

# 72 Americans believed aboard hijacked ship

By The Associated Press

PORT SAID, Egypt — Palestinian hijackers seized an Italian cruise liner at sea yesterday with more than 400 people aboard, demanded that Israel release 50 prisoners and threatened to blow up the ship if attacked, officials reported.

Italian Defense Minister Giovanni Spadolini placed the nation's armed forces on alert. Owners of the Achille Lauro listed 78 Americans as passengers aboard the ship.

Patrizia Terese, a duty officer at the Foreign Ministry, told The Associated Press that 72 Americans and 20 Britons were among 600 passengers who left the ship in Alexandria for a day-long land tour, meaning that possibly six Americans still were aboard.

American passenger who left the ship in Alexandria told the ABC News program "Nightline" that there still were Americans on board.

Harriet Hauser, of Hollywood, Fla., said in

Cairo, "I have two friends that stayed on ship because they had been here before." Another passenger, Matthew Polito of New Jersey, also said he knew of Americans still aboard the ship.

Polito said security was good in Alexandria, but he criticized the security measures in Naples, Italy, the second stop in the cruise.

"In Naples, you could go on and off the ship as you felt free. And I saw kids running up and down the ramps and just one hullabaloo there. There was no security whatsoever in Naples," he said.

In Washington, State Department spokesman Mike Austin said the U.S. Embassy in Cairo was trying to locate the cruise organizers to find out how many Americans left the ship to visit Cairo and the nearby pyramids.

He also said the State Department had established an informal task force in Washington to monitor the situation.

Egyptian officials said the Achille Lauro had left Alexandria and was about 30 miles

west of Port Said, its next destination, when it was commandeered by an undetermined number of hijackers and headed farther out into the Mediterranean, its destination unknown.

Word of the takeover came in a ship-to-shore radio report by the hijackers' leader to Port Said at about 9:30 p.m. (4:20 p.m. EDT.). He said the hijackers were members of the Palestine Liberation Front, a dissident faction of the Palestine Liberation Organization.

It was not known how the hijackers took control of the ship, which had been scheduled to dock in Port Said a half-hour before the radio call came.

Many of the passengers who left the Achille Lauro in Alexandria had been scheduled to rejoin the cruise at Port Said, the northern entrance to the Suez Canal and 150 miles east of Alexandria. The vessel was then to continue on to Ashdod on Israel's west coast before heading for Naples.

But when the passengers arrived in Port Said, they were placed on buses and taken back to Cairo, 138 miles southwest of the canal city, and checked into hotels.

The threat to blow up the vessel came from the hijackers' leader, identified only by the name Omar, according to the Port Said officials.

Italian news agencies quoted the Foreign Ministry as saying the hijackers were armed and had a large supply of explosives.

A Palestinian named Samir Konaiterry headed the list of prisoners the hijackers said were being held in Israel and whose freedom was demanded in exchange for the ship and passengers, the officials reported.

In Tel Aviv, a spokesman said the Foreign Ministry was in close contact with Italian officials and the Israeli Cabinet would meet Tuesday morning.

Other Israeli officials said Konaiterry was one of four Palestinians who landed on the Israeli coast at Nahariya on April 22, 1979,

and seized Dani Haran and his five-year-old daughter as hostages. The hostages were killed as Israeli soldiers closed in; two guerrillas were slain in a gunfight and the other two were captured.

There were conflicting estimates on the number of hostages aboard the ship.

An Italian official involved in the crisis command said there were 340 crew members and "about 60 to 80 passengers aboard the ship."

"The passengers seem to be treated well on the basis of what we've learned from Egyptian authorities" who were in radio contact with the ship, the official added.

"We don't know how it happened," he said. "The crew apparently was disabled, but we don't know if the hijackers boarded in Alexandria or from the sea."

Egyptian officials said they believed there were 160 passengers aboard the ship when it was commandeered.

