



Weekly Edition

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IPS DAILY REPORTS FROM SEPTEMBER 3 THROUGH SEPTEMBER 9

EUROPE, SOVIETS, 3RD WORLD PREPARE FOR WAR ON DOLLAR

by Susan Cohen

Sept. 3 (IPS)—Western Europe, the Third World and the Soviet bloc are now preparing a coordinated assault against the last remnants of the Rockefeller clique's Dollar Empire. The official proceedings, as well as extensive private discussions, at the ongoing annual meeting of the International Monetary Fund-World Bank in Washington, D.C. and the Special Session of the United Nations General Assembly in New York this week reveal the political and economic groundwork already largely in place for such a decisive battle. Substantial agreement on all sides to pursue trade and development via "triangular" arrangements based on the gold-backed transfer ruble at the expense of the U.S. dollar, and explicit commitment to a "new International Economic Order"—along the lines of the ICLC's International Development Bank proposal—is the motor of the international steamroller emerging clearly now.

Third World backing for the European demand for a return to gold, announced by Mexico on behalf of the powerful 100-nation Non-Aligned bloc of developing countries at the finance ministers' meeting in Washington (see p. 6), in return for European participation in three-way transfers of wealth is an offer the trade-starved Europeans cannot refuse. Now the "Europeans" among them must move to break the deadlock with Rockefeller's "Atlanticist" agents in their midst and openly declare themselves with the pro-development, pro-East-West trade forces. This European-Third World pact, in turn, presents the Soviet Union with the impetus to step up its own organizing for ruble-backed trade and the impetus

to step forward even more vigorously on behalf of world economic reconstruction.

The Third World's commitment to such a coordinated attack on the stranglehold of dollar debt was demonstrated dramatically in the speeches of key non-aligned bloc spokesmen to the UN General Assembly. "A choice must be made," Algerian Foreign Minister and President of the Seventh Special Session Bouteflika told the delegates between world reconstruction or submission to continued imperialist looting at the hand of an "obsolete order." The Third World, for its part," Bouteflika emphasized, "has long since made its choice."

Indian Foreign Minister Y.B. Chavan followed the Algerian lead, demanding the "dismantling" of all "institutions and structure which perpetuate or aggravate present injustices and inequalities"—a clear reference to the IMF and World Bank. Zeroing in on the critical issue of dollar debt and imperialist looting via the mechanism of international loans, Chavan pointed out that the Third World have been forced to "preempt for debt servicing most of the aid which is received now and may be received in the future." Further loans are no solution, he stressed.

With other key Third World spokesmen, Chavan stressed the immediacy of the problem and urged all to "accept the political necessity to negotiate seriously and without delay."

Procrastination Means "Failure"

Indonesian Foreign Minister Adam Malik, declaring his country's solidarity with Algerian President Boumediene's programmatic push for a "New World Economic Order," directly addressed the current factional

standoff in Europe and Japan on the issue of dollar debt versus trade and development. The present international economic system has shown itself incapable of functioning properly, he said. "We are not concerned with a temporary breakdown or stagnation," he added, emphasizing the thoroughgoing collapse of the dollar-based Bretton Woods credit structure.

Commending the "growing understanding" of a number of developed countries which has prompted them to act in a "constructive spirit," Malik took aim at the laggards and saboteurs. "We urge those... which continue to take a negative attitude," he said, "to reconsider their position as further procrastination will only result in the prolongation of the failures of the present system."

Further separating the wheat from the chaff among European capitalists, and addressing the concerns of advanced-sector workers, Malik stressed the importance of trade as a "vehicle to promote production." "When we speak of redeployment of industry it should be made clear that there is no question of closing down factories in order to transfer them to the developing countries," he said, burying the ghosts of the miserable Rockefeller fantasies of carting off Western industry to build new Empires to the South. "Redeployment can only relate to new production possibilities to be created," he declared.

Soviets Back Attack

Soviet Ambassador to the UN Malik reiterated the Soviet Union's total support for the developing sector. Concrete Soviet aid to the developing countries is a matter of record; the recently concluded Comecon agreements with Iraq, Mexico, Finland and Yugoslavia being

exemplary of the potentialities for augmenting the international division of labor through such economic integration and cooperation. Malik's discussion of those agreements, together with pointed reference to the Com-econ's International Investment Bank—established to provide credits up to 15-year term for financing industrial, agricultural and other development projects throughout the Third World—made explicit the Soviet capability and willingness to provide the cornerstone to expanded "triangular" agreements.

Significantly, Malik directly addressed the world monetary crisis, noting that "Western attempts (to normalize the crisis) are deadlocked." The solution requires, Malik adds, "due consideration of the interests of all countries" and the "general elimination of domination of one or several national currencies"—clear backing for the attacks on the dollar.

