NASSER RESIGNS, ASSUMES RESPONSIBILITY FOR U.A.R SETBACK

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FOR THE PEOPLE OF AMERICAN SAMOA.

CAIRO (UPI) -- The kingpin of the Arab world, Gamal Abdel Nasser, has resigned as President of the United Arab Republic.

In making stunning announcement, the 19-year-old Nasher teld the Nation he was assuming full responsibility for the grave setback suffered by Egyptian forces on the battlefield.

His resignation was broadcast nationwide on television and radio and within minutes after the announcement demonstrations broke out all over blacked-out Cairo.

"We want Nasser. We want Nasser," the crowds shouted, calling on Nasser not to resign.

Men and women wept in the streets as they heard the news.

Looking haggard, Nasser repeated charges that the United States and Britain had actively assisted Israel in the Middle East War. He claimed as he had earlier, there was "no doubt" that aircraft from U.S. and British carriers in the Mediterranean had taken part in the lightning war.

Nasser, whose government accepted a U.S. ceasefire call yesterday after suffering staggering losses in the Sinai desert, said he "could not hide the fact that Egypt had suffered a grave setback."

"We must admit there has been a relapse, a crisis facing the nation today," Nasser told his people.

He went on: "I am ready to bear the full and entire responsibility. Therefore I have taken a decision."

It was at this point that he said he was resigning.

Nasser, who came to power in a 1954 coup, suggested in his speech that UAR Vice President Zakaria Mohieddin replaces him in the presidency.

On the peace front, the U.N. Security Council has unanimously approved a resolution calling for a new ceasefire in the Mideast War.

The U.N. went into an emergency session as fighting flared in two areas.

Secretary General U Thant reported that Israeli planes raided Damascus this morning. Thant quoted Lieutenant General Odd Bull, Chief of the U.N. Truce Supervision Organization, in saying that the Syrian capital was having an air aid.

Thant also said some 200 Israeli planes were active this morning north of the Sea of Galilee.

Damascus Radio said Israel invaded Syria along the 48-mile frontier today. Israel denied the accusation, but said its troops had silenced guns on the Syrian side of the border following a massive Syrian attack.

Earlier, Israeli armor was reported to have smashed a counterattack by Egyptian tanks trying to break out of encirclement in the Sinai desert near the Suez Canal City of Ismailia. Peace was restored two-and-one-half hours later.

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Nasser Resigns, Assumes Responsibility For U.A.R Setback (cont'd)

Syria called for the urgent meeting of the U.N. Security Council.

The Israeli-Syrian fighting was reported in the area above the Sea of Galilee and all indications were that a large scale battle was underway involving planes, tanks, infantry and artillery.

Damascus Radio was claiming "heavy human and material losses" by the invading Israeli

armies and urging the Syrians to fight on.

Israel was sparse with its reports on the action. It said Syrian artillery had shelled several towns and villages in the border region 18 miles north of the Sea of Galilee. Reports said Israel retaliated with "counter measure."

Meanwhile, the reply to the U.N. peace call was in rapid succession, Syria, then Israel, accepted the latest U.N. call for an immediate ceasefire in resurgent fighting between the two nations.

In joining Syria, Israel said it would accept the ceasefire on the grounds Syria did likewise. As it did, Israeli forces were reported deep in Syrian territory. And in Jerusalem, well-informed Israeli military sources said Israeli troops had reached the outskirts of Damascus.

" Syria accepted the ceasefire demand 24 hours after Egypt admitted defeat at the hands of the Israelis.

At that time, Israeli troops were officially known to be 15 miles inside Syria and only 40 miles south of Damascus. A U.N. report, read to the Security Council by Secretary General U Thant, said Damascus had been bombed earlier by Israeli planes.

Israeli planes were reported to have used napalm on another area of Syria.

Israel insisted that Syria launched attacks on at least 16 villages along the 48-mile border.

In Amman, Jordan, authorities released the first major casualty report by any side in the war. They claimed that 15,000 troops and civilians were killed in the fighting with Israel.

The death toll could reach 31 American sailors in Israel's attack yesterday on a U.S. Navy communications ship in the Mediterranean, 15 miles off the Sinai Peninsula.

The Pentagon, which had earlier reported 10 dead, upped the figure to a possible 31 when it was learned that nine men were killed outright and another 22 are listed as missing.

The revised casualty list was released a short time after the Defense Department said Israeli planes and ships attacked the USS Liberty in two separate raids.

Of the 75 men wounded in the incident, the Pentagon said, 15 seriously wounded have been transferred to the carrier America for better medical care.

The missing sailors are believed trapped in the forward compartments of the ship.

MANSFIELD URGES RE-SHUFFLING OF U.S. ARMS AID PROGRAM

WASHINGTON (UPI) -- Senate Democratic leader Mike Mansfield has taken the occasion of the Mideast War to call for a thorough overhaul in the U.S. Arms Aid Program. The Montana Democrat said both the U.S. and the Soviet Union should sharply cut their export of arms.

Mansfield told newsmen today that he believes the U.N. Security Council "cannot work effectively unless the two great powers work in concert."

Mansfield hopes the U.S. Soviet dialogue involving the U.N. cease-fire resolutions can continue through a Mideast peace settlement and then on to "consideration of the Viet Nam difficulties."