

[7/20/76]

THE WHITE HOUSE
WASHINGTON

General Secord

Reaction?

regions on a planet that is otherwise marked by towering volcanic peaks, deep chasms, craters and sand dunes and the meandering channels through which floods of water once must have coursed.

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Tax Bills Pass in Senate With Contents Unknown

The following article was written by Eileen Shanahan and is based on reporting by her and David E. Rosenbaum.

Special to The New York Times

WASHINGTON, July 19—Senator Lloyd Bentsen is responsible for inserting into the current tax bill at least 10 provisions that benefit just a few companies each. Precisely

A Guarantee Policy In Rhodesia Shaped By U.S. and Britain

By BERNARD WEINRAUB
Special to The New York Times

LONDON, July 19—The United States and Britain, seeking to persuade the Rhodesian Government to negotiate a transfer to black majority rule, are quietly shaping a joint policy that assures financial aid and property guarantees to the white minority, according to diplomatic sources in London.

In drawing up the plans over the last few weeks, American and British officials have been urging black African nations, as well as South Africa, to support the policy and thereby step up the pressure on Prime Minister Ian D. Smith of Rhodesia to work out an accommodation with the black majority before the guerrilla war there deepens.

What has emerged in private sessions between American and British officials is a series of proposals designed to offer concrete guarantees to whites who either want to remain in Rhodesia or leave in advance of black rule. There are 6,000,000 blacks and 280,000 whites in Rhodesia, a former British colony that declared itself inde-

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how many Bentsen proposals the bill contains is not easily determined.

The Senator, a Texas Democrat, would not say, when asked, for fear he would forget one.

Further the Senate Finance Committee does not have use-

This is the second of two articles on narrow-interest tax legislation.

able records. Although a relatively new Senate rule requires committees to keep minutes of all their meetings, it says nothing about having the minutes transcribed—and the Finance Committee's have not been.

Senator Bentsen's activities in connection with the current tax bill are not strikingly different from those of many other Finance Committee members. But what is known about them illustrates a couple of key points about the way the nation's tax laws are written.

The first is that tax bills have become so massive, the procedures under which they are written are so haphazard and the safeguards surrounding the process are so few and ineffective that no one, not even the senators most responsible, knows what is in them.

The second point is that those with a tax problem they want

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to alleged kickbacks to executives from private companies that held contracts with the bureau.

Ford's Viewpoint

At a news conference today, President Ford declined comment on Mr. Callahan's dismissal. He said that the decision to discharge him had been reached within the Justice Department, and that "Mr. Callahan was not a Presidential appointee."

One well-informed Government official indicated, however, that Mr. Callahan's departure had been ordered, at least in part, because of his connection with the recreational fund.

One well-placed source said that at least two persons with knowledge of the fund's administration had recently testified before a Federal grand jury that is hearing evidence uncovered by the Justice Department's inquiry.

Vacation Request

One former F.B.I. official said that he had often been told that the fund, which Mr. Callahan, as head of the F.B.I.'s administrative division, controlled from 1970 to 1973, had been used to purchase gifts given by Mr. Hoover to other F.B.I. executives each Christmas.

The former official also said that he remembered a request some years ago from Clyde A. Tolson, Mr. Hoover's late friend and deputy, for \$500 to help to

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'Wild West' Gun Battles Mark Amazon Invasion

By JONATHAN KANDELL
Special to The New York Times

PARAGOMINAS, Brazil, July 19—Moved from Alabama to the Amazon jungles, bought one of



The Davis family arrived in the area in the 1960's. It was not their first attempt at pioneering. Although the family had inherited land in Alabama, they had tried to settle in the Congo, but abandoned that effort after civil war flared up there early in the 60's.

By 1968, Mr. Davis and his partners acquired clear title to the land here. At the time, there were only a few squatters on the property, and they moved off after the Davises reportedly reached a financial agreement with them.

In 1973, a state highway was extended through the Davis property guaranteeing its economic viability but also making

The New York Times/July 20, 1976
Cross indicates approximate area of ambush.

it accessible to many new squatters.

According to his neighbors and government officials, Mr. Davis may have encouraged this movement. A Presbyterian, the Alabaman had turned over 300 to 500 acres of his vast land to selected squatters who would pay him back in produce and also be converted to Presbyterianism.

being sabotaged and workers occasionally beaten or shot at by the squatters.

Mr. Davis appealed to the local court to order the uninvited squatters off his property. But after four years the court has still not made a ruling.

On July 3, Mr. Davis was told by employees that a large group of squatters was destroying fences marking the boundaries of his property.

Armed with a .38-caliber revolver, a 22-caliber rifle and a shotgun, Mr. Davis, his two sons and several employees drove to the site. When Mr. Davis walked up to the squatters, an argument broke out. The squatters told the Davis employees to run, and then let loose a volley from three sides.

At least two squatters died during the incident. The police and soldiers reported that more than 30 people are being held for questioning.

Mr. Davis and his two sons were buried on their property. A third son and a daughter have decided to stay and continue managing the ranch.

