

Today—Partly cloudy and humid, high 85 to 90, low 65 to 70. Chance of rain 30 percent through tonight. Tuesday—Partly cloudy, high again 85 to 90. Yesterday—3 p.m. AQI: 65. Temp. range: 86 to 69. Details, C2.

# The Washington Post

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| Amusements | B10 | Financial  | D 8        |     |
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## Young Criticizes U.S. PLO Policy As 'Ridiculous'

### U.N. Ambassador Calls Jewish Leaders 'Stubborn'

By Don Oberdorfer  
Washington Post Staff Writer

Ambassador Andrew Young was at loggheads again yesterday with both the State Department and Israel in the latest chapter of the controversy that brought about his resignation last Wednesday.

Still in office as ambassador to the United Nations pending selection and confirmation of his successor, and still expressing strong views on Mideast issues, Young told a national television audience that the U.S. policy of not talking to the Palestine Liberation Organization is "ridiculous" and that the Israeli government is "stubborn and intransigent" as well as expansionist.

On "Face the Nation" (CBS, WDWV), Young repeated a charge made earlier to The New York Times that the State Department, while claiming to be in the dark about his meeting with a PLO representative in New York City July 26, actually had a detailed, almost verbatim account of the conversation in its possession within four days.

"I don't know how they got it but I have seen such a report," Young told his television interviewers just before noon.

At 6 p.m., after consultations with Young and a check of classified documents, the State Department issued a terse denial of the ambassador's charge.

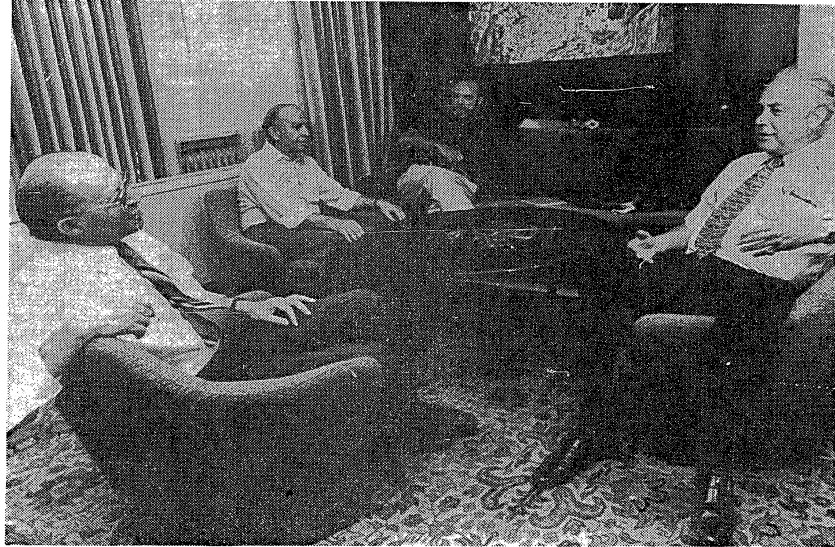
The State Department had insisted since the controversy came to light that it first learned of Young's meeting with the PLO's U.N. observer, Zohdi Labib Terzi, on Aug. 11, when Newsweek magazine began asking about it. Newsweek is reported to have received its tip from Israeli sources in Israel.

State Department spokesman Thomas Reston said that, on the basis of a careful check of records at the department and its United Nations mission, "we have determined that prior to Aug. 11 there was no account available in the State Department of Ambassador Young's meeting with Mr. Terzi on July 26."

Reston added, "There was information available on July 30 that on July 26 a suggestion was made that Ambassador Young meet with Mr. Terzi but that a meeting had been agreed upon."

Informed sources indicated that Young had been given access several days ago to the July 30 intelligence report. But the sources said that a reference

See YOUNG, A16, Col. 1



Israeli Prime Minister Begin, left, and U.S. special envoy Robert Strauss meet in Jerusalem to discuss the U.S. plan.

United Press International

## Strauss Finds Little Support of Middle East Plan

### Israelis Reject Proposal To Alter U.N. Resolution

By Edward Cody  
Washington Post Foreign Service

JERUSALEM, Aug. 19—Special U.S. envoy Robert Strauss said today he has found "very serious questions and reservations" in Egypt and Israel about an American proposal for a new U.N. resolution on the Middle East peace negotiations.

"I shall faithfully report these questions and reservations to the president and the secretary of state," Strauss said after a two-hour meeting here with Prime Minister Menachem Begin.

Earlier today the Israeli Cabinet rejected the U.S. proposal. Begin strongly suggested that he expects the Carter administration to go back on its announced intention to propose the new Security Council resolution, designed to draw Palestinians into the West Bank and Gaza autonomy talks among Israel, Egypt and the United States.

"I do believe that this difficulty will soon be removed as a result of reconsidering the problem by our American friends," he told reporters after the talks with Strauss.

Taken together, their remarks cast a negative pall on the U.S. initiative and raised questions about whether it might be abandoned. Israeli sources said Begin is counting on Strauss to persuade President Carter to abandon the plan, and the U.S. envoy's aides went out of their way to put distance between Strauss and the new U.S. proposal.