This coordinated political-economic assault on the bastions of Rockefeller's bankrupt dollar is already reverberating in Europe. The show of Third World-Soviet pro-development force at the UN emboldened the anti-Atlanticists of the West German daily *Franfurter Rundschau*. In a pokerfaced account of Foreign Minister Genscher's speech at the UN, today's *Rundschau* drives another nail in the coffin of Rockefeller agent Schmidt's beleaguered occupation government. "The position of the BRD, which was worked out in contacts with the USA, was fundamentally that of the U.S. government," reports the *Rundschau*.

Temporary Bretton Woods Revival

The Atlanticists stateside, for their part, have been backed into a corner from which they are attempting to extricate themselves—at least temporarily—via a revival of the original

Bretton Woods scheme for an international monetary system composed of several major currency "blocs." Despite the fact that they managed to stall the immediate implementation of the IMF gold agreement, a faction has emerged that is willing to admit that they in fact have no choice but to proceed a lousy compromised on dollar hegemony and make room for the expansion of three-way trade and development. Such an arrangement—including a return to gold use and fixed rates between "blocs"—now espoused by key policy makers associated with the New

York Federal Reserve will simply cushion other sectors of the world economy against the worst fallout from the dollar's future demise. The imminent New York City default and subsequent detonation of the Eurodollar market make such schemes useless from the standpoint of dollar salvation.

KISSINGER TRIES TO BLUFF HIS WAY PAST ATTACKS AT UN SPECIAL SESSION

by Peter Ennis

UNITED NATIONS, N.Y., Sept. 2 (IPS) — The Seventh Special Session of the United Nations General Assembly opened here yesterday with speeches by the major spokesmen for pro-development policies and genocidal austerity policies, Algeria and the Rockefeller-Kissinger within the United States government respectively. With those statements the parameters for discussion at the Special Session, devoted to "Development and International Cooperation," were set.

President of the Special Session, Algerian Foreign Minister Abdelaziz Bouteflika gave the opening speech and posed the question to the delegates, "What kind of world do we want to build?" Stressing that an "unequivocal" answer must be given to that question Bouteflika said that two choices exist. "The first alternative is to create, together, the conditions for real cooperation with a view to restructuring the world economy, defining new goals and assigning new purposes to world production and trade in order to satisfy, first of all, the fundamental economic, social and cultural needs of all mankind." The other alternative, he said, is for the industrialized countries to "continue to defend the privileges, increasingly vulnerable as they are... in the illusory hope of blocking changes."

Throughout his speech Bouteflika stressed that "the system, as it now operates, is itself the source of present upheavals," and broad-based changes are needed. He attacked the method by which capitalist financiers dictate the strict terms on which they will provide credit to the developing nations, said that the cumulative debt of the Third World, "which is largely the result of the unequal relationships to which they are subjected," must be "seriously renegotiated." He reiterated the proposals of the nonaligned countries for the establishment of commodity buffer stocks, and similar agreements designed to stabilize the export earnings of developing nations. "Such an approach presupposes a new type of relationship in which concerted action and some degree of planning on the international scale are substituted for the so-called laws of supply and demand, which, in reality, merely reflect an imposed relationship, based on the respective strengths of the seller and the buyer," he said.

The Kissinger Bluff

In response to the Algerian thrust for development, an empty-handed Daniel P. Moynihan, U.S. Ambassador to the UN, attempted to bluff the developing nation with a Kissinger-authored variation on the theme of "fuck you." Faced with a collapsing credit system,

Kissinger could only propose the creation of new financial mechanisms to roll over tremendous Third World debts. These mechanisms include the expansion of the existing International Finance Corporation, run by the hated World Bank, and the creation of an International Investment Trust. According to Kissinger such an investment Trust, which would be run by the International Finance Corp., "would attract new capital by offering investors a unique opportunity — participation in a managed broad selection of investments in developing country firms, public, private and mixed." Kissinger warned however, that for private investors to invest in their countries the governments of the developing nations would have to make themselves "credit-worthy." If this is not done, the developing nations could be "cut off needlessly from sources of capital and markets essential to their own progress."

Though the Kissinger speech was publicized to contain numerous "concessions" to the Group of 77 developing nations, Kissinger declined to accept even the most publicized demand of that group — an "integrated approach to negotiations concerning trade in raw materials and commodities. As a counterproposal, he called for the creation of a facility within the Inter-

national Monetary Fund which would lend money to those countries whose overall export earnings have dropped. This "proposal" would also do little more than provide developing nations with the funds to meet debt payments. Further, Kissinger crudely attempted to undermine the unity of the non-aligned countries by placing the blame for the world economic crisis on the OPEC nations.