"I knew the Davises well," said Alexandrino Moreira, a banker from Belém. "I admired them for leaving everything behind in America, and coming here to build up a good farm before the big land rush started. But this is like the wild West. You have the squatters and the big ranchers, and a lot of other people throwing wood into the fire by playing up anti-foreign feelings."

There appears to be no sense of panic among other large ranchers in the area.

"I don't buy the anti-American talk," said another United States rancher. "Davis was a tough character. But he thought he was back in the United States, where the law says that a man owns every inch of his land, and the authorities back him up. Here, you got to negotiate—with the police, the authorities, the squatters, with everybody. And if you end up with less land than you expected, you still have enough to make it worth your while."

Immense Problems Arise

Development of the Amazon began in earnest only in the last decade, under the military Government that has been in power since 1964. But the Government has vacillated and changed the direction of its policies as immense development problems have arisen.

Initially, the Amazon was viewed as a solution for the problem of the landless peas-

Guarantee Policy for Rhodesia Shaped

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pendent in 1965 rather than accept the principle of majority rule.

The proposals, which would be financially underwritten by Britain and possibly the United States, includes the establishment of a bank to buy land from white farmers at what is viewed as a fair price and then to assist the farmer to lease the same land if he wants to remain. This assures the eventual turnover of property to Africans but provides white farmers with the option of staying on.

Another proposal involves a guaranteed floor price for a white farmer's land. This would enable the farmer to keep his land, assured that he would be able to sell it at a fixed price.

Similar proposals affecting white businessmen are being drawn up, according to diplomatic sources.

Plans are also being drawn up to guarantee the pension rights of civil servants and to provide some assurance of a right of settlement for Rhodesian whites in Europe and the United States.

Although a specific package has not yet been worked out—and there is some disagreement among African nations over whether whites should be encouraged to leave or to stay—diplomats are convinced that whites must be induced to settle in time for a "moderate" black leadership to take control. Otherwise, diplomats say, the escalating war will produce a radical Marxist black leadership, similar to that in Mozam-

bique, that would be inimical to compromise.

Diplomatic sources said that the decision to work out the British-American plan evolved shortly after the meeting last month between Secretary of State Henry A. Kissinger and Prime Minister John Vorster of South Africa, and the increased American interest in southern Africa.

Another meeting, possibly next month, is projected between Mr. Kissinger and Mr. Vorster in an effort to press their search for a political solution in Rhodesia. South Africa, which serves as Rhodesia's economic lifeline, has privately urged an internationally supported formula that would produce a black majority government with guarantees for the white minority. Such proposals have been rejected by Mr. Smith.

The Assistant Secretary of State for African Affairs, Wil-

liam E. Schauffelle Jr., is now in Senegal on a swing through Africa to discuss the renewed pressures on Rhodesia and to advance tentative proposals for white minority rights there, according to diplomatic sources.

There are estimated to be 1,500 guerrillas in Rhodesia, mostly near the border with Mozambique. In addition, 5,000 to 6,000 black Rhodesians are undergoing training in Mozambique, Zambia and Tanzania, according to diplomats. Rhodesian security forces in the field are estimated at 5,000 to 6,000, although there are more than 45,000 reservists and paramilitary police.

Prime Minister James Callaghan of Britain warned Rhodesia four months ago that time was running out and that the only solution that London would approve would be a transfer to black rule within 18 months. This position is strongly supported by Mr. Kissinger.

Angola Leader to Visit Cuba At the Invitation of Castro

HAVANA, JULY 18 (Reuters)—President Agostinho Neto of Angola will visit Cuba soon at the invitation of Prime Minister Fidel Castro; it was announced here today.

According to informed sources, President Neto will arrive on Wednesday to be guest of honor at Cuba's National Day on July 26. Mr. Neto is expected to address the National Day rally to thank Cuba for its military and technical assistance during the Angolan civil war. About 12,000 Cuban

troops were reported to have fought on the side of the Popular Movement for the Liberation of Angola.

LISBON, July 19 (AP)—The American Embassy said today that it expected Angola to release the body of the executed mercenary Daniel Gearhart "possibly sometime this week."

An Embassy spokesman said representatives of a "friendly Government" acting as a go-between had informed the United States that the "prospects are good" for returning the body to Mr. Gearhart's home in Kensington, Md.

Two Who t are tro

How to keep yourself busy while The Itkins are redoing your office

"Ireland: A Terrible Beauty" by Jill and Leon Uris.

Ex-U.S. Aide Accuses the Government Of Neglecting Sea-Law Negotiations

By LESLIE H. GELB

Special to The New York Times

WASHINGTON, July 19—A former top United States representative to the United Nations Conference on the Law of the Sea has charged the Ford Administration with "a failure of leadership" in those negotiations and with having violated American treaty obligations.

John Norton Moore, previously the second-ranking official in the delegation to the conference, said in an interview that Secretary of State Henry A. Kissinger "has given only minimal attention to the law of the sea negotiation, and during the more than three years I was associated with the effort his principal involvement was to deliver two speeches on the subject."