Strauss received final instructions on the initiative in an envelope handed to him only after he boarded his U.S. Air Force plane for the three-day trip to Israel and Egypt, sources in Strauss' party said. He opposed the idea when it was discussed earlier in Washington, they added, partly because he foresaw the vehement Israeli reaction.

Begin's Cabinet, which met for four hours earlier today, accused the United States of trying to renege on commitments to Israel under the Sinai withdrawal accord of 1975, the Camp David accords of last September and the Egyptian-Israeli peace treaty of March 26.

Henry Kissinger, then secretary of state, pledged as part of the 1975 accord that the United States would not recognize or negotiate with the Palestine Liberation Organization until it acknowledged Israel's right to exist. Israeli Cabinet sources reportedly with rare unanimity, apparently believes the U.S.

See MIDEAST, A16, Col. 5

## Stalemate in Ulster After Decade of Strife

By Leonard Downie Jr.  
Washington Post Foreign Service

LONDON, Aug. 18—Since last weekend, the streets of Northern Ireland and the newspapers and television screens of the rest of Britain have once again been full of sectarian marches and rallies, rioting, mass arrests, raids and disarming of bombs by security forces. It all marked a macabre anniversary.

Ten years ago this week, after several days of battle between rioting Catholics and equally violent Protestant police and reservists in Northern Ireland, an emergency British Army peacekeeping force was sent there "to help out the police for a few weeks."

Today, there are still 13,000 British

troops in Ulster. The decade of sectarian warfare has claimed the lives of 301 British soldiers, 222 Ulster police officers and reservists, and 1,413 civilian men, women and children. Nearly 21,000 people have been injured. Thousands of buildings have been damaged by 6,500 bombings.

The taxpayers of the rest of Britain have spent more than \$3 billion a day to support the troops and other security measures in Northern Ireland and to help its dying economy and jobless families with industrial subsidies and welfare payments.

Yet unemployment in Ulster is twice as high as in the rest of Britain, a quarter of the families live below Britain's official poverty line, and a third of the housing

is substandard. Furthermore, continuing economic stagnation in Britain and Prime Minister Margaret Thatcher's across-the-board government spending cuts are expected to make the economy of Northern Ireland even worse.

Despite generally efficient British rule, an overall lowering of the violence since the worst years in the mid 1970s and the eerie normalcy with which the majority of Ulster's Protestants and Catholics live among the soldiers, checkpoints, bombed-out building and shadowy danger of death, there is, as little optimism as ever about the future.

See ULSTER, A17, Col. 1

## Trappings of a Campaign

### Speechmaking, Handshaking, Baby-Kissing Intrigue President's Fellow Passengers

By Bill Peterson  
Washington Post Staff Writer

ABOARD THE DELTA QUEEN, Aug. 19—President Carter's vacation on the waters of the Mississippi is taking on all the trappings of a campaign trip.

During the last two days, he has made nine speeches with this stately old steamboat and the bluffs of the Mississippi as a backdrop. He has shaken thousands of hands. He has kissed at least a dozen babies. And he has had his picture taken with every one of the 150 passengers aboard this steamboat as it winds its way past Wisconsin, Wisconsin and Iowa—all early political states important for his renomination.

This morning Carter was up at 3, shaking hands, kissing babies, and talking to a group of people in a driving downpour.

"It's a campaign, no doubt about it," said one passenger, Dr. Valde Balzer, as he watched Carter leave the Delta

Queen with a drenched crowd at Lynnhaven, Wis. "I think it must be a terrific ego trip. He can't help but think people are for him."

Carter's 150 fellow passengers aboard the Delta Queen think it is a strange way to spend a vacation. They are both baffled and intrigued. They can't get over a president wearing jogging shoes and blue jeans. "He isn't getting much sleep," said Richard Dodge of New Hope, Minn. "But I think he's having a good time."

More than half of the boat passengers appear to be Republicans, solid Midwestern doctors, businessmen and retirees. Their average age is about 60. They aren't won over easily.

"He's so common it's hard for me to believe he's that important—which is to his credit," said Balzer, a Davenport, Iowa, physician, adding that he didn't think he'd vote for Carter in 1980. "I admire him and like him. But he hasn't impressed me."

The America that Carter is seeing is a beautiful slice of the nation's heartland. Majestic bluffs rise from the

See PRESIDENT, A8, Col. 1



Smiling faces greet President Carter as he makes his way into a crowd at Prairie du Chien, Wis.

Associated Press

## Khomeini Orders Offensive Against Kurdish Capital

By Chris de Kretser  
Special to The Washington Post

TEHRAN, Aug. 19—Ayatollah Ruhollah Khomeini ordered a general mobilization of Iran's security forces today to crush a rebellion in the Kurdish provincial capital of Sanandaj, but the governor general of the city said there was no revolt.

The state radio broke into its afternoon news bulletin to broadcast the mobilization order, which gave the nation's armed forces an hour to set up an air base and transport troops, police and Revolutionary Guards to Sanandaj.

The radio said the city's military garrison had been besieged, and that unless reinforcements reached Sanandaj within half an hour the Kurds would seize all the arms in the barracks.

