

Mideast proposal outrages Israelis

By UPI

Israel was stunned yesterday but Arab nations applauded President Carter's proposal that Israel withdraw from all territories seized during the 1967 Mideast war. "This was not expected and we are astonished," said a high-ranking Israeli source of Carter's latest peace initiative. However, Egypt called the change in U.S. policy "pro-Arab" and Jordan hailed it as "a positive new step." State Department spokesman Hodding Carter III outlined the proposals Monday and said they were based on U.N. resolutions passed after the 1967 Arab-Israeli War and the 1973 Yom Kippur War. He said the Carter administration, which is pressing for a Middle East peace conference this year, interprets the resolutions to mean that Israel should withdraw "on all three fronts of the Middle East — that is Sinai, Golan, West Bank and Gaza. Israeli Foreign Minister Moshe

Dayan rejected what he said was an implication of Israeli intransigence in the new peace initiative. In a statement, Dayan said: "There is no foundation to the assumption implied in the U.S. statement that Israel excludes any territory from the framework of future negotiations with the Arab states." Other Israeli officials said the U.S. proposals were likely to encourage extreme Arab demands. The State Department's action was given front-page treatment in Egyptian newspapers. A headline in the newspaper Al Akhbar said "An American warning to Israel."

The Middle East News Agency said the American position was "very strong and should be considered as an emphatic message to Israeli Premier Menahem Begin."

The agency said the proposals were "pro-Arab" since they did not mention "the Israeli demand for establishing diplomatic and trade relations with Arab states" as part of an overall settlement.

Arab and Israeli officials agreed that the most controversial aspect of Carter's plan concerned the volatile West Bank of Jordan.

Israel has an emotional and historical claim to the territory going back to Biblical times. However, the Carter administration has suggested that the territory might serve as a Palestinian homeland linked to Jordan.

Israeli officials also said the timing of the new proposals was unfortunate, coming within a month of Begin's scheduled trip to Washington.

Anti-quota proposal defeated

WASHINGTON (UPI) — The Senate yesterday rejected a proposal that prohibited the federal government from requiring federally-funded contractors or institutions to give special consideration to minorities in hiring and admissions.

Sen. S. I. Hayakawa, R-Calif., proposed the amendment to a \$60.7 appropriations bill for the departments of Labor; and Health, Education and Welfare. It was rejected by a vote of 63 to 31.

A similar amendment was adopted in the House version of the same bill, so the matter must be settled in House-Senate conference.

Later in the day the Senate was to debate issues raised in the bill involving funds for abortions and school busing.

Hayakawa's amendment would have prohibited HEW from requiring any "timetable, goal, ratio, quota or other numerical requirement" relating to minorities as a condition of receiving federal funds.

HEW says it does not require quotas. But Hayakawa said the difference between quotas and other "affirmative action" requirements is that between "a gloved fist and bare knuckles."

Sen. Edward Brooke, R-Mass., said Hayakawa's amendment would have "set us back 25 years." He said affirmative action programs so far have not significantly increased participation of minorities in higher education; black Americans are only 1 per cent of those annually receiving doctoral degrees.

The Senate, warned of veto "rumblings" from President Carter, debated how it might whittle the bill down to size.

In its initial actions, the Senate: — Rejected a proposal by Sen. William Proxmire, D-Wis., to roll all increases in individual programs contained in the bill back to levels proposed by Carter, a total cut of \$1.8 billion.

— Cut \$65 million from grants to school systems for the education of disadvantaged children.

— Cut \$32.5 million from federal "impact" aid to school systems with many children of federal employees. Carter had proposed a \$344 million cut in that program.

The Senate ran into a classic budget-cutting problem in the case of disadvantaged children.

Sens. Thomas Eagleton, D-Mo., and

Warren Magnuson, D-Wash., said there were "rumblings" of a veto unless the bill were cut.

