

"All the News
 That's Fit to Print"

The New York Times

LATE CITY EDITION

U. S. Weather Bureau Report (Page 74) forecasts:
 Sunny then cloudy late today. Cloudy
 with rain tonight and tomorrow.
 Temp. Range: 46-33; yesterday: 43-34.

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TEN CENTS

ECONOMIC GROWTH IN SOVIET LAGGING, C. I. A. STUDY FINDS

Agency Reports Rise of 2.5%
 a Year, Well Below the
 U.S. Development Rate

GOLD RESERVE FALLING

Slowdown Laid to Setback
 in Farming and Shift
 of Investment Plans

By EDWIN L. DALE JR.
 Special to The New York Times
 WASHINGTON, Jan. 7—An
 exhaustive analysis by the Cen-
 tral Intelligence Agency has
 concluded that the Soviet
 Union's economic growth in the
 last two years has been less
 than 2.5 per cent annually, well
 under the rate of the United
 States.

In addition, the C.I.A. has
 concluded that Soviet gold re-
 serves have fallen to less than
 \$2 billion, far below estimates
 made elsewhere. These con-
 clusions have been made public
 by the agency.
 The C.I.A. put the value of
 the Soviet gross national prod-
 uct, or total output of goods
 and services, last year at about
 \$260 billion, slightly less than
 half that of the United States.

At the recent growth rates,
 the United States is widening
 the gap between the gross na-
 tional products each year, and
 this widening is expected to
 continue.

Agency Analyzes Data
 The Central Intelligence
 Agency has virtually exclusive
 responsibility in the United
 States Government for evaluat-
 ing the Soviet economy. Sev-
 eral hundred economists and
 other analysts work full time
 on the question. They primarily
 use published sources, which are
 now numerous, but the informa-
 tion is supplemented by some
 data obtained clandestinely.

Like many other analysts, the
 C.I.A. experts concluded that
 Soviet economic growth in the
 postwar period was rapid until
 the last few years. While the
 rate varied from year to year,
 it was usually between 6 and 10
 per cent, well above the United
 States average of 2.5 to 3.5 per
 cent.

In the last three years, partly
 as a result of a surge in 1961
 following a recession, the Uni-
 ted States growth rate has aver-
 aged about 5 per cent. The of-
 ficial estimate for the next year
 is also 5 per cent.

For the future, the C.I.A. anal-
 ysts expect that the Soviet
 Union will be able to improve
 upon the poor performance of
 1962 and 1963.

However, they do not believe
 Continued on Page 2, Column 2

PARIS SEES SHIFT BY U.S. ON ALLIES

Pompidou Says They Now
 Are Accepted as Equals

By DREW MIDDLETON
 Special to The New York Times
 PARIS, Jan. 7—Premier
 Georges Pompidou asserted to-
 night that the United States
 now accepted France's position
 that Europeans had an equal
 right to make themselves heard
 in the Atlantic alliance.

France, Premier Pompidou
 declared, intends to break new
 ground in her trading relations
 with the Soviet Union. He fore-
 cast an increase in French ex-
 ports to the Soviet Union after
 the visit there this spring of
 Valery Giscard d'Estaing, the
 Minister of Finance.

The Government will decide
 its attitude on trade with the
 Soviet Union and this "will not
 be negative," Mr. Pompidou
 said.

This evidence of France's in-
 tention to increase trade with
 the Communists was part of the
 Premier's assessment of his
 country's economy. He said that
 France was in the position to
 make loans to several countries
 to increase her exports and that
 the Soviet Union was one of
 these countries in which the
 Government believed French
 sales could be augmented.

Speaking to newsmen, the
 Premier declared that the dif-
 ferences between the United
 States and President de Gaulle's
 Government could be allayed by
 understanding on both sides of
 Continued on Page 3, Column 4

Soviet Calls for Fewer Controls in Cultural Exchanges as Talks Open



Ambassador Foy D. Kohler, back to camera, with Sergei K. Romanovsky, right, at table, chairman of the Soviet State Committee for Cultural Relations With Foreign Countries, and other members of panel, at Moscow meeting yesterday.

