



International Press Service

Daily News and Press Summaries

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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE
LATE EVENING NEWS
AUGUST 18, 1975

I. DAILY PRIORITIES

PSP BANK WORKERS COMPLAIN OF BEING ATTACKED BY FASCISTS

AUG. 18 (IPS) — THE PORTUGUESE SOCIALIST PARTY (PSP) LOCAL IN BOMBARRAL, A TOWN NEAR THE CATHOLIC-FASCIST CITY OF BRAGA, HAS ISSUED A STATEMENT DENOUNCING THE EFFORTS OF A GROUP OF REACTIONARIES TO FIRE PSP BANK WORKERS, STATED TODAY'S O SEculo. THE STATEMENT ISSUED BY THE PSP LOCAL STRESSED THAT "CONTRARY TO RUMORS," THE WORKERS ARE SOCIALISTS, NOT COMMUNISTS.

IN BRAGA, WORKERS CONDEMN LOCAL FASCISTS AND MILITARY

AUG. 18 (IPS) — THE WORKERS AND LEADERS OF THE TRADE UNIONS OF BRAGA, NORTHERN PORTUGAL, HAVE JUST ISSUED A DENUNCIATION, REPORTED IN TODAY'S O SEculo, OF THE FASCIST VIOLENCE IN THE CITY LED BY THE CITY'S ARCHBISHOP. ALSO DENOUNCED WAS THE COMPLICITY OF THE LOCAL INFANTRY REGIMENT, THE POLICE, AND NATIONAL GUARD FORCES. THE WORKERS REMINDED THE SOLDIERS THAT THEY ARE "BROTHER WORKERS" TO THE TRADE UNIONISTS. THE ASSEMBLY AT WHICH THESE MEASURES WERE PASSED ALSO CALLED FOR SOLIDARITY WITH THE NATIONAL CAMPAIGN TO RECONSTRUCT THE HEADQUARTERS AND OTHER BUILDINGS DESTROYED BY THE FASCISTS.

WEST GERMAN PRESS ATTACKS PRAVDA

WIESBADEN, BRD, AUG. 18 (IPS) — TODAY'S ISSUES OF DER SPIEGEL MAGAZINE, FRANKFURTER ALLGEMEINE ZEITUNG, AND THE SWISS NEUE ZUERCHER ZEITUNG ALL ATTACK THE ARTICLE BY SODOROW ON LENINIST REVOLUTIONARY STRATEGY WHICH APPEARED IN PRAVDA AUG. 6. DER SPIEGEL ATTEMPTS TO USE LENIN'S PRE-1917 "STAGES THEORY" TO DISCOUNT THE ARTICLE'S SIGNIFICANCE, WHILE THE "NZZ" ASSERTS THAT THE ARTICLE IS NOT LENINISM AT ALL, BUT RATHER "NEO-STALINISM."

BRANDT REPLIES TO SED EXPOSE

WIESBADEN, BRD, AUG. 18 (IPS) — SOCIAL DEMOCRATIC PARTY CHAIRMAN WILLY BRANDT HAS DESCRIBED AS "ABSURD" THE (EAST GERMAN) SOCIALIST UNITY PARTY'S (SED) FRONTAL ATTACK AGAINST HIM AS A "COUNTERREVOLUTIONARY," THE FRANKFURTER ALLGEMEINE ZEITUNG REPORTED TODAY. REPLYING TO THE SED'S ACCUSATION OF HIS "INTERFERENCE" IN PORTUGAL THROUGH HIS ALLY AND CREATION, PSP HEAD MARIO SOARES, BRANDT COULD ONLY MAINTAIN THAT IT IS THE SED WHICH IS REALLY INTERFERING IN PORTUGUESE DOMESTIC AFFAIRS.

(MORE)