Initial indications are that Kissinger's bluff will be called. While it is as

yet unclear as to whether the non-aligned nations will openly propose at this Special Session the breaking from the dollar and agree upon trade and development policies denominated in a new currency — possibly the Comecon ruble — high level officials have told IPS that the nonaligned group will not fall victim to Kissinger's blackmail threats and phony proposals. "All he said was that we can go to the private capital markets, but we must be credit-worthy," one official said.

Kissinger was aided in his attacks on the nonaligned group by the representative of the Federal Republic of Germany. Hans-Dietrich Genscher, Foreign Minister of West Germany, delivered a virtually identical speech to that of Kissinger, and added that he was against the use of gold in monetary transactions. "The U.S. is also against the use of gold in monetary transactions, and the issue is presently at the heart of a major political crisis in Genscher's country.

THREE WAY DEVELOPMENT REAL SUBJECT OF MONETARY FUND MEETING

by David Goldman and Robert Berkowitz

WASHINGTON, D.C., Sept. 3 (IPS) — Maneuvers toward three-way development arrangements between Western Europe, the Third World, and the Soviet Bloc overshadowed the least significant annual meeting of the International Monetary Fund since the IMF's founding in 1944.

Earlier this week, France and Mexico jointly pushed through the one significant decision to emerge from the gathering, an agreement by the IMF's Interim Committee of Twenty Nations to ease gold transfers between central banks and to put some of the IMF's gold holdings back into public circulation. Widely viewed as a major step toward reviving gold's monetary role at the expense of the U.S. dollar and the IMF's "Special Drawing Rights," the Interim Committee's decision, which had unanimous European backing, pushed the embarrassed U.S. delegation into a corner.

Gold, Comecon...

Mexico's Central Bank Governor, Ernesto Fernandez Hurtado, hailed the decision on gold as a victory for development. "The International Monetary Fund held gold for a specific function," Hurtado said in an exclusive interview. "This was for gold to serve jointly with the dollar as the center of the monetary system. Now this monetary system is in shambles. There is no longer any reason for the fund to hold gold." Mexico has joined France in demanding the return of IMF gold, valued at about \$24 billion at the recent market price, to members of the fund who placed it there as part of their initial subscriptions.

Hurtado linked the gold accord to closer economic relations with Comecon, noting "many Third World countries would be glad to have the long-term use of credits from Comecon." The use of Comecon credits for the purchase of European capital goods, "depends on Germany and France," Hurtado added. "If they accept the transfer ruble, they are giving credit to the Soviets." The

Mexican banker noted that current Soviet-West German negotiations on the transfer ruble were an "important step" in this direction.

...And the IDB

Among Third World delegates, most of whom were financial officials one step removed from political discussions between the Non-Aligned Nations, there was some confusion about the gold decision. Within the controlled environment of the IMF, the "Group of 24" Third World countries has asked for handouts of Special Drawing Rights, the IMF's funny money. "The capitalist countries give us their proposals and we merely react to them," one Third World member of the Interim Committee complained. "What we need is our own proposals for a new monetary system." Most of the Third World delegations here are studying the ICLC's International Development Bank proposal.

But Hurtado pointed out, "There is no real difference between the Third World countries here. SDR's are not useful for development, only for the liquidity reserves of central banks (i.e., debt refinancing—ed.). Gold is a means of transferring real resources to the developing countries." Both the Soviet press and the West German newspaper Deutsche Zeitung, which reflects the German side of the transfer ruble negotiations, have cited the importance of gold reserves for the creation of ruble financing arrangements, as the monetary asset common to east and west.

U.S. Holding Action

Unable to face down the working alliance of the Europeans and leading Third World countries, the U.S. delegation, headed by Treasury Secretary William Simon, fought a holding action to delay implementation of the gold accord until next January, when the Interim Committee meets again in Jamaica. Contrary to standing Treasury policy, Simon demanded a full package of monetary agreements before any single agreement could go into effect. The main unresolved issue is what language will be applied to the

present state of monetary disorder, in which exchange rates fluctuate unpredictably against each other on the basis of day-to-day market conditions. In response to Simon's stalling tactics, a French News agency reported yesterday, European countries are moving toward a bloc on the issue of exchange rates, which have been cut loose from their fixed parities in the old Bretton Woods monetary system after the U.S. declared the dollar bankrupt four years ago.

At a Tuesday morning press conference, the nervous Treasury Secretary stonewalled before a barrage of reporters' questions on the gold issue. "We have a clear mandate from Congress to insist upon a comprehensive package," Simon said, although no such instructions from Congress exist. In response to questions about Third World demands, Simon said, "People always want more!"

