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LEHIGH VALLEYS GREATEST NEWSPAPER

THE MORNING CALL

FOURTH

ALLENTOWN, PA. 18105, THURSDAY, OCTOBER 23, 1980

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Weather



Sunny, high in upper 50s today, fair tonight, low in mid-30s. Increasing cloudiness tomorrow, high around 60. Chance of rain near zero today. For details, see Page B12

20c

Likely conditions to free hostages

Return of the late Shah Mohammad Reza Pahlavi's stolen wealth.

'Unfreeing' of billions of dollars in Iranian assets held in U.S. banks.

Dropping of legal claims against Iran. Scores of U.S. firms have filed lawsuits seeking damages from the Iranian government for broken contracts, lost assets and other grievances.

A promise not to interfere in Iran's internal affairs.

Freedom for hostages Monday?

From Call new services

LONDON — Iranian leaders said yesterday the United States appears ready to meet their conditions for release of the 52 hostages, and the Americans could be freed as early as next Monday, reports from Tehran said.

The indications of progress from Tehran were not confirmed by U.S. officials in Washington, who reacted skeptically to some aspects of the reports.

Prime Minister Mohammad Ali Rajavi reportedly told a news conference in Tehran the Carter administration seems prepared to comply with the Iranian demands.

A member of the Iranian parliamentary commission studying the hostage issue said in the Iranian capital that the terms for the Americans' release probably would be announced Sunday, and if the conditions are met by the United States "the hostages could even be released the

following day," according to the reports reaching London.

Some of the reports named that official as commission chairman Moussavi Khomeini, the Moslem clergyman regarded as spiritual leader of the young militants holding the hostages.

Ali Akbar Parvareh, another member of the commission, later said there was a "great probability" the issue would be discussed by the Parliament on Sunday. He was reached in Tehran by telephone from the Associated Press office in Beirut, Lebanon.

Still later, the secretary to Ahmad Khomeini, son of Iranian leader Ayatollah Ruhollah Khomeini, even said the United States had already accepted Iran's conditions and the hostages would be released "soon."

It was not known whether the secretary, who also spoke by telephone with the AP Beirut office, had any special

access to information on the crisis.

The remarks left many questions unanswered, and U.S. officials in Washington emphasized the Iranian Parliament has not yet even announced what the conditions will be for the hostages' freedom.

But the reports added to a growing air of optimism about a possible resolution of the impasse in the days leading up to the U.S. presidential election Nov. 4.

Today is the 355th day of captivity for the Americans in Iran.

The British Broadcasting Corp. said Rajavi was reported to have told journalists the United States now appears ready to accept four conditions — set down by Khomeini — for the hostages' freedom:

Return of the late Shah Mohammad Reza Pahlavi's

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Bush likes to bask in local limelights

By JOYCE HOFFMANN Of The Morning Call

Tubby Lawrence was ready to go, ready to start tappin' a heat, his second of the day. And when that happens — when Tubby pours an ingot of molten white fiery metal from Bethlehem Steel's basic oxygen furnace — it's a real show.

Tubby was ready around 8 a.m., but he and a dozen other steelworkers in the furnace charging area got orders to wait. Some "big shots" were coming for a tour.

George Bush, the Republican vice presidential contender, was running 10 minutes late. Bush came to see and be seen at the furnace show, he wanted to watch 300 tons of molten iron and scrap steel poured into what one worker calls "the mouth of hell," to hear the roaring oxygen blast create steel and to see Tubby tip the furnace to pour a test ingot.

It was a spectacular scene: The candidate in a hard hat and goggles animatedly discussing the action with steel executives hovering nearby — all of them standing in a blinding glare with sparks and flames flying everywhere.

It was an unparalleled photo opportunity, just the way the Bush campaign team planned it. But it was an opportunity that won't be picked up by the national media. In this high profile, wide angle visibility presidential campaign, television networks are ignoring the vice presidential contenders.

Bush hasn't made Walter Cronkite since Aug. 23, when he touched down in

Tokyo during his Chinese tour. That was the time he and his running mate, Ronald Reagan, apparently disagreed on what U.S. relations with Taiwan should be. His press secretary is convinced the network crews are along for the ride only to catch such a campaign trail gaffe, something that might tip the scales in this very close race.

"A screw-up," says Bush Press Secretary Pete Twelvetree, "is the only way we'll make the nightly news."

So the Bush campaign is geared to the hometown media, where he invariably gets front-page exposure with events like yesterday's 45-minute furnace tour and the handshaking stops that preceded it.

"Yes, there is a lot of show biz and emphasis on camera opportunities," Bush concedes. "But if you have any intellectual curiosity at all, it's an opportunity to learn. It's also an opportunity to preach the Republican gospel to a varied congregation of the political faithful."

Appearances like the one at Bethlehem Steel — now operating at 69 percent capacity — give Bush the opportunity to blast Carter's economic policies and promise improvements under a Republican administration.

What better setting than the furnace building to criticize the President's recently announced steel bail-out plan as a carbon copy of earlier Reagan proposals? Here he can offer a sympathetic ear to steel company executives who feel harassed by Environmental Protection Agency regulations, and

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George Bush talks to Fred Harvey (right) and other Bethlehem Steel executives after steel-pouring operation.

Photography by FEL TOULOMEIS

Stubborn Canadian makes Soviets pay

By ANDREW H. MALCOLM Of The New York Times

TORONTO — When the Soviet freighter Stanislavsky tied up here with a load of tractors the other day, Capt. Yuri Sarin ordered the ship's red carpet rolled out when he saw a crowd of officials, police officers and reporters waiting on the pier. That was the Russians' second mistake.