TURKISH INDUSTRIALIST DEMANDS FOREIGN CAPITAL INVESTMENT

AUG. 18 (IPS) -- THE CHAIRMAN OF THE TURKISH FEDERATION OF THE CHAMBERS OF INDUSTRY, SAKIP SABANCI, DECLARED IN A PRESS CONFERENCE LAST WEEK THAT WITH APPROXIMATELY \$2 BILLION FOREIGN TRADE DEFICIT, "TURKEY FACES THE GRAVEST AND MOST SERIOUS FOREIGN TRADE DEFICIT IN ITS HISTORY." HE SAID THAT THE SITUATION MUST BE TAKEN AS A "WARNING" BY EVERYONE. SABANCI, ONE OF THE MOST INFLUENTIAL CAPITALISTS IN TURKEY, ATTACKED THE COMMON MARKET FOR SABOTAGING TURKEY'S EXPORTS, WHICH ARE "ALMOST ZERO," WHILE IMPORTS ARE UP TO \$5 BILLION. STRESSING THE NECESSITY OF REVIEWING ALL BILATERAL AND MULTILATERAL TRADE AGREEMENTS AND RELATIONS, SABANCI CALLED FOR INCREASED EMPLOYMENT AND PRODUCTION BASED ON INCREASED FOREIGN CAPITAL INVESTMENT, ACCORDING TO CUMHURIYET OF AUGUST 13.

EGYPTIAN LEFTIST ATTACKS REPRESSION OF EGYPTIAN COMMUNIST PARTY

AUG. 18 (IPS) -- WARNING EGYPTIAN PREMIER SADAT AGAINST ATTEMPTS TO REPRESS THE NEWLY RECONSTITUTED EGYPTIAN COMMUNIST PARTY, ABDUL-AL-SHARKEWI, CHAIRMAN OF THE BOARD OF THE EGYPTIAN LEFTIST WEEKLY, ROSE EL-YOUSSEF STATES THAT THE REPRESSION COULD "TRIGGER A CIVIL WAR WITHOUT QUESTION IF WE DO NOT BLOCK IT DECISIVELY."

WHAT IS IMMEDIATELY REQUIRED, STATES AL-SHARKEWI, IS THE UNITY OF THE LEFT: "ALL FACTIONS OF SOCIALISM (SHOULD) STAND SIDE BY SIDE NEXT TO THE SCIENTIFIC SOCIALISTS, THE MARXISTS AND COMMUNISTS..."

AL-SHARKEWI'S ARTICLE APPEARED ON AUG. 4, AT THE TIME OF THE RECONSTITUTION OF THE COMMUNIST PARTY OF EGYPT AND IS AIMED AT RIGHT-WING ELEMENTS WITHIN EGYPT'S ARAB SOCIALIST UNION WHO ARE EAGER TO PURGE THE LEFT AND REINFORCE CAPITALIST TENDENCIES IN EGYPT.

AMBASSADOR PROPOSES SOVIET AID TO VENEZUELA'S DEVELOPMENT

AUG. 18 (IPS) -- THE SOVIET UNION IS "WILLING AND READY TO COOPERATE WITH VENEZUELA IN THE DEVELOPMENT OF ITS NATIONALIZED OIL INDUSTRY, AS WELL AS IN OTHER FIELDS OF ECONOMIC ACTIVITY," DECLARED THE SOVIET AMBASSADOR TO CARACAS IN A PRESS CONFERENCE LAST WEEK. THE CARACAS DAILY EL NACIONAL REPORTS THAT THE ENVOY SITUATED THE OFFER IN THE CONTEXT OF EXPANDING SOVIET TRADE RELATIONS WITH LATIN AMERICA AND WESTERN EUROPE, AND PROPOSED SOVIET TECHNOLOGICAL ASSISTANCE AS WELL FOR OTHER "PRIORITIES THAT VENEZUELA REQUIRES IN THESE TIMES."

VENEZUELAN TECHNICIANS COULD EITHER BE TRAINED IN THE SOVIET UNION, EXPLAINED AMBASSADOR VLADIMIR KAZIMIROV, OR THE SOVIETS CAN SET UP A TECHNOLOGICAL INSTITUTE IN VENEZUELA WITH SOVIET EXPERTS.

"THE DOLLAR COULD DEVALUE, BUT NOT THE PESO": ECHEVERRIA

MEXICO CITY, AUG. 18 (IPS) -- MEXICAN PRESIDENT LUIS ECHEVERRIA MADE A DEFINITIVE STATEMENT IN RESPONSE TO RECENT RUMORS THAT THE MEXICAN PESO WOULD BE DEVALUED: "THE DOLLAR COULD DEVALUE, BUT NOT THE PESO." ECHEVERRIA, WHO MADE THE STATEMENT SHORTLY BEFORE LEAVING

(MORE)

8.18 LATE IPS/3

TRINIDAD FOR CUBA, NOTED THAT "LACKING MORE CONSTRUCTIVE DISCUSSION THEMES, IT'S THE CUSTOM IN MEXICO TO SPEAK OF A POSSIBLE DEVALUATION SHORTLY BEFORE THE STATE OF THE UNION ADDRESS," ON SEPT. 1.