Universal Crisis

Other representatives of industrialized countries were less smug. "There's a real crisis ahead," Canadian Finance Minister John Turner said in an interview. "I just returned from a meeting of Commonwealth Countries in Guyana. They screamed about their foreign exchange reserves running out, their commodity stabilization funds running out." British Chancellor of the Exchequer Denis Healey, another participant in the Commonwealth meeting, said in his speech to the annual meeting, "What emerged most strongly was the threat to recovery in the industrial countries if their trade with the developing world collapsed, and the parallel inability of the developing countries to avoid catastrophe unless the industrial world achieved recovery."

French Finance Minister Jean-Pierre Fourcade warned in his speech of "the impossibility of ensuring a sufficient supply of food to meet the needs" of Third World countries, and "insupportable foreign debt." He declared, "This crisis is serious because it is universal. Whatever a nation's political system, whether it is

developed or developing, none has been spared."

In a final act of propitiation toward the United States, most of the European ministers, as well as the IMF's Managing Director Johannes Witteveen, called on the United States to reflate its economy and get a recovery underway, something the U.S. could not do if it wanted to. In effect, the European ministers, the worst die-hard Atlanticists in Europe, demanded that Simon and Ford spare them the agony of a final break with the dollar. But Simon, in his speech, rebuffed the suggestions, insisting that the U.S. would continue its current monetary policy, i.e. no finance except financing of old debts.

Italy's new Central Bank Governor Rinaldo Ossola presented a "consensus European viewpoint, predicting that "three broad monetary zones would slowly emerge from the debris of the Bretton Woods system...the dollar, European and yen areas," in a recent article. Interviewed at the conference,

Ossola demurred at the notion that three monetary areas with no acceptable monetary assets other than gold would have to clear payments in the metal — "except in an emergency," the banker added quickly.

But some Italian private bankers were less coy. According to Gaetano Stammati, Chairman of the Banca Commerciale Italiana, "there are already many bilateral arrangements with the Comecon banks using the transfer ruble. This requires time and patience," Stammati said in an in-

terview. West German delegates were determined to keep up Atlanticist appearances in Washington. Queried about the progress of negotiations with the Soviets on the ruble, West German Federal Bank Vice-President Otmar Emminger said, "I know nothing of this — but then again, there are many important things I don't know about." His aide, Federal Bank Director Helmut Schlesinger said, "That's a question you should ask the Eastern countries."

A Huge Bazaar

Otherwise, the conference functioned as a huge bazaar, held in the lobbies of Washington's Park-Sheraton Hotel. Third World delegates circulated among the droves of New York bankers who show up at such affairs, begging for the odd million of emergency loan credits.

In this degrading context, the Third World delegates were hush-hush on the subject of debt moratoria. "I cannot think of debt moratoria, not until I consult with other members of the non-aligned group," a high official of one country said. In background discussions, Third World members of the Interim Committee, the senior representatives of the developing sector in Washington, indicated they would postpone an open push for debt moratoria until they had clear political commitments on three-way trade with Comecon and Western Europe. Otherwise, they said, they did not want to run the risk of a credit and trade embargo led by a vengeful United States.

CIA MANEUVERS WEAKEN PORTUGUESE GOVERNMENT

Sept. 3 (IPS) — On orders from the U.S. gangland "Ambassador" to Portugal, "Frankie" Carlucci, the compromise agreement worked out last Friday between Communist Party-allied forces and their Carlucci-led opponents in Portugal is now being torn to shreds by the CIA forces. These moves, coupled by economic sabotage directed by the Second International and the CIA, have begun to weaken control of pro-working class forces in the government and the ruling Armed Forces Movement (MFA). If the reactionary forces continue on this course, an all-out clash with the Portuguese Communist Party and its allies — civil war — is inevitable.

Carlucci's pro-fascist top military are now moving feverishly to purge pro-leftists in the hope of packing this Friday's crucial meeting of the hitherto pro-working-class Armed Forces Assembly of 240 officers and non-commissioned officers. Reactionary officers are attempting to deny their men the privilege of electing delegates to the Assembly, instead appointing the delegates themselves. Yesterday's Army Assembly and today's Air Force Assembly saw developments in this direction. Both services are headed up by generals lined up with Carlucci.

Yesterday the Air Force chief and President Costa Gomes met with "Ambassador" Carlucci. East German radio reports that the outcome of the meeting was hostile to the Communist Party-backed General Vasco Gon-

calves serving as commander-in-chief of the armed forces, despite the fact that this was the central point in the compromise worked out last Friday, when Goncalves ceded his post as the country's prime minister. Provocations in the past week have included the occupation of buildings of the pro-working class "Fifth Division" (the armed forces propaganda unit), by troops brought in from Angola for his own purposes by the discredited Maoist General, Otelo Carvalho; a short-lived rebellion by a clique of northern officers, who placed themselves under the command of the central regional commander in mutiny from General Goncalves; and unilateral assumption of command of the critical, heavily armed COPCON (internal security) units by President Costa Gomes — a move against the former head Goncalves.