By THEODORE SHABAD
 Special to The New York Times

MOSCOW, Jan. 7—The So-
 viet Union urged today that
 a new cultural exchange
 agreement with the United
 States allow for direct con-
 tacts between nongovernmen-

tal organizations without
 State Department control. In
 a formal statement at the
 opening of negotiations for a
 two-year extension of the ac-
 cord, the chief Soviet repre-
 sentative said that Wash-
 ington's insistence on such con-

trol "would be a step back-
 ward in the development of
 our relations." American Am-
 bassador Foy D. Kohler re-
 ported in his introductory re-
 marks: "We are satisfied that
 these basic procedures facili-
 tate our mutual efforts and

see no reason to change
 them." Both sides thus pre-
 sented their initial positions
 as about a dozen delegates
 from each country met in the
 conference room of the State
 Continued on Page 2, Column 5

British Sell Buses to Cuba, Defying U.S. Trade Curb

By United Press International
 HAVANA, Jan. 7—The British challenged the United States economic blockade of Cuba today with a multimillion-dollar sale of 450 buses

to the Government of Premier Fidel Castro. The deal, announced simultaneously in Havana and London, includes spare parts. A five-year credit was extended.

Fifty of the buses are of the interurban type. Their price was not disclosed. The others will cost \$11.2 million, and spare parts \$1 million more. The British gave Cuba an option to buy 1,000 more buses at a cost estimated at \$20 million between 1965 and 1968.

The sale was criticized by the State Department as not helpful to United States efforts to isolate the Cuban regime. United Press International reported from Washington.

The British agreed to receive and train six Cuban technicians in maintenance methods.

The Leyland Motor Corporation, Britain's largest manufacturer of heavy vehicles, assumed responsibility for delivery of the buses and spare parts. Leyland also undertook to establish an office and repair shops in Cuba. Because of the pinch of the continued on Page 11, Column 3

CYPRIOTES AGREE TO REOPEN ROADS

Extension of Cease-Fire to
 Begin Today—British Aid
 in Successful Talks

By LAWRENCE FELLOWS
 Special to The New York Times

NICOSIA, Cyprus, Jan. 7—Sir Arthur Clark, the British High Commissioner in Cyprus, announced agreement today on the gradual removal of roadblocks and armed posts of the Greek and Turkish Cypriote communities on the island.

The disengagement, an extension of the tenuous cease-fire, is scheduled to begin at 6 A.M. tomorrow and to be nearly completed by Friday.

Agreement was reached after almost continuous negotiation through two days and nights by a political liaison committee. The committee consists of Sir Alfred, the Greek and Turkish Ambassadors and representatives of the Greek and Turkish communities on Cyprus.

It was learned on good authority that the Greek Cypriotes, because of their more commanding positions and because they outnumber Turkish Cypriotes four to one, will make the first move in expressing good intentions.

STATE G.O.P. BACKS ROCKEFELLER DRIVE

Committee Endorses His Bid
 in a Surprise Action

By JOHN SIBLEY
 Special to The New York Times

ALBANY, Jan. 7—The Republican State Committee gave endorsement by acclamation today to Governor Rockefeller's bid for the party's Presidential nomination.

The move came unexpectedly at a meeting of about half of the state's 300 Republican committeemen, a luncheon session that had been billed as a strictly social gathering on the eve of the opening of the 1964 Legislature. State Chairman Fred A. Young had said yesterday that no important business would be brought up.