ECHVERRIA'S STATEMENTS WERE REPORTED BY THE MEXICAN DAILY, EXCELSIOR, YESTERDAY.

ECHVERRIA WELCOMED IN CUBA

AUG. 18 (IPS) -- A HALF-MILLION CUBANS LINED THE STREETS OF HAVANA YESTERDAY TO WELCOME MEXICAN PRESIDENT ECHVERRIA, WHO ARRIVED FOR A SIX-DAY VISIT AS THE CONCLUDING STOP ON HIS 6-WEEK TOUR THROUGH THIRD WORLD COUNTRIES.

ONE OF THOSE IN THE CROWD, THE NEW YORK TIMES' JAMES RESTON, HAD FILED A COLUMN THE DAY BEFORE FROM MEXICO LAMENTING LATIN AMERICAN INTEREST IN THIRD WORLD DEVELOPMENT AND CLOSER TIES TO THE SOVIET BLOC.

THE MEXICAN PRESS HAS GIVEN UNPRECEDENTED COVERAGE TO THE VISIT, WHICH WILL STRENGTHEN POLITICAL AND BUSINESS FACTIONS IN MEXICO ANXIOUS TO EXTEND THEIR TIES TO COMMUNIST BLOC COUNTRIES.

II. INTERNATIONAL

ONE HALF HOUR GENERAL STRIKE IN PORTUGAL TOMORROW

AUG. 18 (IPS) -- INTERSINDICAL, THE COMMUNIST-BACKED TRADE UNION CONFEDERATION REPRESENTING PORTUGAL'S 2.2 MILLION UNIONIZED WORKERS, WILL HOLD A NATIONWIDE GENERAL STRIKE TOMORROW MORNING FROM 11:00 TO 11:30, THE PORTUGUESE PRESS REPORTS.

THE CIA-CONTROLLED LEADERSHIP OF THE RIGHT-WING LEADERSHIP OF THE PORTUGUESE SOCIALIST PARTY (PSP) HAS ORDERED ITS MEMBERS NOT TO PARTICIPATE. THE NATIONWIDE GENERAL STRIKE IS THE FIRST IN PORTUGAL'S HISTORY.

TOMORROW EVENING, PORTUGUESE COMMUNIST PARTY (PCP) LEADER ALVARO CUNHAL WILL SPEAK IN THE NORTHERN CITY OF OPORTO, PORTUGAL'S SECOND LARGEST CITY, AS PART OF THE PCP'S CAMPAIGN TO DEFEND THE REVOLUTION AGAINST THE FASCIST ATTACKS CONCENTRATED IN THE NORTH.

PCP LEADERS GALVANIZED BY CALL TO DEFEND PORTUGUESE DEMOCRACY

AUG. 18 (IPS) -- MESSAGES AND DECLARATIONS OF SUPPORT CONTINUING TO FLOW IN IN RESPONSE TO THE CALL OF THE POLITBURO OF THE FRENCH COMMUNIST PARTY (PCF) TO STOP THE ANTI-COMMUNIST WITCHHUNTS IN PORTUGAL, DEMONSTRATE REAL FERMENT TO DEFEND THE PORTUGUESE DEMOCRACY AMONG SECONDARY LEADERSHIP LAYERS OF THE FRENCH SOCIALIST PARTY (PSF). TODAY'S L'HUMANITE REPORTS THAT THE HAUTE SAVOIE REGIONAL FEDERATIONS

(MORE)

8.18 LATE IPS/4

O F THE PCF AND PSF HAVE ISSUED A DECLARATION DENOUNCING "THE REACTIONARY FORCES OF THE CAPITALIST COUNTRIES WHO WOULD LIKE TO STRIKE A BLOW AT THE DEMOCRATIC MOVEMENT IN WESTERN EUROPE AND THE WORLD."

IN ADDITION, 130 SCIENTISTS HAVE SIGNED A DECLARATION AGAINST THE FASCIST TERROR IN PORTUGAL -- AMONG THEM THE REGIONAL FEDERATION HEAD OF THE PSF.

"BRAZILIAN STUDENTS LOSING THEIR CAPACITY TO THINK"

AUG. 18 (IPS) -- "BRAZILIAN UNIVERSITY STUDENTS, WITH A FEW EXCEPTIONS, HAVE DIFFICULTIES IN EXPRESSING THEMSELVES ORALLY AND IN WRITING. THEY LIVE IN AN ALMOST WORDLESS WORLD, EMPTY OF IDEAS, AND LITTLE BY LITTLE LOSING THE CAPACITY TO THINK," WRITES THE BRAZILIAN MAGAZINE VEJA.