By the governor of Kurdistan, Mohammed Rashid Shakiba, contacted by telephone in Sanandaj, said the radio reports were "a complete fabrication" and there was total calm in Sanandaj. "I wish Ayatollah Khomeini would contact me first to find out the true situation before he issues orders for a mobilization on the basis of lies," Shakiba said.

He said there had been a minor disturbance in the city today and it had not led to any violence.

"Three truckloads of Revolutionary Guards were disarmed and prevented from leaving Sanandaj by people in the city," he said.

Kurdish sources in Sanandaj agreed with the governor's statement that the city was calm.

The Kurdish Democratic Party, which the radio reported was laying siege to the garrison, said it had no knowledge of any such action.

The party, which has been fighting for autonomy for Iran's 4 million Kurds, was banned yesterday by Ayatollah Khomeini. It was accused by the government of being involved in a Kurdish rebellion in the town of Paveh that was quelled Saturday after Khomeini had ordered the armed forces to crush it within 24 hours.

The government also nullified the election of the party's secretary general, Abulrahman Qassemi, to the assembly of experts' assembly, a draft constitution that opened its work in Tehran today.

Khomeini yesterday called for banning the party, saying the party was "like poison to the health of the revolution."

"Their activities should be stopped, their publications banned and no trace of them should be left in the country," he said.

Eleven Kurds who were captured

See IRAN, A16, Col. 1

## Federal Loan Guarantees Arouse Economic Concern

By Bradley Graham  
Washington Post Staff Writer

The Carter administration's offer to rescue troubled Chrysler Corp. with federal loan guarantees spotlights one of the most important of all the federal government's activities: Its dominant role in borrowing and lending in America.

The government is now responsible for a fourth of the borrowing and a sixth of the lending in this country.

The most common form of involvement is loan guarantees, which is how the government helped Lockheed Corp. and New York City. But these are just the best known examples of federally backed loans.

The government co-signed \$1 of every \$12 in supposedly private loans made in the United States. All told, the government's guarantees added up to \$254 billion at the end of last year, about twice what the government had loaned directly.

Use of these loan guarantees is growing. The value of the guarantees last year was double what they were

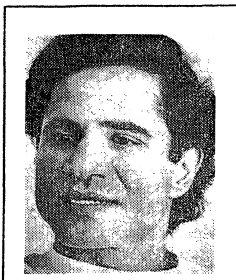
in 1970 and six times what they were in 1950. And much of the growth, according to one study, has been unplanned and uncontrolled.

Government officials regard the guaranteed loans as a free good, involving only negligible intervention in the economy and costing taxpayers little or nothing—just Uncle Sam's signature on a loan application promising to make the payments if the private borrower defaults.

But the guarantees, in fact, are not free, and their increasing popularity has prompted serious concern for their economic impact.

By co-signing tens of millions of dollars worth of special-interest loans each year, federal agencies distort relationships among potential borrowers. They help borrowers who are less credit-worthy move to the front of the lending line, while more credit-worthy ones, particularly small businesses and unaided home buyers, get forced to the rear.

See CREDIT, A12, Col. 1



### Sirhan Sirhan, 11 Years Later

On June 5, 1968, Sirhan Sirhan shot Robert Kennedy in a Los Angeles hotel. Eleven years later, Sirhan says he has made peace "with myself and with God." The first of a two-part interview begins on Page B1.

## Maryland Steel Plant Deaths Up Sixfold in Last 18 Months

By Saundra Saperstein  
Washington Post Staff Writer

BALTIMORE—James Anderson Jr. backed his 15-ton truck up to a slag pond filled with plant wastes and stopped just short of the edge. A helper signaled him forward, but the truck lurched back and plunged into the murky water, carrying Anderson to his death on March 13, 1978.

That was just the beginning. A month later a foreman was scalded to death in the tin mill. Then a man was yanked onto a giant spool of wire as it spun round and round in the steel plant.

There was death by heat stroke, by electrocution, and twice by carbon-monoxide poisoning. One man plunged to his death when a piece of sheet metal gave way, and another fell through an open manhole. A train struck a truck and killed yet another man.

The last week, a crane atop an 80-foot tower crashed to the ground like a felled tree, crushing the operator and a helper below.

"It has been an extraordinary pe-

riod, unprecedented," said Harvey Epstein, commissioner of Maryland's Division of Labor and Industry. "We've searched for a reason, tried to find a common thread through the deaths. But we have never found an answer."

Indeed, there is no pattern apparent in the 12 deaths at the Bethlehem Steel plant and shipyards, where 25,000 men and women work. The reddish-brown forest of pipes and ladders and gargantuan blast furnaces covers 3,000 acres on Sparrows Point, jutting into the Chesapeake Bay southeast of Baltimore.

Between 1975 and 1978, four workers were killed at the plant and shipyards run by Maryland's largest private employer.

That death rate, which workers had learned to expect as the risk one must take, has increased sixfold in the last 18 months.

After eight of the most recent deaths, federal or state officials investigating the accidents cited the com-

See STEEL, A14, Col. 1