But an Under Secretary of State, Carlyle E. Maw, maintained that Mr. Kissinger was "intimately involved" in the negotiations, and that progress had been made since Mr. Moore resigned in March. But he did not deny that President Ford's signature on a bill extending American fishing limits to 200 miles had been a treaty violation.

Session Resumes Aug. 2

Mr. Moore and all other officials interviewed maintained that the bill, when put into effect in March 1977, would violate the 1958 Geneva conventions on fishing and conservation of the living resources of the high seas.

The current round of the sea-law conference is set to resume in New York on Aug. 2, with about 1,500 representatives from 156 countries participating. The round began in Caracas, Venezuela, in 1974.

At stake in the negotiations are naval transit rights through straits, the rights of nations to fishery stocks and oil reserves off their shores, access to copper and nickel from the deep seabed, pollution and scientific research.

The conference has reached the point of working on a single draft treaty text with over 400 articles, but diplomats do not expect that final treaty can be concluded in less than a year.

Mr. Moore, who is now director of the Center for Oceans



Associated Press

John Norton Moore

Mr. Moore said:

"The coastal fish stocks could and should have been protected sooner under a lawful alternative bill recommended by the State Department law of the sea office over a year before the President signed the bill."

Other officials contended that the alternative bill offered by Mr. Moore would have proved unworkable and would not have been acceptable to the Congressional majority that favored the bill that was enacted. Mr. Moore noted, and others confirmed, nonetheless, that all Administration legal experts have urged the President to veto the bill.

President Ford signed the bill in the middle of the New Hampshire presidential primary. Fishing in waters near New Hampshire by the Soviet Union and Japan was considered an important issue in the primary battle with Ronald Reagan.

The Ford Administration had opposed the bill publicly until Mr. Ford signed it. The Administration has not explained the legal basis of its reversal.

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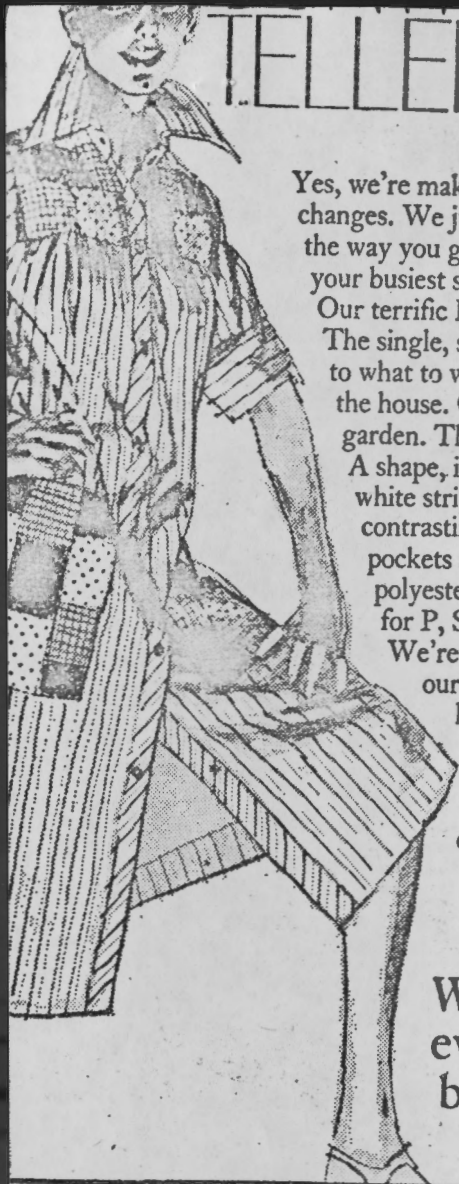
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The conference has reached the point of working on a single draft treaty text with over 400 articles, but diplomats do not expect that final treaty can be concluded in less than a year.

Mr. Moore, who is now director of the Center for Oceans Law and Policy at the University of Virginia, and a number of his colleagues still working on the issue in Government insisted that there was what they called a leadership vacuum in the Administration on the conference. They also warned that this vacuum could lead to a stalemate in the negotiations and jeopardize Senate approval of any treaty.

Personal Bitterness Charged

Associates of Mr. Kissinger and other officials who work on the issue indicated they believed that Mr. Moore's willingness to publicly attack the Administration had been motivated almost solely by his bitterness at not having been chosen to head the American delegation following the resignation of John R. Stevenson last year.

The post was filled by T. Vincent Learson, former chairman of the board of International Business Machines.

Even those who question Mr. Moore's motives and those others who agree with him believe that Mr. Moore is one of the recognized experts in this field. In addition to being the second-ranking man on the delegation, he was also chairman of the National Security Council's interagency task force that coordinated policy on the law of the sea.

Mr. Moore maintained that when Mr. Ford signed the bill extending United States fishing limits from 12 to 200 miles, he did so "despite advice from the State and Justice departments that it would violate U.S. treaty obligations and could risk a serious incident with the Soviet Union."

Mr. Moore contended, and



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