THE ARTICLE DRAWS A PAINFUL PICTURE OF THE DEPLETED CONCEPTUAL ABILITIES OF BRAZIL'S STUDENTS, WHO ARE DESCRIBED BY PROFESSOR DIRCEU DE MATOS, OF SAO PAULO UNIVERSITY, AS "COMPLETELY OUT OF IT." SUCH COLLAPSE OF MENTAL POWERS IS WIDELY KNOWN TO ACCOMPANY SUCH GENOCIDAL DEVASTATION AS IS NOW UNDERWAY IN BRAZIL.

MPLA PEOPLE'S COMMITTEES MOBILIZE TO SUSTAIN ANGOLAN ECONOMY

AUG. 18 (IPS) -- PEOPLE'S COMMITTEES OF THE MPLA ARE NOW MOBILIZING TO EXPLAIN TO THE POPULATION THE TASKS NOW FACING THE COUNTRY, ACCORDING TO PAGE-ONE COVERAGE IN PRAVDA AUG. 15. IN PARTICULAR, THE PROBLEM OF SUSTAINING THE ECONOMY IN THE FACE OF ATTEMPTS BY INTERNATIONAL CAPITAL AND ITS CREATURES FNLA AND UNITA TO SABOTAGE IT IS BEING ADDRESSED.

EX-PIDE AGENTS FROM RHODESIA TAKE COMMAND OF FNLA OPERATIONS
IN NOVA LISBOA

AUG. 18 (IPS) -- EX-COMMANDOS AND FORMER PIDE (SECRET POLICE) AGENTS OF THE FORMER FASCIST CAETANO REGIME IN PORTUGAL HAVE ARRIVED FROM RHODESIA IN THE MAJOR ANGOLAN TOWN OF NOVA LISBOA WHERE THE FNLA AND UNITA NOW PREDOMINATE. THEY ARE TAKING COMMAND OF FNLA OPERATIONS, ACCORDING TO THE PORTUGUESE DAILY DIARIO DE NOTICIAS AUG. 16. THE SAME SOURCE STATES THAT A FEROCIOUS MANHUNT FOR MPLA MILITANTS IS UNDERWAY IN NOVA LISBOA.

NEW YORK TIMES FEARS PORTUGUESE TROOP REINFORCEMENTS FOR
ANGOLA WILL SUPPORT MPLA

AUG. 18 (IPS) -- THE PORTUGUESE ECONOMICS MINISTER FOR ANGOLA STATED THAT THE PORTUGUESE GOVERNMENT IS DETERMINED TO BRING TROOP REINFORCEMENTS INTO ANGOLA, IMPOSE A TRUCE AND SPEED THE EVACUATION OF PORTUGUESE SETTLERS WHO WISH TO LEAVE, ACCORDING TO THE FRANKFURTER RUNDSCHAU TODAY. A NEW YORK TIMES EDITORIAL YESTERDAY WARNED THAT PORTUGUESE REINFORCEMENTS COULD LEAD TO A BLOODBATH. "THINGS MAY HAVE MOVED TOO FAR AND TOO FAST FOR THE PORTUGUESE ARMY TO SUCCEED IN STABILIZING THE WHOLE COLONY," THE TIMES SAYS, ADDING THAT THE "THREE LIBERATION MOVEMENTS" SHOULD BE ALLOWED TO TAKE OVER.

(MORE)

ALGERIAN EMBASSIES BOMBED BY "OPPOSITION TO
BOUMEDIENNE"

AUG. 18 (IPS) -- THE ALGERIAN EMBASSIES IN LONDON, ROME, AND BONN
WERE BOMBED TODAY, EAST GERMAN STIMME DER DDR RADIO REPORTS. THE
BOMBINGS WERE OSTENSIBLY CARRIED OUT BY EXTERNAL OPPONENTS OF
THE BOUMEDIENNE REGIME IN ALGERIA.

THE ONLY KNOWN VOCAL OPPOSITION TO BOUMEDIENNE OUTSIDE ALGERIA
IS ANTI-COMMUNIST KAID AHMED, A FORMER ALGERIAN GOVERNMENT OFFICIAL
WHO EARLIER IN THE YEAR WAS BROUGHT INTO THE PUBLIC EYE BY WEST
GERMAN SOCIAL DEMOCRATS ASSOCIATED WITH WILLY BRANDT. AHMED ALSO
HAS KNOWN CONNECTIONS TO THE FRENCH INTERIOR MINISTRY OF MICHEL
PONIATOWSKI.