The first mistake occurred back in 1967 when the Soviet Embassy in Canada failed to pay Wallace Edwards for a \$25,000 printing job it had commissioned. With a stubbornness, persistence and single-mindedness that has added a whole new dimension to Soviet-Canadian relations, Edwards spent the next 13 years trying to force a foreign government to pay its bill. "No one," says Edwards, "not even some big-shot foreign government, should be above our laws."

By having the \$13-million Soviet ship seized as a legal hostage, Edwards has now succeeded in getting his money plus \$10,000 interest. Not only that but yesterday as part of his settlement, Edwards forced the Russians to pay for a hotel meeting room, a case of vodka and an ample supply of Russian caviar so that he could toast himself before the press — and give the Russians a satisfying taste of eating some caviar.

According to some officials, the Edwards Affair has even prompted some serious rethinking of Canada's views toward the sovereign immunity of foreign embassies here, raising the possibility that at some future date deals with financial grievances against foreign courts — such as authors denied rightful royalties, may

have a strong new legal weapon. But yesterday belonged to a triumphant Edwards, a 54-year-old printing executive who demanded that his settlement be paid in 38,000 \$1 Canadian bills, stacked on a table before three armed guards in the Auditor Room of the Royal York Hotel here. "I've touched them all," he said, "and I've even ripped one. You've got to have a little fun in life."

Edwards's legal campaign, which he feels was waged as much against Canadian bureaucracy and a national reluctance to seek confrontations, began in 1967. That year the Soviet Embassy ordered \$28,000 worth of magazines printed by Edwards's William Press to sell at the Soviet exhibition at Expo '67 in Montreal.

But when the time came to pay the bill, a Russian whom Edwards identifies simply as Vladimir Grigoryevich, refused. "That really hurt my dignity," Edwards said in an interview. He was even further annoyed when the Russian, after his return to Moscow, kept sending him Christmas cards saying, "Peace on Earth."

In Ottawa, the Soviet Embassy continued to refuse payment. And Canadian officials, including some at the Department of External Affairs, declined to help. "They told me the Russians had immunity," Edwards said. "I asked them what kind of immunity I'd have if I went to Moscow and violated some of their laws. No immunity, you can be sure."

So Edwards went to court. He thought about trying to impound the skates of the Russian hockey team or

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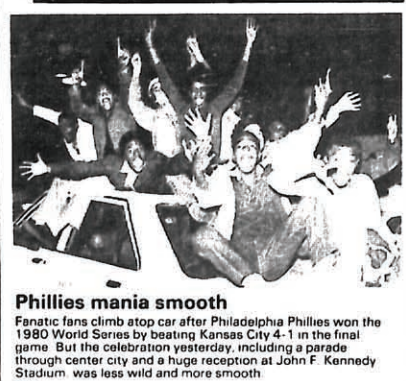
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Election '80

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✓ Carter's 'honey badger' trait has Reagan scrambling to regain campaign initiative. A18



Phillies mania smooth

Fanatic fans climb atop car after Philadelphia Phillies won the 1980 World Series by beating Kansas City 4-1 in the final game. But the celebration yesterday, including a parade through center city and a huge reception at John F. Kennedy Stadium, was less wild and more smooth.

C1

Former CIA agent implicated in two Soviet spy plots

By PHILIP TAUBMAN Of The New York Times

WASHINGTON — A former American intelligence agent, under investigation for attempting to infiltrate the Senate Select Committee on Intelligence as a spy for the Soviet Union, also tried to secure a job with the House Intelligence Committee, congressional officials said yesterday.

The Central Intelligence Agency agent, identified as David H. Barnett, applied for a job with the House committee in 1977, according to committee officials. They said his application was routinely filed and that Barnett was not considered for employment.

The Justice Department believes that Barnett, in exchange for nearly \$100,000 from the KGB, the Soviet intelligence service, tried to get a job with the Senate committee to gain access to the highly sensitive government intelligence information available to committee staff members.

Sen Strom Thurmond, R-S.C., the ranking minority member of the Judiciary Committee, charged that the CIA "resisted" prosecution of Barnett for a year or longer. He also accused Attorney General Benjamin R. Civiletti of "yielding" to pressure from the intelligence agency to delay action on the case.

Thurmond's charges echoed similar allegations made in private in recent days by Republican politicians and officials which appeared directed at

using the Barnett case to embarrass the Carter administration in the final days of the presidential election campaign.

Federal law enforcement officials have acknowledged that the CIA was reluctant to prosecute Barnett because agency officials hoped to turn him into a triple agent. Failing that, the intelligence agency, according to these sources, hoped that the Barnett matter could be handled without public disclosure through court action.

Barnett could not be reached for comment. Federal officials said that his case could be resolved by the end of the week. They said a federal grand jury in Baltimore has been considering the case.

Friends and former associates of Barnett yesterday provided additional details about his career with the CIA and the financial difficulties which federal officials said may have led Barnett to accept money from the KGB.

According to these friends, Barnett worked for the CIA in Surabaya, Indonesia, in the 1960s, serving as a covert agent. In 1969, he returned to Washington, apparently retired from the intelligence agency, and took a job as a school teacher in Pennsylvania.

Then, in the early 1970s, he and his family returned to Surabaya where Barnett tried to establish an import-export business handling handicrafts.

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Original Run, Artus Sat., Oct. 25 Jewish Community Center

Great Eastern U.S. Fall Antique Show Tomorrow thru Sunday Ag. Hall Altan Fairgrounds

Chopped Beebees & McChicken Phila. Eagles/Glasses at McDonald's

Ann Ar Soup Bowl—New Hours Nov. 11-12 thru Sat. 11-12-9 Open Thu-Sat 11-12-9

Legal Services—Atty. R.G. Burchill Unconstituted Divorce—434-2301