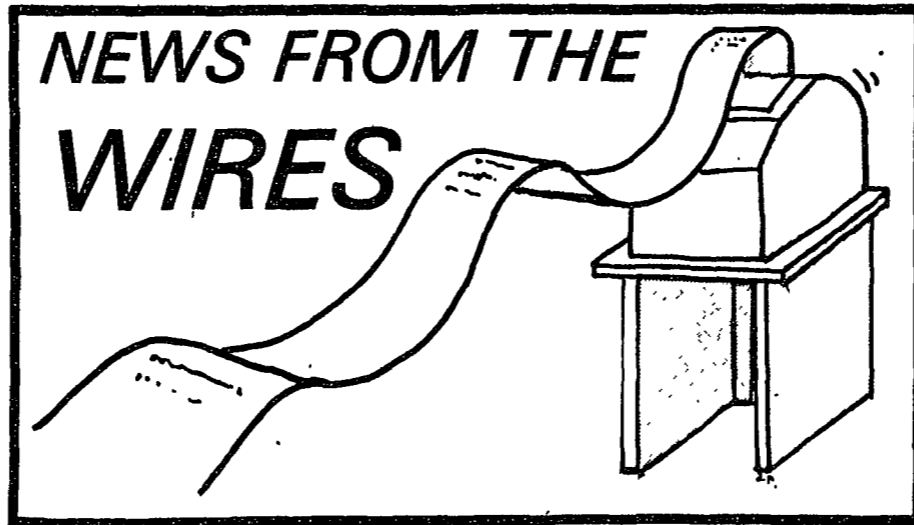
Eagleton offered, "with a heavy heart," an amendment cutting \$165 million for education of disadvantaged children.

Sen. Edward Brooke, R-Mass., said he agreed there should be cuts "but not for disadvantaged children."

"If not here, where?" demanded Eagleton.

The Senate finally compromised on a cut of \$65 million for the children, bringing the Senate bill down to that of the House on that item.

Proxmire charged that the bill is based on "misleading" arithmetic.



Alaskan oil pipeline fee cuts necessary

WASHINGTON (UPI) — The Interstate Commerce Commission yesterday unanimously rejected high transportation rates proposed by the owners of the Alaska pipeline, ordering the oil companies that own the pipeline to cut their fees by some 20 per cent.

The commission said it turned down the proposed fees because the companies wanted to charge twice for interest they are paying on money borrowed to construct most of the \$9.7 billion pipeline.

ICC chairman Daniel O'Neal predicted the companies will challenge the commission's ruling in court.

O'Neal said the ICC has ample power to force the companies to pump oil through the 800-mile pipeline if they try to refuse to do so under the lower rates, as some of the representatives hinted Monday they might.

The eight companies that own the line — Amerada Hess, Atlantic Richfield, British Petroleum, Exxon, Mobil, Phillips, Sohio and Union — had proposed rates ranging from \$6.04 to \$6.44 a barrel to take effect starting tomorrow.

The commission rejected the proposals from all but Phillips, ordering them to submit new proposals ranging no higher than \$4.68 to \$5.10 per barrel. It did not act on the Phillips' proposal because that company's rate is not scheduled to go into effect until July 20.

The nine members of the commission Monday heard oil company arguments in favor of the proposal and challenges from the Justice Department, the state of Alaska, the Arctic Slope Regional Corp., representing Alaskan natives and the ICC staff, all of whom claimed the

company proposals were illegal and excessive.

Commission members studied and debated their possible courses of action in closed session for more than five hours yesterday before their unanimous vote.

O'Neal said a key factor in rejecting the company requests was that they would have provided an 8 per cent return on the value of the pipeline while double counting the huge amount of interest on borrowed money in arriving at that value.

He said the commission set at its maximum a 10 per cent return on the pipeline's value with the interest counted only once.

In using that formula the ICC said the maximum fees it would approve are \$4.85 per barrel for Hess, a \$1.59 cut; \$4.91 per barrel for Arco, a \$1.13 cut; \$4.68 per barrel for BP, a \$1.67 cut; \$5.10 per barrel for Exxon, a \$1.17 cut; \$4.84 per barrel for Mobil, a \$1.47 cut; \$4.70 per barrel for Sohio, a \$1.46 cut; and \$4.98 per barrel for Union, a \$1.20 cut.

The reductions will mean little to consumers in the lower 48 states, who will pay about the world price for Alaskan oil under rules set by the Federal Energy Administration.

It will, however, add millions to the state treasury in Alaska and to money the Eskimos have for schools, roads and hospitals.

Alaskan officials have estimated every penny reduction in the transportation fees will mean \$1 million a year for the state. That is because transportation fees are subtracted from the selling price before the state's 12.5 per cent royalty on each barrel of oil is calculated.

Blacks, whites are related, after all Anthropology refutes 'white supremacy'

ST. LOUIS (UPI) — Blacks victimized by white racist attitudes should counterattack with scientific evidence, the president of the National Association for the Advancement of Colored People said yesterday.

W. Montague Cobb addressed a

program on African heritage at the 68th annual convention of the NAACP. A tribute to retiring Executive Director Roy Wilkins highlighted the meeting last night.

"We are so accustomed to calling this a white man's world," Cobb said, "it's

difficult to realize that the white man is only a passing phase in the history of mankind, and a fairly recent one at that."

Cobb, an anthropologist, said black Americans should not feel they have to defend their African heritage.

"All the evidence points to all of our ancestries being traced to Africa, whites included," he said.