BRONFMAN KIDNAPPING A NATIONAL SECURITY COUNCIL-FBI PLOT

NEW YORK, AUG. 18 (IPS) -- A TERRIFIED FBI FALL MAN AND THE
BROOKLYN POLICE YESTERDAY BLEW OPEN THE FBI'S ROLE IN DIRECTING
THE KIDNAPPING OF SEAGRAM'S HEIR SAMUEL BRONFMAN II. THE FBI HAS
HASTILY ANNOUNCED THAT IT IS CLOSING THE CASE DESPITE SEVERAL
OBVIOUS CONTRADICTIONS WHICH INCLUDE:

* WHY THE 21-YEAR-OLD VICTIM COMMUNICATED TO HIS FATHER LAST
WEEK THAT HE HAD BEEN GRABBED BY T H R E E MEN;

* WHY THE FBI HAS RETRACTED ITS ORIGINAL STATEMENT THAT BYRNE
AND LYNCH WERE "IRA SYMPATHIZERS";

* WHY, AS THE BROOKLYN POLICE REPORT, AN UNARMED LYNCH RE-
MARKED IN GENUINE SURPRISE, "WHAT'S GOING ON HERE?" WHEN LAW ENFORCE-
MENT OFFICIALS BROKE INTO HIS APARTMENT, AND HOW HE WAS ABLE TO CON-
TINUE HIS JOB AS FIREMAN DURING THE KIDNAP AFFAIR;

* WHY THE TWO HAVE BEEN CHARGED WITH EXTORTION AND NOT KID-
NAPPING.

THE CASE WAS BROKEN OPEN WHEN FALL GUY DOMINIC BYRNE GOT WORD
THROUGH THE BROOKLYN POLICE THAT TWO MEN WHO WERE DIRECTING THE
KIDNAPPING CONSPIRACY GANG WERE PARKED IN A CAR OUTSIDE HIS HOUSE.
POLICE DETECTIVES INVESTIGATED AND APPREHENDED AT GUN POINT TWO FBI
AGENTS WHO COULD GIVE NO EXPLANATION FOR THEIR PRESENCE IN FRONT
OF THE BYRNE RESIDENCE.

BYRNE TOLD POLICE THAT SEVERAL DAYS AGO TWO GUNMEN HAD FORCED
HIMSELF AND MEL PATRICK LYNCH TO DRIVE THEM TO WESTCHESTER, WHERE
SAMUEL BRONFMAN II WAS KIDNAPPED. BYRNE AND LYNCH WERE INSTRUCTED
TO KEEP THE YOUTH UNDER GUARD AT LYNCH'S APARTMENT UNLESS THEY WANTED
TO SEE THEIR LOVED ONES KILLED.

SINCE THE ARRESTS OF BYRNE AND LYNCH, THE FBI AND THE
ROCKEFELLER-CONTROLLED PRESS HAVE LAUNCHED A COVER-UP OF THE FBI'S
RESPONSIBILITY IN THE KIDNAPPING CONSPIRACY. THE TWO FALLGUYS

(MORE)

8.18 LATE IPS/6

IN FBI CUSTODY ARE ALMOST CERTAINLY BY NOW BRAINWASH VICTIMS.

GIVEN ITS PARAMETERS, SUCH AN FBI-OPERATION COULD HAVE ONLY BEEN ORDERED AT THE HIGHEST LEVELS OF THE INTELLIGENCE APPARATUS, THE U.S. NATIONAL SECURITY COUNCIL, HEADED BY SECRETARY HENRY KISSINGER.

EDGAR BRONFMAN, THE FATHER OF SAMUEL BRONFMAN II, AND HIS FORMER WIFE, A LOEB, ARE WELL KNOWN AS WEALTHY LIBERAL ZIONIST FINANCIERS INVOLVED WITH SEVERAL JEWISH ORGANIZATIONS OPPOSED TO THE ROCKEFELLER-KISSINGER POLICY IN THE MIDDLE EAST. BRONFMAN IS ALSO RELIABLY REPORTED TO BE A CONTRIBUTOR TO ANTI-ROCKEFELLER CIRCLES IN THE DEMOCRATIC PARTY. THE FACT THAT LYNCH AND BYRN HAVE CITIZENSHIP IN IRELAND AS WELL AS THE U.S. MAY INDICATE THE U.S. INTELLIGENCE AGENCIES PLANNED TO USE THE BRONFMAN KIDNAPPING AS A LAUNCHING PAD FOR INTERNATIONAL TERRORIST OPERATIONS INVOLVING THE IRA, WHICH IS UNDER CIA-BRITISH INTELLIGENCE CONTROL.