## Council vetos extra licensing

By SCOTT A. ALDERFER  
Collegian Staff Writer

State College Municipal Council last night defeated 4-3 a proposal that would have required landlords in the borough to submit to further licensing and inspection of their rental units.

Council member R. Thomas Berner said the Neighborhood Conservation Program would have protected both neighborhoods and tenants from landlords who do not adequately maintain their rental properties.

"The concept behind this proposal is to stop a problem before it starts,"

Berner said. "It is proactive rather than reactive."

"Rental properties create ten times the problems owner-occupied properties do," he added.

Council member Daniel Chaffee called the proposed ordinance overkill, citing the Centre Region Code Enforcement inspections which rental properties must undergo.

"How is this going to make non-compliers comply?" Chaffee asked. "I'd like to see more concentration on problem properties."

Council member James Bartoo joined Chaffee in dissenting.

Bartoo pointed out the motion would interfere with a 1973 agreement between State College Borough and College, Patton and Ferguson townships which requires the municipalities to maintain a standard fee structure for applications, inspections and approvals of housing codes. The agreement says the municipalities must make any changes jointly, he said.

Bartoo said the motion applies to only the eight to nine percent of the borough's rental properties which are code violators.

"I think conservation of the neighborhood is a concept we should adopt, but I don't think we should attach it to a license," Bartoo said.

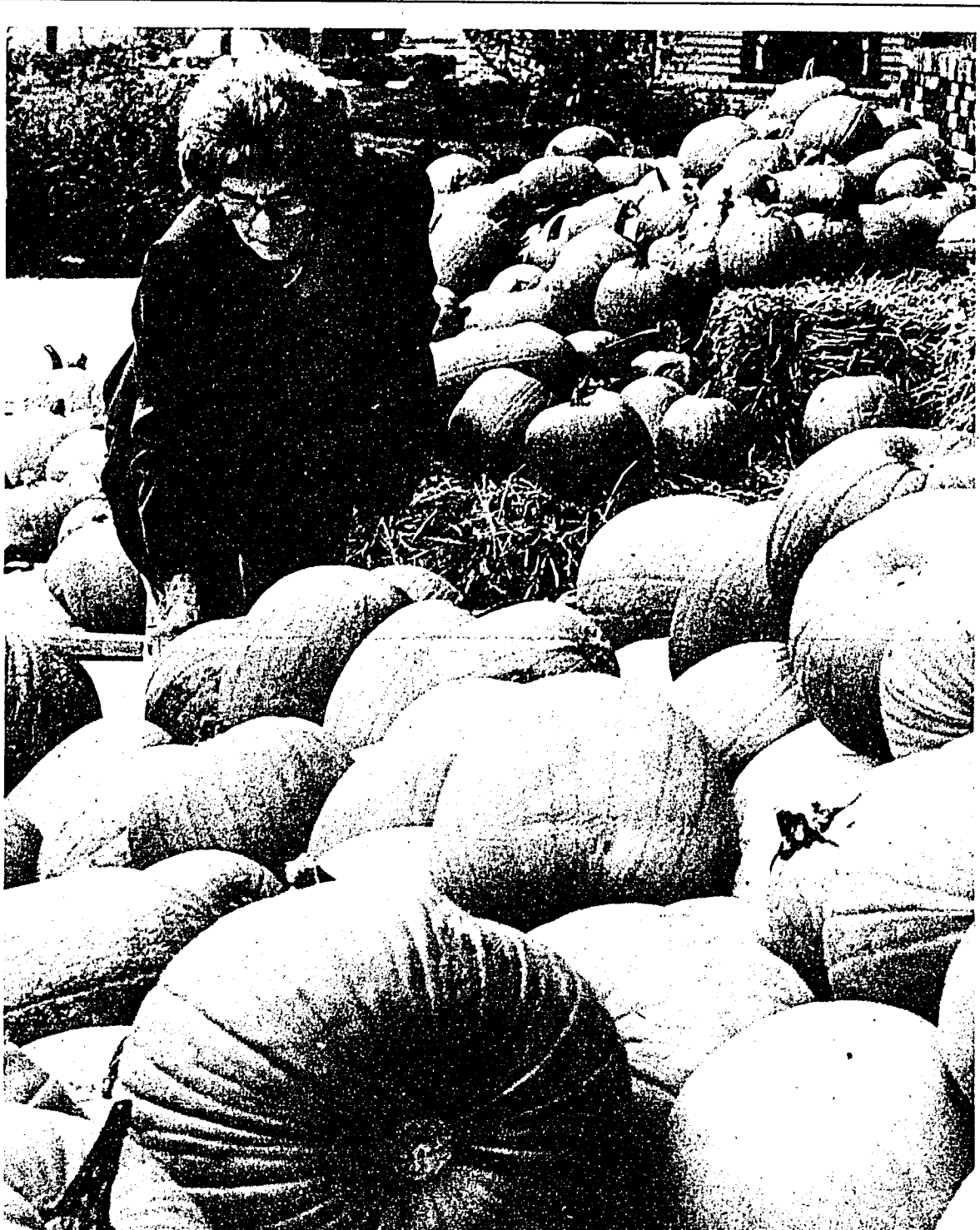
Council member John Dombroski also opposed the motion.