"It doesn't matter who built the pyramids — maybe it was brown people. But it wasn't whites. What I'm saying is we should all relax and not take race so seriously."

Donald C. Johanson, curator of physical anthropology at the Cleveland Museum of Natural History, said his research backs Cobb's conclusions. Johanson is best known for his discovery in Ethiopia of human fossils that placed the age of mankind at more than 3 million years.

"We can demonstrate with the evidence now in hand... that we may trace ourselves back to a single area of the world and to a single human species," he said.

"Knowing that we are related to one another can break down a tremendous number of barriers."

'Enterprise' shuttle flight a triumph

EDWARDS AFB, Calif. (UPI) — The space shuttle Enterprise yesterday made a 63-minute manned flight, its second atop a 747 jet, in a test so successful the shuttle could perform free flight tests now, a spokesman for the national space agency reported.

Former astronaut and project director Deke Slayton said if the third captive

flight, scheduled later this week, goes as well, the fourth test could be canceled and the free flight would probably be around July 27.

A key point of the Enterprise's test over the Mojave Desert yesterday was a 6,000-foot dive from an altitude of 19,000 feet to test the craft's aerodynamics, flutter, vibration and tolerances. It

descended at a speed of about 3,000 feet per minute.

"We met all our test objectives and we are tentatively shooting for the third test Friday," said Slayton, manager of the approach and landing test for NASA. "However, we have several problems which have to be looked at before we can schedule it for Friday."

RECYCLE the daily Collegian

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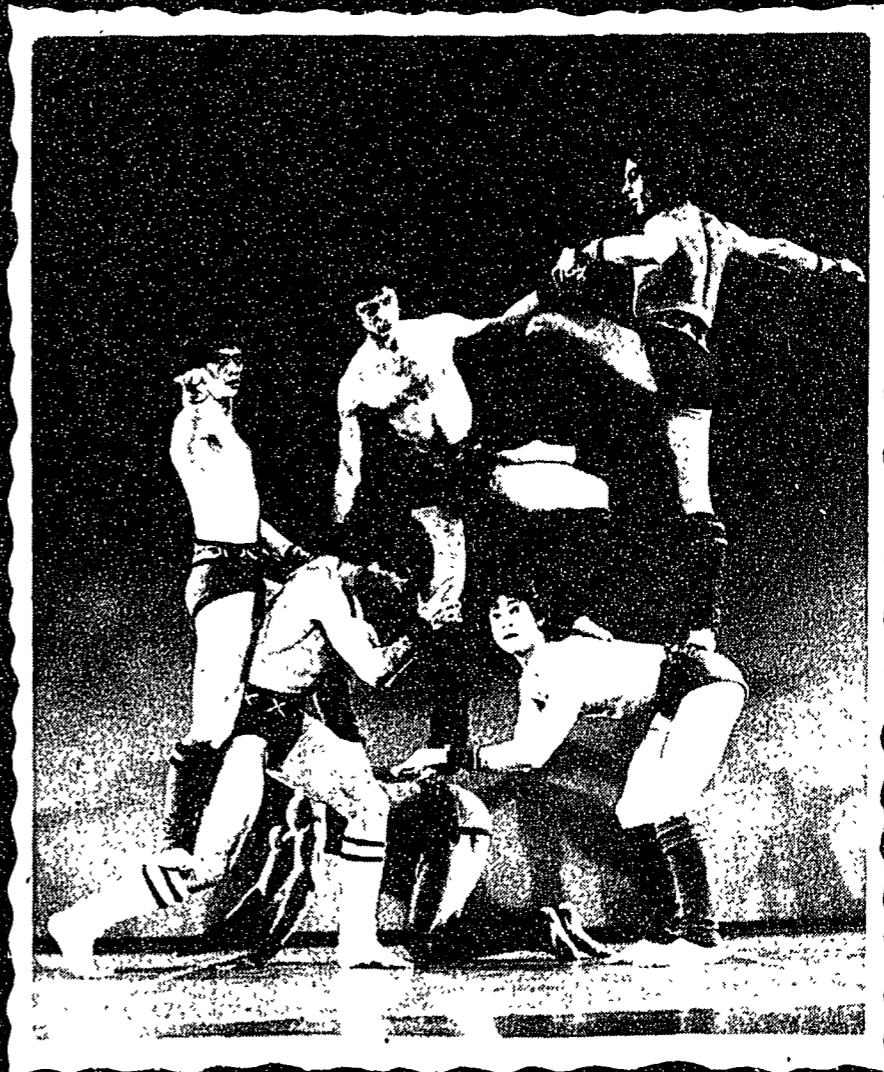


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