U.K. REP BACKS THIRD WORLD PROGRAM

AUG. 18 (IPS) -- SIR DONALD MAITLAND, BRITAIN'S AMBASSADOR DESIGNATE TO THE EEC, HAS SIGNED IN A PRIVATE CAPACITY A REPORT WHICH IN THE WORDS OF THE LONDON FINANCIAL TIMES, CALLS FOR "MAJOR CHANGES IN THE WORLD ECONOMIC SYSTEM IN FAVOR OF THE DEVELOPING COUNTRIES." THE REPORT, WHICH IS CURRENTLY BEING CONSIDERED BY THE BRITISH CABINET IN PREPARATION FOR THE MEETING OF COMMONWEALTH FINANCE MINISTERS IN GEORGETOWN, GUYANA AUG. 26, COULD MAKE A BREAK-THROUGH IN WESTERN SUPPORT FOR THIRD WORLD DEVELOPMENT. COMMENTS THE FINANCIAL TIMES: "ALTHOUGH MUCH OF THE LANGUAGE OF THE REPORT IS ALREADY FAMILIAR WITHIN THE THIRD WORLD, ITS POTENTIAL SIGNIFICANCE LIES IN THE FACT THAT THIS IS THE FIRST TIME IT HAS COME CLOSE TO ACCEPTANCE BY A DEVELOPED COUNTRY SUCH AS BRITAIN." THE FINANCIAL TIMES ALSO NOTES THAT THE POLICIES OUTLINED IN THE DOCUMENT HAVE BEEN VIGOROUSLY OPPOSED BY THE U.S.

III. CONTINENTAL

KISSINGER, BLACK CAUCUS MEETING WILL DISCUSS UNCTAD;
GUN-RUNNING, DRUGS LIKELY ADDITIONS TO AGENDA

AUG. 18 (IPS) -- THE UNITED NATIONS SPECIAL SESSION ON DEVELOPMENT WILL BE THE PRIMARY SUBJECT AT THE MEETING TOMORROW BETWEEN THE CONGRESSIONAL BLACK CAUCUS AND SECRETARY OF STATE HENRY KISSINGER. A SECOND TOPIC WILL BE U.S.-AFRICAN RELATIONS.

INDICATIONS FROM SOURCES CLOSE TO THE PARTICIPANTS INDICATE THAT THE CONGRESSMEN WILL BE ARMED WITH NEWSPAPER ACCOUNTS OF HENRY'S INVOLVEMENT IN INTERNATIONAL DRUG-AND GUN-RUNNING AND WILL BRING UP ADDITIONAL EMBARRASSING SUBJECTS SUCH AS THE INTERNATIONAL DEVELOPMENT BANK.

(MORE)

8.18 LATE IPS/7

TREASURY DEBT FINANCING WILL GUT SAVINGS BANKS

AUG. 18 (IPS) -- RISING INTEREST RATES RESULTING FROM THE U.S. TREASURY'S MASSIVE DEBT-REFINANCING HAVE BEGUN TO SUCK DESPERATELY-NEEDED FUNDS OUT OF THE NATION'S SAVINGS INSTITUTIONS. DURING JULY, THE INFLOW OF DEPOSITS INTO NEW YORK SAVINGS BANKS DROPPED SHARPLY AND THE BANKS NOW EXPECT A DEPOSIT OUTFLOW THIS FALL, AN IPS SURVEY OF SAVINGS BANKS REVEALS. THE DRAIN FROM SAVINGS INSTITUTIONS THREATENS TO FURTHER COLLAPSE THE MORTGAGE LOAN MARKET -- AS SAVINGS BANKS SIMPLY WILL NOT HAVE THE FUNDS TO LEND TO HOME-BUYERS.

WORKING CLASS SAVINGS WILL SOON BE JEOPARDIZED WHEN THE MASSIVE OUTFLOW OF FUNDS CAUSES THESE BANKS TO FOLD.

END OF LATE IPS, 8/18/75.