"It effects eight to nine percent of the rental units but it would cost (all of the rental units)," he said.

The Council's human services committee sponsored the motion. Felicia Lewis, a member of that committee, defended the proposal.

"We want to attract people to our residential neighborhoods," Lewis said.

"It should improve the housing situation for everybody in town — rental residents and neighbors," she said.



In Search Of...

October is the time to find just the right pumpkin for pies or jack-o'-lanterns. It's a time consuming task but Collette Irvin of State College is up to the challenge at the Grower's Market, located on the Benner Pike.

## Budget may not hike tuition

By DAMON CHAPPIE  
Collegian Staff Writer

The University began a nine-month budgetary trek fraught with fiscal twists and turns yesterday as it submitted a preliminary state appropriation request that may lead to stable tuition rates for the first time in 18 years.

The administration gave raw dollar figures to the state Department of Education yesterday so the agency could feed the numbers into its computer to make recommendations to Gov. Dick Thornburgh's budget office.

Little information is publicly available about the budget, but University President Bryce Jordan has said it calls for no tuition hike this year. Many no-tuition hike budgets have been submitted during past years.

The reason for spiraling tuition, as Jordan has said repeatedly, is because the state consistently allocates less funding than Jordan claims the University needs. State appropriations support about 45 percent of the University general funds budget while about 48 percent comes from student tuition and fees. The remainder comes from investment income and bookstore profits.

But as tuition has escalated, making the University one of the most expensive public research universities in the country, state aid has declined from 34 percent of the total budget to 24 percent in 1985. Last year the administration asked the state for an 11.8 percent increase in funds over the previous year.

The state granted less than half of that, resulting in a \$99 tuition increase for full-time undergraduate students and an additional \$100 sur-

charge for students in most technical majors.

This year, however, some of the normal budgeting procedure have been changed and delayed as Jordan and the presidents of the University of Pittsburgh and Temple University work on a new funding formula for state-related universities with the state Secretary of Education.

The University Board of Trustees refrained from approving next year's appropriation request to the state until its November meeting while the guidelines for the new concept — differential funding — were being discussed. University administrators are currently examining how those tentative guidelines will affect the University and this is causing the delay in the normal budget timetable.

"Normally the appropriation request would have been approved by the Board of Trustees," said Richard Althouse, University budget director, "but this year is different because of differential funding."

Jordan said the administration is requesting a package of items under differential funding — which by definition gives more state money to research institutions like Penn State than smaller state universities like Bloomsburg State University.

The differential funding package will focus mostly on acquiring technical instruments for the scientific departments and money for maintaining and renovating University facilities, Jordan said.

Although the differential package is mostly separate from the complete budget, Jordan said there may be some special items in the regular budget that fall under differential funding although he declined to be specific.