Meanwhile, the yet-to-be formed government of the new prime minister, Admiral Pinheiro de Azevedo, is threatening to turn the clock back to the paralyzed "destabilization days" of the Fourth coalition government, when the country's two CIA-controlled social democratic parties shared the cabinet with the Portuguese Communist Party. The two CIA parties deliberately paralyzed the government from dealing decisively with the State Department-coordinated economic sabotage against Portugal.

Cunhal Interview

Portuguese Communist Party (PCP) leader Alvaro Cunhal summed the

situation up in an interview with the Italian weekly Epoca. Cunhal stressed that the situation was "very difficult" and that in recent weeks, as a result of destabilizing operations led by the Portuguese Socialist Party (PSP), the organ of political power of both the MFA and the government had become weaker.

Carlucci has been directing provocations against the PCP-led working class, including a fraudulent union election over the weekend and the breakup yesterday of the PCP-initiated anti-fascist Common Front, in which five heavily CIA penetrated Maoist groups briefly participated, including NATO agent Ernest Mandel's ostensibly Trotskyist LCI. The five groups refused to work with the PCP on even a minimal anti-fascist basis, doubtless by prearrangement by Carlucci at this juncture.

The purpose of the endless merry-go-round of Carlucci-orchestrated destabilization has been to demoralize the Portuguese population, above all the volatile military, as the paralysis in political and military structures leaves the country helpless in the face of the more fundamental sabotage against the economy itself. This was the CIA's Chile formula, with which Carlucci is fully conversant, having himself been active there.

To bring about the desired demoralization, Carlucci's State Department has sent hundreds of agents scurrying over the surface of the earth — from

Timor to the Azores — toward the purpose of destroying Portugal and the creative efforts of its working class. The State Department's cannibal countergang in Angola, the FNLA, has been hurled into butcheries in Angola in order to drive hundreds of thousands of Portuguese Angolans back to the north of Portugal, bearing with them cholera, endemic to Angola, and unemployment, endemic to both. Once the refugees had transplanted cholera to Portugal's north several months ago, this was gleefully publicized by the CIA-connected press, especially in Britain — ordinarily a major source of tourist revenue for Portugal — in order to deprive the country of needed foreign exchange. Last summer, tourism in Portugal was thus reduced to 20 per cent of capacity.

Another key foreign exchange earner for Portugal is its exports. Second International-run Britain, largest customer of Portuguese textiles, has just erected protectionist regulations which are devastating the country's largest industry, throwing thousands into unemployment, beyond the hundreds of thousands dumped in the country by the CIA bloodbath in Angola. Britain is also sabotaging orders for Portuguese wine, for which it until now has been Portugal's stable customer. West Germany, Britain, France and the U.S. have cancelled their orders for cork, a leading

export.

Canada is working to exclude Portuguese fishing boats from the Newfoundland banks so that Europe's most protein deficient population will have even less to eat, while the Swedish firm Eriksberg has cancelled its contract to supply Portugal's leading shipyard with needed parts. Rockefeller's Mobil Oil has been reneging on commitments at Gaia, Portugal, and First National City Bank went back on a loan it promised a Portuguese brewery just before the April 1974 coup.

The imperialist banks have cut off credit to Portugal, so that even Portugal's minimal economic survival programs have been crippled. At the same time, NATO threatens invasion if the Soviet Union should make a major economic trade commitment to Portugal. Those foreign banks not denying Portugal credit altogether for financing basic trade have imposed a 5 per cent penalty fee because of supposed political risk.

The European Economic Community has refused to give Portugal any credit at all — after looting a million Portuguese gasarbeiter for twenty years. — unless PSP leader Mario Soares's sexual perversion, "pluralism," is officially reinstated in Portugal. The EEC had no such compunctions under the Salazar dictatorship.

Is Lisbon Burning

West German member of the Rocke-

feller family's Trilateral Commission Kurt Birrenbach summed up the State Department policy succinctly in an interview with IPS six months ago. He said a NATO invasion would not even be necessary along the lines of his thinking. Portugal, by economic blockade and sabotage, would be turned into a Third World country, then a "fourth World" country, and finally, he concluded, it could become all "burnt out."

