

Hijackers of Italian ship surrender One American passenger killed by terrorists

By NEJLA SAMMAKIA
Associated Press Writer

PORT SAID, Egypt — An Italian cruise ship steamed into port under government orders today, nine hours after Palestinian pirates surrendered and freed more than 500 people aboard. The captain said they had killed one American passenger.

Police sources said the Achille Lauro, originally scheduled to continue its cruise to Israel, was brought to port for an investigation of the death of Leon Klinghoffer, 69, of New York, who was traveling with his wife, Marilyn, 58.

The State Department late yesterday confirmed Klinghoffer was killed.

Capt. Gerardo De Rosa said in a radio conversation with state-run Italian television yesterday night that a terrorist who had blood on his clothing admitted to the murder on Tuesday.

"They told me shortly after they killed him, I think, because the Palestinian who killed him had pants and shoes covered with blood," De Rosa said.

He spoke from the ship as it lay at anchor 15 miles outside Port Said, preparing to sail for Ashdod, Israel. But the government, which announced earlier a security check had turned up no explosives, later ordered the vessel into port for a further inspection.

The captain said he was told of Klinghoffer's murder at 3:05 p.m. Tuesday, the day after the pirates took control, while the Achille Lauro was outside the Syrian port of Tartus on Tuesday.

De Rosa said the pirates came to him and said: "Now we have killed one."

"They made me write it down and told me to call Tartus," De Rosa said.

Klinghoffer, a Jew, suffered a stroke several years ago that left him paralyzed on the right side. He was in a wheelchair and could walk only short distances with a cane.

The 51-year-old captain said the four pirates took over the ship at about 1:30 p.m. Monday, firing Soviet-made submachine guns and brandishing hand grenades and other explosives. He said they herded the passengers onto a lower deck.

One terrorist came onto the bridge, "first fired some shots into the ground screaming in Arabic, and then told me to head to Tartus."

"I was continually guarded on the bridge with submachine gun," he said. "They hoped to find asylum in Syria," he said, and when the Syrians refused entry "they told me to head towards Libya."

Radio monitors in Beirut, Lebanon, said Tuesday that they had picked up an exchange between the Achille Lauro and Syrian authorities in which a hijacker said: "We threw the first body in the water after shooting him in the head. his wife is wailing about it. We shall kill one every 15 minutes."

De Rosa had said by radio Tuesday evening, in a call monitored by Beirut port officials, that everyone on the ship was well. About a dozen Americans were aboard, and earlier unconfirmed radio reports had said two were killed.

U.S. Ambassador Nicholas Veliotis said in a radio transmission to the U.S. Embassy in Cairo that after Klinghoffer was killed the terrorists showed De Rosa the passport of Mildred Hodes, another American passenger, and told him: "She goes next."

Veliotis said: "She pleaded for her life. They said, 'Okay, but you (the captain) tell those Syrians that we've killed two.' They then kept a gun on



A group of American tourists stranded when Palestinian gunmen hijacked the Achille Lauro waited on the stairs of their hotel yesterday before flying home.

them constantly and anyone else near the radio and threatened to kill anyone who told the truth."

After his investigation, Veliotis ordered the Embassy to tell the Egyptian Foreign Ministry that the United States insisted on prosecution of the hijackers.

The Foreign Ministry said the terrorists surrendered to representatives of the P.L.O.

Abdel-Salam Morgan, the shipping line's local agent, said general manager Gaetano Casiero told him the Achille Lauro would sail for Ashdod, Israel, the next scheduled stop.

University watches divestiture movement

By DAMON CHAPPIE
Collegian Staff Writer

As Ivy League Columbia University Monday joined the growing number of institutions divesting millions of dollars of stocks in South African-related companies, trustees and administrators here are watching the developments as the divestiture decision day for Penn State approaches.

The University Board of Trustees will decide Jan. 17-18 if it should divest more than \$6.1 million in stocks and bonds of American companies doing business in white minority-ruled South Africa. The University currently follows a policy of partial divestment, investing in companies that follow strict guidelines for promoting equality for Blacks in the workplace.

"I think it has given us food for thought," Trustee Marian U. Coppersmith said of Columbia's decision to divest.