Althouse said the administration submitted numbers yesterday so the state Education Department may begin working on recommendations for the governor's budget office.

The entire University budget package, including written justification for the numbers, will be submitted to the department Oct. 16.

With that begins a long process of hearings, workshops and recommendations involving the University administration, the state Education Department, the governor's office and the General Assembly.

Althouse said the state Education Department reviews the University's budget package along with all the other state-related universities' requests and sends a recommendation to the governor's budget office that will fit the governor's state budget package.

The University's requests and the education department's recommendations go to the appropriations and education committees in the General Assembly.

Jordan and other University administrators will testify before those committees to justify the need for the money. The legislature will vote in late Spring 1986 on a final appropriation amount, which the governor may veto.

While the legislature debates the merits of the University's request, University administrators on the Budget Task Force will constantly review the priorities and program needs.

In July, the Board of Trustees will adopt a final operating budget after the governor agrees to the legislature's spending bill and the University readjusts spending priorities for the 1986-87 academic year.

## Bill may force PSU to divest

By KRISTINE SORCHILLA  
Collegian Staff Writer

Pennsylvania municipalities, retirement fund agencies and state universities — including Penn State — may be forced to divest from companies doing business in South Africa under a package of bills to be voted on today by the state House of Representatives.

A bill was introduced in the House calling for all state-related universities and member institutions to divest from companies with holdings in South Africa and Namibia, a country occupied by the Republic of South Africa. This legislation, one of seven proposals before the House, proposed by Rep. David P. Richardson, D-Philadelphia, will affect Penn State, the University of Pittsburgh and the 14 other state universities, said Michael Edmiston, Richardson's legislative assistant.

As of Aug. 31, the market value of the University's holdings in companies doing business in South Africa was about \$5.7 million, said David E. Branigan, special assistant to the University treasurer.

If the bill is passed, the University must sell all holdings in the companies within six months after the bill takes effect, Branigan said, adding that stock value at the time of sale would depend on the stock market.

"We are monitoring the bill through our government affairs office," Branigan said. "We are not lobbying at this time and no specific action has been taken yet. We are just sitting back to see how things develop."

Other divestiture bills pending in the House include:

- Obligating the state treasury to refuse state funds to banks that make loans to the government of South Africa or to businesses that make loans to or have dealings within South Africa.
- Requiring the state Public School Employee Retirement Board and the state Employee Retirement Board to

divest themselves of holdings in corporations doing business with South Africa.

- Obligating Commonwealth municipalities to pass responsible reinvestment orders.

- Establishing a system of priorities for reinvestment of funds. This priority system calls for reinvestment first in Pennsylvania corporations, then in contiguous state corporations and, finally, in the United States.

Although some job losses could result from such large-scale divestiture, Edmiston said the bills provision for reinvestment in Pennsylvania and other U.S. corporations could create new ones.

More than 400 U.S. corporations are doing business with South Africa, Edmiston said, including General Motors, Ford, Coca-Cola, IBM, Westinghouse, General Electric and Bethlehem Steel.

"Withdrawing the availability of capital funds will perhaps raise the consciousness of the South African government and enhance their willingness to stop discrimination against the black majority," Edmiston said.

The bills are supported by Speaker of the House K. LeRoy Irvin and members of the state's Black Caucus. However, Gov. Dick Thornburgh and others are doubtful of the legislations' effectiveness, said Therese Mitchell, a spokeswoman from Thornburgh's press office. Thornburgh would rather look into all available options for the South African situation and determine which policies would be most effective, she said.

However, some of the proposed divestiture policies have already been effective in other parts of the country, Edmiston said.

Recently, the New York City Public Employee Retirement Fund established a policy to phase out investments in three banks dealing with companies that did business in South Africa. As a result, three of the largest banks in New York City stopped lending money to those companies, Edmiston said.

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### weather

Sunny and warmer today with a high of 69 degrees. Cool and clear tonight, low 39.

.....Heidi Sonen