paid] to the oil producers will mostly be invested in the Eurocurrency market and in New York directly and it is up to [the merchant banks] to recycle these funds to the places where they are needed," he asserted.

**I. S. Michie**, director of Middle Eastern operations for Kleinwort Benson, called for the establishment of a common, predominantly oil-based Arab currency unit. White stating that "its parity would have to be linked to other major currencies, notably the dollar," he added that ultimate responsibility for its value maintenance would rest with the Arab countries.

**Guido Hanselmann**, general manager of the Union Bank of Switzerland, warned of a "danger that the Eurodollar market will be afflicted by an acute and sudden shortage of dollars if the U.S. balance of payments continues to show a surplus." He also argued that the size and importance of the Eurodollar market was general greatly overstated.

**Stanley D. Frank**, a vice-president of Science Research Associates has been named president of Holt, Rinehart and Winston, effective Feb. 1. Mr. Frank, 41, succeeds **Richard Abrams**, 39, who is leaving the educational publishing subsidiary of the Columbia Broadcasting System.

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### Japanese Steel Output Up

TOKYO, Jan 17 (AP)—Japan's crude steel production in 1973 totaled 110 million tons, up 25 percent from 88 million tons in 1972.