



No contest...

FORMER VICE PRESIDENT Spiro T. Agnew talks to newsmen outside the Federal Courthouse in Baltimore yesterday. Agnew told newsmen Justice Department officials have not been fully prosecuting those involved in the case.

Agnew resigns, fined \$10,000 for tax evasion

WASHINGTON (AP) — Vice President Spiro T. Agnew yesterday resigned abruptly from office and pleaded no contest to a charge of Federal income tax evasion. A judge sentenced him to a \$10,000 fine and three years' probation.

President Nixon, expressing "a sense of deep personal loss" over the stunning development, met with Democratic congressional leaders at the White House to discuss "procedural questions" on the selection of a successor.

Sen. Mike Mansfield of Montana, the Senate majority leader, and House Speaker Carl Albert of Oklahoma, who is the President's immediate successor in the absence of a vice president, left the White House without meeting newsmen.

Agnew's resignation was part of an agreement struck by his attorneys with the Justice Department that allowed him to plead no contest to a 1967 tax fraud charge and have all other allegations facing him dropped.

Atty. Gen. Elliot L. Richardson, appearing with Agnew in the federal court in Baltimore, declared the corruption investigation involving the vice president had "established a pattern of substantial cash payments" to him by contractors when he was Baltimore county executive, governor and as vice president.

These payments continued from the early 1960s into 1971, and one engineer doing business with the state made payoffs up to and including last December, Richardson said.

Although the Justice Department agreed to drop the charges of bribery, extortion and conspiracy that Agnew also faced, these were detailed in a 40-page document released through the court. Agnew, while not contesting the tax evasion charge, denied all others.

The thunderbolt disclosure of the resignation, the second by a vice president in U.S. history, was almost casually revealed by a staff secretary here as Agnew himself was making a surprise appearance in the Baltimore court.

Reading from a paper held in trembling hands, the 55-year-old vice president told U.S. District Court Judge Walter E. Hoffman that his decision to quit and plead no contest to the felony charge "rests on my firm belief that the public interest requires swift disposition of the problems which are facing me."

He said his lawyers had advised him that a legal battle over the allegations against him could last for years and the attending publicity would divert public attention from other problems, "to the country's detriment."

Agnew's decision came unexpectedly after he had sought — through public statements — for the last several weeks to end widespread press speculation that he would quit.

Agnew yesterday admitted to receiving payments in 1967 which were not reported on his income tax and also that he was aware of payments made to others. But he denied that any payments had ever influenced his execution of the public trust as Baltimore county executive, governor or as vice president.

The actual charge against him contained in an information filed by the Justice Department, was that he failed to account for some \$13,551.47 in federal taxes for the year 1967.

In that year, the information said, he reported income of \$26,099 and taxes of \$6,416 when in fact his income had been \$55,599 owing \$19,967 in taxes.

The resignation was effective at 2:05 p.m. yesterday and it was about 20 minutes later when it first became publicly known. A staff secretary, Lisa Brown, responding to an Associated Press reporter's question about the Baltimore court appearance, said simply, "The vice president has resigned. The Agnew staff aides have just come from a meeting at which they were informed he has resigned ..."

As Agnew appeared in court, a resignation letter was delivered to Secretary of State Henry A. Kissinger, who under the law receives formal resignations of national elected officials.

Similar letters were dispatched to President Nixon, and Democratic and Republican leaders of the House and Senate.

The news of the resignation reached the House floor during a roll call and created five minutes of confusion. House Speaker Carl Albert, D-Okla., who in the absence of a vice president is next in line to succeed as president, walked quickly to the floor, declining comment to reporters.

Within minutes, extra capitol policemen and Secret Service agents were stationed outside Albert's office door.

Since Agnew's involvement in the federal probe was first disclosed in early August there have been persistent reports that Nixon wanted him to quit and had tried to force him out with pressure applied by White House aides through the news media.

The White House has denied this, however, and a spokesman yesterday said Nixon "played no direct role in the decision." It was, a spokesman said, "a personal decision that only the vice president could make."

In the Baltimore courtroom, Richardson stated that the investigation of kickbacks "establishes a pattern of substantial cash payments to the defendant during the period when he served as governor of Maryland in return for engineering contracts with the state of Maryland."

He said payments by a leading unidentified figure in one large company

started in the early 1960s and continued into 1971.

Richardson, who two weeks ago ordered the evidence against Agnew to be submitted to the Baltimore grand jury, outlined the plea bargaining which took place between the Justice Department and Agnew's own lawyers, and then said he felt leniency in Agnew's case was justified.

He asked Hoffman, in passing sentence, to consider Agnew's service as vice president.

Agnew, his face drawn and hands unsteady, read his own statement before Hoffman and stood flanked by his attorneys as one of them, Jay H. Topkis, formally entered the plea of nolo contendere — no contest.

Hoffman read a statement in which he said he considered Agnew's plea as "the full equivalent of a plea of guilty," and noted that such pleas often are accepted in tax cases.

Terming it "a most serious charge," he said it has been his practice in cases involving lawyers, tax accountants or businessmen, to impose fines and two to five months of actual imprisonment as a deterrent.