Indeed, taking this perspective literally, Carlucci's agents have been incinerating Portugal's valuable timber forests through arson, including the reported use of light planes and Spanish military helicopters. It is also reported that Spain is site of an operation counterfeiting the Portuguese currency, the escudo. The fake escudos are being sold cut-rate to workers returning to Portugal through Spain.

The international working class has a ruthless answer to the U.S. State Department and its allied scum running the governments of Social Democratic Britain, Sweden, and West Germany, and Giscard d'Estaing's France for this. Not a Kopeck of East-West trade to any country whose firms engage in sabotage of the Portuguese economy! The first accommodation which the U.S., for its part, must make is to get its gorilla Carlucci out of Portugal and replace him with a member of the human race.

USLP'S BOYD DENOUNCES ANGOLA GENOCIDE; CALLS FOR EXPOSURE CAMPAIGN

Aug. 28 (IPS) — The following statement was released last night by U.S. Labor Party candidate for U.S. Senator from New York, Elijah Boyd in response to a verbal appeal from Mr. Sally N'Dongo Aug. 26

August 27, 1975

Last night I received an urgent transatlantic appeal from Mr. Sally N'Dongo, pro tem representative of the Popular Movement for the Liberation of Angola (MPLA). Mr. N'Dongo charged that the invasion of Angola is aimed at turning that country into another Vietnam and that the current attempt at genocidal extermination of the Angolan population and the MPLA is only a prelude to the obliteration of all liberation forces on the African continent. This mass extermination would surpass even Hitlerian levels.

Therefore, on behalf of the forces represented by the Lyndon H. LaRouche Presidential campaign of the U.S. Labor Party and the National Caucus of Labor Committees, I am issuing this call to all concerned organizations in the United States of America to join us in a widespread campaign to expose the facts of the current attempted extermination of the Angolan population and the organized members of the MPLA.

Specifically and emphatically, I urge all Afro-American organizations to respond immediately to this most urgent task.

Mr. N'Dongo is now preparing to organize public forums with the European Labor Party and allied forces throughout France, West Germany, and Italy to publicize the facts of the invasion of Angola.

The facts indicate that the U.S. State Department has directed a callous escalation of invading forces into Angola, including the despicable use of Afro-American mercenaries. These mercenaries are acting in conjunction with the National Front for the Liberation of Angola (FNLA), a gang of black zombie-cannibals equipped by Maoist China, and the Zaire Army, which is attacking Angola from the north. Incredibly, the military forces of the racist regime of South Africa are attacking Angola from the south. Mirage jet aircraft have been supplied to the Zaire armed forces by France and possibly South Africa with pilots and "instructors" from China. These internationally deployed fascist forces against Angola are also supplied with heavy artillery flown in by U.S. Sky-master transport planes from U.S.

military bases in West Germany.

The U.S. State Department has just approved a "substantial new arms aid policy" for Zaire, in order "to stop a Russian-backed MPLA takeover."

U.S. Press Blackout

The news accounts of the Kissinger-State Department instigation of butchery in Angola have been almost exclusively confined to reports in the European press. This atrocious state of affairs is indicated by the fact that even the recent statements of the U.S. Congressional Black Caucus, as well as U.S. Senator Dick Clark, have been blacked out by the so-called free press in the U.S. This climate, deliberately maintained, is based on journalistic cowardice and acts directly against the real foreign policy interests of the United States population. This blackout must be utterly smashed.

On August 19, 1975, the Congressional Black Caucus stated that "The United States should not endorse or support any effort through official or private channels, to impair the territorial integrity of Angola. Any secessionist attempt by FLEC (Front for the Liberation of the Cabinda Enclave) or other forces in Cabinda should be unalterably opposed. America's long-run interest...dictates that our hands remain clean during this period of armed conflict."

In that same statement, the Black Caucus, led by Representatives Ron Dellums and Charles Rangel stated, "The U.S. should end its negativism over debt rescheduling and consider debt cancellations for the least developed and most seriously affected African countries as a form of aid."

In addition, Senator Dick Clark, whom I understand is still on a tour of Africa, has proposed that the United States and China — and the Soviet Union — agree to stop supplying arms to any of the liberation movements.

In short, Kissinger and Co. can continue with their military pogrom against Angola only in an atmosphere of public ignorance and obfuscation.

The pitiful few items which have appeared in the U.S. press slyly suggest that the invasion of Angola is not an extermination operation, but is merely a tribal rivalry affair, of minor significance to anyone. These accounts typically portray the MPLA as similar to the CIA's FNLA, UNITA, and two FLEC organizations. Such propaganda appeals to the disgusting recklessness of the liberal community which refuses every opportunity to exercise brainpower in distinguishing political exper-

tise wielded by African groups.