Mr. Rockefeller, meanwhile, announced the selection of William L. Pfeiffer, treasurer of the State Committee, to be deputy director of his campaign for the nomination. Mr. Pfeiffer was manager of the Governor's campaign for re-election in 1962. In his new assignment he will handle the financial problems of the campaign as an assistant to John A. Wells, the national campaign director. The State Committee endorsement, put forward by Gordon Howe of Monroe County, was apparently intended to demonstrate solid home-state support for Mr. Rockefeller as the campaign for the March 10 New Hampshire primary accelerates. A standing ovation that Continued on Page 27, Column 7

NEW AID BUDGET EXPECTED TO CALL FOR \$3.4 BILLION

Estimate Reflects Reduction
 in Agency Personnel and
 a 'Tightened' Program

By FELIX BELAIR JR.
 Special to The New York Times

WASHINGTON, Jan. 7—A \$3.4 billion foreign aid budget, about \$1.5 billion less than President Kennedy proposed a year ago, has been prepared by the Agency for International Development for submission to Congress later this month.

The estimate, for the fiscal year beginning next July 1, reflects a greatly "tightened" program and a proposed reduction of more than 700 administrative employees in the next 18 months. About 200 of these will be dropped from the Washington aid agency staff in the next six months.

The essential features of the new program became known as President Johnson signed the \$3 billion compromise appropriation bill for the current fiscal year. It gives him discretionary authority to guarantee private financing of surplus United States wheat shipments to the Soviet Union.

White House Hints Shriver Could Fill 2d Place on Ticket

By ANTHONY LEWIS
 Special to The New York Times

WASHINGTON, Jan. 7—President Johnson is floating a trial balloon for Sargent Shriver as the Democratic candidate for Vice President next fall.

White House aides have been telling visitors that Mr. Shriver would be an ideal choice. The President has given him a number of special assignments, most recently the delivery of a letter to Pope Paul VI in Nazareth.

Then, last night, Mr. Johnson used a most unusual occasion to praise Mr. Shriver. He was talking to half a dozen women reporters at a White House social affair. After some remarks about the Pope he suddenly said:

"I regard Sargent Shriver as one of the most brilliant, most able and most competent officials in the Government. I regard him as my real confidant."

Appeals for Party Unity

Arrangements had been made for slightly more than 200 persons, but 431 dinners were served. Senator Goldwater pleaded for party unity and counseled against a primary contest "so embittered as to tear the party apart in the final campaign."

[In Washington, Gov. George Romney of Michigan said he was not actively seeking the Republican Presidential nomination but would not turn away from the opportunity if it were presented to him.]

Governor Rockefeller spent two days in New Hampshire last week. He will return Thurs-

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Wagner Preparing Attack on Poverty

By CHARLES G. BENNETT
 Mayor Wagner announced yesterday that he was working on both short-range and long-range programs to attack poverty "in its many local manifestations."

The Mayor hailed the announced intention of President Johnson to appoint a coordinator of a drive on poverty and disclosed that he had discussed this subject with President Johnson on his recent visit to Washington.

The programs to be developed by the city, Mr. Wagner said, "might very well fit in with and, indeed, be helpful in providing a pattern for the Federal Government for the consideration of whatever Federal official is put in charge of this monumental and crucial undertaking at a

Continued on Page 28, Column 2

ALBANY SESSION CONVENES TODAY

Governor Will Address Joint
 Meeting—Fight Foreseen
 on Train-Crew Law

By DOUGLAS DALES
 Special to The New York Times

ALBANY, Jan. 7—From Niagara to Suffolk the 150 Assemblymen and 58 Senators of the New York Legislature moved in on the state capital today for an election-year session of law-making.

At noon tomorrow the rap of gavels will echo through the high-ceilinged chambers and the 187th session will begin. The political line-up of the Senate will be 33 Republicans and 25 Democrats; of the Assembly, 85 Republicans and 65 Democrats.

Soon after convening, the Senators will go two by two to the Assembly chamber, where at 1 P.M. Governor Rockefeller will begin reading his sixth annual message, recounting his achievements and recommending new action.

Assembly Speaker Joseph F. Carlino was host this afternoon at a cocktail party for the Republican members of his house. Tonight the Republican Senators gathered for their traditional dinner.