"It looks like they've made a decision to divest gradually with intellect," she said. Columbia, the first Ivy League college to do so, will divest \$39 million during the next two years.

Coppersmith said she is certain the administration is collecting information on Columbia's decision as well as the recent full-divestiture decisions of the University of Arizona and Rutgers University.

But some trustees say they are looking at aspects of divestment that are often drowned in the din of student protests on campuses across the country.

University Trustee President Obie Snider said he is extremely concerned about the consequences of full divestment as the University enters a multi-million dollar fund-raising campaign that is counting on contributions from many of the 300 U.S.

corporations operating in South Africa.

That concern was heightened after the national chairman of Rutgers' \$300 million capital fund-raiser resigned after the initial decision to divest was made in September.

James Burke, chief executive officer of Johnson & Johnson, resigned as Rutgers' fund-raising chairman because he thought the university's divestment action made him ineffective in that position, a Rutgers spokeswoman said.

"Penn State is at the doorstep of a capital campaign," said Snider. "The very people that we are approaching for contributions are the very people that we might divest from. That is a very important consideration."

The newly-named national chairman of the Campaign for Penn State, William Schreyer, chairman and chief executive officer of Merrill Lynch, could not be reached for comment yesterday. His secretary said he is on a national speaking tour.

Snider said he has not spoken with Schreyer about divestment. He added that if what happened at Rutgers repeats here, "it would be a severe blow for what we intend" in the campaign.

Trustee Nancy Kidd said a divestment decision could hurt the campaign, but could also be beneficial.

"It could go either way. Some people contribute based on their emotions and may withhold if they think the money is going towards an immoral purpose," Kidd said.

She noted that Brown University alumni withheld contributions until after the university recified a sex-discrimination case against women several years ago.

Coppersmith agreed that a move to full divestment could have adverse effects on the University's five-year fund-raising campaign.

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Budget woes force fancy bookkeeping

By TOM RAUM
AP Economics Writer

WASHINGTON, D.C. — The Senate voted 75-24 yesterday to force the government to balance its annual budget in six years, but the vote failed to end an impasse over legislation to extend the government's exhausted borrowing power.

The balanced-budget amendment, which drew strong bipartisan support, came as the Senate worked on a measure to extend the current debt ceiling to above \$2 trillion.

However, the Senate did not finish its work on the overall bill and efforts to approve a short-term extension of the debt limit collapsed late yesterday.

The Treasury Department held an emergency auction, anyway, at which it borrowed an additional \$5 billion, a sum officials said would keep the government afloat for another week.

Without congressional action to cover the \$5 billion, the Treasury Department was forced to do some fancy bookkeeping — utilizing a seldom-used agency, the Federal Fi-

ancing Bank, to cover the borrowing.

The bank was set up in 1973 and given \$15 billion in reserve borrowing power.

The Senate approved and sent to the House a measure to temporarily extend the government's borrowing power by just this \$5 billion. But House Ways and Means Committee Chairman Daniel Rostenkowski, D-Ill., said the Senate action was unnecessary — since the Treasury had already borrowed the money.

And, Rostenkowski said, the Treasury could borrow up to the full \$15 billion with no additional congressional action — whereas the Senate legislation would have held this amount to \$5 billion.

The Treasury action took the pressure off Congress to deal with the debt limit extension right away, congressional leaders suggested.

The balanced budget plan, endorsed by President Reagan, would dramatically alter the process by which government funds are authorized and spent, requiring that the president and Congress meet increasingly stringent yearly targets.



End of the line

A heavy-duty truck pulls the Train Station's caboose from its last stop on East College Avenue. Traffic halted for about 15 minutes on Tuesday.

Yul Brynner loses battle with cancer

NEW YORK (AP) — Yul Brynner, who made a career playing the bald, autocratic monarch of Siam in "The King and I," including a record 4,625 performances on stage, died early this morning, his spokesman said. He was 65.

With him when he died at 1 a.m. at The New York Hospital-Cornell Medical Center was his wife, Kathy Lee and his four children, said Josh Ellis, the actor's spokesman.

"He died of multiple complications that came as a result of what was originally cancer," Ellis said.