On a level of deeper psychological truth, these liberals refuse to believe in the conceptual ability of human beings to fight for development policies. In plain English, the press and the liberals agree that "All nigger's look alike."

This is what we are fighting against.

Reconstruction and African Development

Obviously the Angolan population cannot aid in the tremendous task of worldwide reconstruction if it does not exist. The task of removing Kissinger and his ilk is a precondition to the solution of worldwide development. Close behind the threat of military extermination in Angola there follows simultaneous threats of famine, drought, and epidemics.

This ugly picture requires us to insightfully create a real foreign policy for the U.S.A. We must mobilize the tremendous intellectual and technological potentialities that now lay unused in the U.S. (because of the depression-breakdown crisis) for the industrial and capital-intensive agricultural development of Africa and the rest of the Third World. Implementation of the International Development Bank (IDB) is the concrete means to accomplish the political-administrative end of this task. The selective debt cancellation policy for the ravaged African countries, put forward by the U.S. Congressional Black Caucus, is a definite and thoroughly laudable step in the right direction. It must be followed through!

Such obviously rational policies are appropriate as domestic policy measures requisite to mobilize the massively unemployed Afro-American population for the production of those capital goods desperately needed in Africa and elsewhere.

According to Mr. N'Dongo, "The reason why the MPLA still exists is that it takes the population into account. It takes care of the wounded, it launches literacy campaigns..."

Thus is the task before us defined. We must immediately launch a massive educational-exposure drive in the United States to prevent the planned butchery of Angola.

I reiterate this appeal to all concerned organizations, trade unions, political, labor, community, social and religious groups: all must undertake joint commitments with us to organize activities on the broadest levels.

It is urgent that we mobilize now to stop the extermination of the Angolan population and the MPLA.

N'DONGO CALL FOR SUPPORT FOR REVOLUTION IN ANGOLA

Sept. 1 (IPS)—The International Caucus of the Labor Committees received the following communication today from Mr. Sally N'Dongo, President of the General Union of Senegalese Workers and MPLA representative pro tem in France. The ICLC has been collaborating with Mr. N'Dongo and the Popular Movement for the Liberation of Angola internationally to mobilize political pressure against attempts by the United States, France, and South Africa to crush the Angolan revolution.

Call of Mr. Sally N'Dongo, President of the General Union of Senegalese Workers in France to the International Caucus of Labor Committees:

Since March 1975, a wave of violence has been unleashed on Angola. These grave troubles have provoked the deaths of several thousands of persons among the civilian population. It has comprised the process started by the Alvor Accords and confirmed by the Nakuru accords which foresaw the organization of general elections and which theoretically started from the proclamation of independence of November 1975.

During the national liberation struggle, three organizations were made the spokesmen of the Angolan population:

*The Popular Movement for the Liberation of Angola, (MPLA), headed by Agostino Neto,

*The National Front for the Liberation of Angola (FNLA), headed by Holden Roberto, and

*The National Union for the Total Independence of Angola (UNITA), headed by Jonas Saviabi.

Of these three organizations the MPLA is the only one which, in the

struggle has refused racism and tribalism; the only one which has shown itself capable of defining a coherent political program for the entirety of Angola. It is for this reason that the MPLA had been recognized before April 25, 1974, as the exclusive partner by all the liberation movements and the great majority of African states.

After the change of regime in Lisbon April 25, 1974 and the unleashing of the process of decolonisation in Portuguese Africa, the multinational firms, the Western powers — principally the United States, France, and the reactionary regimes of the region — concerned with safeguarding and consolidating their interests, have multiplied their maneuvers to deprive the Angolan people of the riches which belong to them. If their initiatives received a favorable welcome from the FNLA and UNITA, they met with the radical opposition of the MPLA. This is why, resolved to bar the road to the MPLA, they have multiplied their maneuvers of division and diversion.

Therefore the card of the FLEC (Liberation Front for the Cabinda Enclave) has been played to provoke the secession of this enclave, which is highly valued because of the richness of its mineral deposits.

Today Angola is mired in a murderous civil war which can only profit the adversaries of the African Peoples and particularly the leaders of the "white power" of Southern Africa.

The United Nations, threats of partition and attempts at intervention strangely recall the process in Zaire 14

years ago, where after the assassination of Patrice Lumumba, Gen. Mobutu installed a dictatorial government in the service of Western interests in this strategic zone of Africa.

What is important now is not the pretense of external support for the MPLA, but the fact that this movement today represents the only organized force in Angola which is against the imperialist offensive, orchestrated above all by the United States.

The meetings held between M. Claude Pierre Brossolette, active in the name of the French government, and Jonas Saviabi and Roberto Holden, with whom he held long discussions on April 14 and during the months of May and June, confirm that the French state is not uninvolved in what is taking place in Angola today.