Session Discussed

Governor Rockefeller attended both of these functions. He also attended, with Mrs. Rockefeller, a luncheon of the Republican State Committee.

At the Governor's invitation, Mr. Carlino and Walter J. Mahoney, the Senate majority leader, met separately with Mr. Rockefeller this afternoon to discuss the coming session.

For both the Governor and the legislators, who will be up for re-election this fall, the emphasis will be on politics, and actions are likely to be influenced by what pleases the voters.

Because the state is strapped for cash, there will be little chance for controversy over the disposition of surplus funds.

Possibly the most controversial issue the Legislature will have to face is the Governor's recommendation for immediate repeal of the 50-year-old full-

Continued on Page 34, Column 2

CONGRESS MEETS; TAX-CUT BILL PUT AT TOP OF AGENDA

Leaders Place It Ahead of
 Civil Rights After They
 Confer With Johnson

AGED CARE HIGH ON LIST

Opening Sessions Brief—
 President Speaks Today
 on State of the Union

By JOHN D. MORRIS
 Special to The New York Times

WASHINGTON, Jan. 7—The 88th Congress convened for its second session today with tax reduction at the top of a heavy legislative agenda.

Democratic leaders reported after a pre-session White House conference with President Johnson that the \$11 billion tax-cut bill would have first priority in the Senate. The measure was passed by the House Sept. 25 and is now before the Senate Finance Committee.

The civil rights bill, awaiting House consideration, is still designated as equally important, and the Administration is determined to steer it through Congress well before the end of the session.

Leaders explained, however, that the logistics of the legislative situation dictated a decision to speed the tax bill to the White House ahead of civil rights.

Health care for the aged under Social Security will also have a favored place on the Administration's priority list, possibly immediately below tax reduction and civil rights. This and other measures to reduce poverty and unemployment are expected to be vigorously pressed by President Johnson.

Joint Session Today

The Senate and House held brief routine meetings today as members awaited the President's appearance before a joint session at 12:30 P.M. tomorrow to deliver his first State of the Union Message.

The message will stress the tax cut, civil rights and a war on poverty.

Two other annual messages will be submitted this month. The Economic Message is scheduled for Jan. 20. Details of legislative proposals not already provided by President Kennedy will be given in subsequent special messages.

The State of the Union Message is the only one likely to involve a personal appearance by the President. The others will be read to the Senate and House by clerks, unless Mr.

Continued on Page 26, Column 2

SCHOOL BOYCOTT DIVIDES NEGROES

Wilkins's View Is Criticized
 by Rights Leaders Here

By FRED FOWLEDGE

A split developed yesterday among civil rights leaders over the position taken on school boycotts by Roy Wilkins, executive secretary of the National Association for the Advancement of Colored People.

Several of Mr. Wilkins's fellow civil rights workers were openly critical of him for withholding his complete endorsement of the projected boycott here Feb. 3. Their criticism was interpreted as part of a continuing controversy over the militancy that has characterized the civil rights movement.

Although the situation was described by Mr. Wilkins's critics as a "split," other observers noted that the differences were likely to be resolved. Herebefore, when the integration movement has been threatened by a major split, its proponents have always managed to effect an image of unity.

Mr. Wilkins, meantime, sought to clarify his position by saying that the national organization would aid local groups when they decided that a boycott was needed.

What brought on the criticism of the 62-year-old leader was his statement Monday that the national N.A.A.C.P. office did not approve indiscriminate boycotting.

It was inferred by other civil Continued on Page 28, Column 6

Goldwater Goes to New Hampshire and Romney Speaks in Washington



Barry Goldwater, aspirant for the Republican Presidential nomination, with the widow of Senator Styles Bridges in East Concord. She holds dog. Senator Goldwater opened primary campaign.

George Romney, left, with Leonard W. Hall, former Republican National Chairman. Mr. Romney hinted he would accept if nominated.

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