New developer expands hotel plans

By JEANETTE KREBS
Collegian Staff Writer

A proposed \$7 million hotel planned for South Atherton Street has changed real estate developers and will now be larger than originally planned and employ three times as many workers.

The hotel was first proposed in August by local real estate developer Edward J. Lauth III, but the Patt Organization of Hollidaysburg recently purchased an agreement of sale for the property from Lauth.

P. Jules Patt, president of the real estate development corporation and a candidate for the 1986 Democratic gubernatorial nomination, was unavailable for comment because he was campaigning in Pittsburgh.

During the past 10 years, Patt has dealt with \$150 million in real estate in and around Pennsylvania.

The hotel will be built on the properties of 119 S. Atherton St., which holds the closed Arriba Restaurant, the restaurant's parking lot, The Flick movie theater on 129 S. Atherton St., two houses at 125 and 133 S. Atherton St., and a garage at 122 Cresson Alley. Heinz Mathis, senior vice president for the Patt Organization told members of the College Township Industrial Development Authority yesterday that the hotel will now hold 140 suit units instead of the 110 Lauth had originally planned.

"With the current growth in State College, we think there is room for another facility," he said.

Along with the 140 suits, the first level of the complex will be used for commercial businesses. A lounge,

nightclub and exercise facility will also be built, he said.

"This will be a first-class operation in downtown State College and we think it will fit in nicely," Mathis told the authority.

Because of the additions to the hotel, Mathis said the number of employees the complex will need will triple from the original figure Lauth gave the authority.

"Between 100 and 125 employees will be hired because of the added facilities," Mathis said.

Lauth originally said 31 workers would be hired and this was without food or beverage workers, Mathis said.

Parking will not be a problem because there will be 150 parking spaces in a ground-level parking lot with two sub-level lots, he added.

Authority members questioned the \$7 million hotel price tag because it is the same cost Lauth estimated without added facilities. But Mathis said the project's original estimate was high.

"We're still going to use the \$7 million figure," he said.

Lauth sold his controlling interest in the project to Mathis, who is the former vice president and general manager of the Sheraton Penn State, 240 S. Pugh St.

Authority chairman Robert Ishler said after the meeting with Mathis the authority approved the project.

Lauth's name on the application, which was already sent to Harrisburg for state approval, will be changed to the Patt Organization. Mathis said the plans should be completed by November.

PSU dean sought for Iowa State presidency

By DAMON CHAPPIE
Collegian Staff Writer

Wilbur Meier, University dean of the College of Engineering, is one of six finalists for the presidency of Iowa State University, sources there said.

Virgil Lagomarcio, search committee chairman for Iowa State, confirmed that Meier is a candidate for the chief post there, although Meier said previously that he is not actively seeking the position.

Meier, who has been head of the University's College of Engineering since 1981, said several weeks ago when his name appeared on a list of 25 candidates in Iowa that he "had no interest in going to Iowa."

Meier is in California this week and could not be reached for comment. His secretary said Meier has not been notified of the latest list.

Lagomarcio said Meier's name was one of six that appeared on a narrowed-down list released Tuesday. He refused to say if he had been in contact with Meier.

In September, when asked how his name appeared on a list of 25 candi-

dates, Meier said he was contacted by a search company that attempts to locate qualified executives for positions. He said he refused to give his resume the first time he was contacted, but consented on the second request.

Meier said he was unaware of any of the developments at Iowa State.

"I don't even have a Iowa State catalog," he said.

Meier has served at Iowa State before as the chairman of the Department of Industrial Engineering in 1973-74. Meier left there to head the school of industrial engineering at Purdue University for seven years before coming to Penn State in 1981.

Lagomarcio said the board of regents for Iowa State, similar to Penn State's Board of Trustees, will begin interviewing candidates after Nov. 1. A final decision will be made by year's end, he said.

Iowa State is similar in many respects to Penn State. It is a land grant institution of almost 27,000 students.

Iowa State University President W. Robert Parks, 70, is retiring early next year after 20 years in that position.

thursday
weather
Morning sunshine will gradually give way to clouds. High 72. Mostly cloudy this evening with possible showers. Low near 50