"But for the strong recommendation of the attorney general in this case I would be inclined to follow the same procedure," Hoffman said. "However, I am persuaded that the national interests in this case are so great and so compelling ... that the ends of justice would be better served by making an exception to the general rule."

He then passed the sentence of a \$10,000 fine and three years of unsupervised probation.

Agnew left the courthouse immediately after the 30-minute hearing.

In a brief statement to newsmen, he said the Justice Department had not been fully prosecuting witnesses in his case and that some had received either partial or total immunity, a fact which had been widely reported in the press.

Waving to bystanders outside the downtown courthouse, Agnew drove to join other members of his family at a Baltimore funeral home where his half-brother, W. Roy Pollard, 65, who died on Monday was lying in state.

Agnew's resignation was the first such occurrence since John C. Calhoun quit on Dec. 28, 1832, to become a South Carolina senator. Seven vice presidents have died in office.

It was not immediately certain what effect the stunning development would have on the Baltimore investigation.

It apparently cut short a court test on whether a sitting vice president could be indicted without first being impeached, but it was not clear whether it also terminated another test of the right of newsmen to protect their confidential source.

Funds: House fails to pass PSU appropriation

By STEVE OSTROSKY
Collegian Staff Writer

The State House of Representatives yesterday refused to pass a Senate bill giving Penn State, the University of Pittsburgh and Temple University a six per cent increase in appropriations over last year.

The vote on Penn State funds was 97 in favor and 88 against. One hundred and thirty-four votes were needed to approve the bill.

At the same time, the House approved \$1.8 million in funds for Lincoln University.

The vote sends the appropriation bills to a joint House-Senate conference committee which will be chosen later this week.

House Republican leaders had urged rejection of the Senate's bills, and most of the votes against the bills came from Republicans.

In July the House approved giving the universities a five per cent increase in funding over last year. But the Senate, in a move which House Appropriations Committee Chairman H. Jack Seltzer, R-101, labeled as "gamesmanship," last month approved a six per cent increase

for the three universities.

Sen. Joseph S. Ammerman, D-Clearfield, told The Daily Collegian there was some indication "the vote against the bills was to save face for Seltzer."

Rep. Galen E. Dreibelbis, D-State College, said on big stumbling block in the House is an amendment passed by the Senate allowing the universities to transfer any amount of state money between line items in their budgets.

Last year's bill allowed the universities to transfer money between different line items included in their budget as long as the variance was not more than 10 per cent.

"I think the House would accept a six per cent increase if the conference committee wanted one, if the variance level is returned to the 10 per cent," Dreibelbis said.

The Senate bill contained two other amendments. One would require the universities to submit studies on how many hours a week each faculty member works.

The other amendment would have allowed monthly payments of state funds to Penn State, Pitt, Temple and Lincoln instead of the present quarterly

payments. It has been estimated this system would save Penn State about \$400,000 a year in interest payments.

Dreibelbis said the House probably would accept these two provisions if they were included in the conference committee's bill.

Dreibelbis told the Collegian the House could receive the conference committee's bill for a vote Monday or Tuesday.

If the House and the Senate agree to the same version of the bill, it would be sent to Gov. Shapp for his signature.

Penn State already has borrowed \$7 million to pay last month's salaries. A University spokesman said Penn State would have to continue borrowing at a fairly steady rate until the appropriations are passed and the University starts receiving state payments.

Weather

Considerable sunshine today and Friday. High both days 74. Mostly clear and cool tonight, low 49.

Israelis hit Suez in convoy attack

TEL AVIV (AP) — Israeli ground troops struck across the Suez Canal early Thursday for the first time in the fourth Arab-Israeli war and attacked Egyptian convoys, the Israeli military command said at dawn.

Israeli commandos crossed the 200-foot-wide canal in its southern sector and returned without casualties after attacking "convoys and rear echelons of the enemy," the command said.

Meanwhile, the Israeli navy shelled Syrian oil installations on the Mediterranean coast more than 300 miles from the Egyptian canal front, a communique said.

Israeli gunboats hit oil tanks and other installations at Latakia, Baniyas and Tartous, the communique said. "Large flames could be seen," it said.

Earlier in the night Israel said there was "very little activity" on both the Suez front and along the Golan Heights, which Premier Golda Meir said in a telecast Wednesday night had been recaptured from the Syrians by Israeli troops.

"Today I can say the heights are in our hands..." Meir said. "...Our forces are standing very close to the canal and here, too, we are pushing back the enemy."

In other developments: — Baghdad radio said Iraq had thrown its troops and air force into the five-day-old war;

— Israeli jets carried the air war into Syria for the second consecutive day; and

— King Hussein said Jordan had mobilized its reserves.

Jordan fought with Syria and Egypt against Israel in the 1967 war; but so far has not committed forces to the current fighting.

Regarding the Soviet arms, Meir said the Soviet Union had been "incessantly" arming the Arab states since 1967, and "even at this moment we have reason for saying that

the weapons, to Syria especially, are flowing all the time."

President Nixon said the United States was "trying its best" to mediate the "very dangerous situation" in the Middle East.

A Pentagon spokesman declined comment when asked about U.S. aid to Israel, but there was no indication that the United States was cutting back its arms sales to Tel Aviv.

Syria and Egypt countered the Israeli claims of victory in the skies and reported shooting down 24 Israeli warplanes. Israel claimed it shot down 20 Syrian and Egyptian fighter planes.

Neither side gave its own losses.

Israel had claimed once before that its forces had pushed the Egyptians back to the canal and had cleared the Golan Heights of Syrian forces, but Tuesday an Israeli general said this was not so.

"We have moved to the offensive almost everywhere," Meir said yesterday in a televised address. "There is absolutely no doubt about the result of the war. We will win it."

In part of her speech, Meir indicated Israel's goal may be to advance beyond the cease-fire lines that existed before the war broke out Saturday.

"We want to hit them, force them back across the lines, and push them beyond the lines" to prevent any renewed Arab attack, she said without elaboration.

"The war could be a long one," said Maj. Gen. Shmuel Gonen, Israeli commander on the Sinai front.

Tel Aviv and Damascus reported savage air clashes over the Golan Heights battleground and during the Israeli raids on targets in the Syrian heartland. Each side

claimed the other suffered heavy losses.

President Nixon met with congressional leaders in Washington and won their support for his efforts to halt the war. Nixon's peacemaking proposal to the U.N. Security Council remained stalled, however, over conditions for a possible ceasefire.

Senate Majority Leader Mike Mansfield of Montana said after the White House session that the question of U.S. arms for Israel is "always under advisement" but that it did not arise in his talk with Nixon.

U.S. officials said the Soviet Union was delivering "very large tonnages" of military equipment to resupply Egypt and Syria. They declined to say what amounts were involved.

The Iraqi announcement that its air and land forces were fighting on both fronts made it the third major Arab country to enter the fight against the Israelis in the fourth broad Arab-Israeli conflict since 1948.

Other Arab countries have pledged support to Egypt and Syria and some have sent token contingents.

The Beirut newspaper An Nahar reported Iraq has committed 18,000 troops and 100 tanks along with an undisclosed amount of air power to back Syria on the Golan front and Egypt in the Sinai battle.

The Israeli military command claimed its raiding jets inflicted "considerable damage" on the French-built Damascus airport and also blasted Syrian naval headquarters on the Mediterranean and other strategic targets in Syria and Egypt.

But Syria claimed its air defenses rose to meet the four jets attacking over Damascus and blasted three of them out of the sky before they could get near the airport. The fourth Israeli jet fled with Syrian MIGs in hot pursuit and was downed before it could reach safety in Israeli skies, Damascus said.

The attack was the second reported on Syria's capital since the new round of hostilities erupted Saturday. Israeli jets bombed the Defense Ministry and the government radio station on the city's eastern edges Tuesday, with reports of heavy civilian casualties and damage to diplomatic installations including a Soviet cultural center.

The Syrians yesterday claimed attacks also caused civilian casualties at Homs, an industrial city 85 miles north of Damascus; at Minat al-Bayda, the naval center; and at the main Syrian Mediterranean ports of Tartus and Latakia.

The Tel Aviv command called its targets in Syria and Egypt "military and strategic."

It said the attacking Israeli jets hit Egyptian air bases at Khousna and Abu Hamad on an arc in the Nile Delta only 27 miles from Cairo in addition to a radar station on Egypt's Mediterranean coast about 60 miles east of Alexandria.

The Egyptians said their Soviet-supplied jets shot down six of the attacking Israeli planes. The Cairo command claimed it retaliated by dispatching Egyptian warplanes in attacks against Israeli posts on the northern coast of the Sinai, occupied by Israel since the 1967 war.

On the ground, a communique broadcast by Cairo radio said, the Egyptian forces "are improving their advance positions east of the Suez Canal under air cover while the enemy forces continue to retreat eastward."

The Egyptians, who crossed the 103-mile-long waterway in force Saturday for the first time since 1967, reiterated their claims of holding the entire eastern bank. Reports said they have advanced as far as 10 miles into the Sinai at one point east of Ismailia.

The Israelis acknowledged Tuesday that they have abandoned their main defense lines along the canal designed to prevent an Egyptian advance.

Maj. Gen. Aharon Yariv told a news conference the Israelis pulled back to new lines two to three miles from the original Suez defense installations, known as the Bar-Lev line after former Chief of Staff Haim Bar-Lev.

Foreign correspondents were barred from both fronts and unable to make independent checks on the conflicting claims.

"This is the most difficult battle we have faced since our war of independence in 1948," Gonen said. "We are faced by any enemy enjoying numerical superiority. The Egyptian forces are armed with the most up-to-date Soviet equipment."

President Anwar Sadat of Egypt said in a message delivered in his name at a Moscow meeting that he and President Hafez Assad of Syria are fighting "a war of liberation with the objective of establishing a just peace."

He said Arab goals were to get Israel out of the territories occupied in 1967 and restoration of the national and legal rights of the Palestinian people, who consider the territory of Israel rightfully theirs.