We make a solemn appeal to all governments, to all political parties, all trade unions, progressive socio-cultural organizations working in the interests of their peoples, to demonstrate their total solidarity with the MPLA, the only organization recognized by all progressive Africans and which defends the interests of the African peoples. In particular, we call on the black community and the peace organizations of the United States and the communist, socialist, and social-democratic parties, as well as trade-union organizations in Europe to mobilize their support for the MPLA.

This call asks not only for political support through information campaigns, but also for material aid, which the Angolan people greatly need.

ROCKEFELLER BANKS, MULTIS PLOT PORTUGAL BLOODBATH

by K. Brown

Sept. 7 (IPS) — The same openly Rockefeller-controlled banks, oil companies, and multinational corporations commonly known to be the bloody perpetrators of the 1973 CIA military dismemberment of the socialist Allende government of Chile, the same murderers of thousands of Chilean Communist cadre and workers are meeting this week to plan a blow-by-blow replay of that crime in Portugal.

A series of exclusive IPS interviews with top New York banking sources has revealed the precise names and activities of these butchers. The international working-class movement and anyone who calls himself a democrat must move to stop them with massive public exposure:

***THE BANKS** are led by David Rockefeller's own Chase Manhattan, First National City, Manufacturer's Hanover, Morgan Guarantee, Bankers Trust in the U.S., and Lloyd's of London and National Westminster Bank in the U.K. They have in coordination with U.S. agents in the Portuguese banks slashed trading credits to Portugal, over which they have virtual stranglehold control, bringing imports of vital food and fuel, and equally crucial exports to a level threatening the entire process of production in the country.

***THE OIL GIANTS** are, among others, Rockefeller's Mobil, Exxon, Texaco and Gulf. They have conspired to cut off Portugal's major oil source of Cabinda, Angola, cut refinery production drastically, and sabotaged the overall development expansion of Portugal's energy industry.

***THE CORPORATIONS** are led by the infamous multinational CIA communications service International Telephone and Telegraph (I.T.T.), the blood of Chilean workers still fresh on its hands. I.T.T. has completely severed funds for its \$100 million worth of Portuguese subsidiaries, threatening a complete production breakdown and mass layoffs—unless the Portuguese mass strike is smashed, and "managerial control" restored in its factories. Other saboteur companies include the sweatshop Otis Elevator, Hertz, and the Swedish firm Eriksburg.

The familiar full range of U.S. and European multinationals have extensive control of Portugal's electronics and auto assembly industries: General Electric, Westinghouse, General Motors, Ford, Firestone (U.S.); Siemens, Grundig, (BRD); Plessey, Electronics, Leyland Motors

(U.K.) Other banks known to be involved in Portugal include Bank of America; Barclays and Midlands Bank (U.K.); Credit Lyonnaise (France); Banco do Brasil (Brazil). All should be investigated for possible sabotage activities.

Firms enthusiastic about East-West trade such as the German conglomerate Thyssen, rumored to be cancelling shipbuilding contracts to Portugal's Sentenave yards, should note — not a kopeck of Socialist bloc orders will go to the murderers of Portuguese workers.

Kissinger Rides Shotgun For the Banks

Sources at Chase Manhattan told IPS that Kissinger's State Department has guaranteed the banks and multinationals a thorough crackdown on the PCP and striking workers. "We talk to many banks and corporations who come in here concerned," the State Iberian Affairs desk was quoted as saying. "Workers are occupying factories, locking up managers in their offices. The companies are asking that the (Portuguese) government restore managerial and administrative control in order that they stay in Portugal. Now, our advice to them is that they hang on, things may go in a favorable direction. With such losses in profitability, the government will have to do something about strikes and occupations." When asked whether this would involve use of the army, the State official would not answer except to repeat that "managerial control" would be reestablished.

A top officer at the State's Bureau of Politico-military Affairs was more blunt. "Every government uses pressure. Sometimes it has to be pretty harsh."

Bankers' Meet:

"There Will Be No Revolution"

On Monday, September 8, Governor Antonio Manuel Pinto Barbosa of the Central Bank of Portugal together with top Portuguese international trade and Ministry of Finance officials will lunch with the executives of First National City, Chase Manhattan, and every other major New York bank, to plan their sabotage going into the coup. "There will be no revolution in Portugal," intoned one Chase conspirator.

The U.S. and British banks have already begun a coordinated complete cutoff of all long- and medium-term trading credits to Portugal. Chase, First, and Manufacturers Hanover

sources confirmed. As for the critical short-term 180-day credits, said Chase, "We are now financing these letters of credit deal by deal, very selectively."

He then detailed the stranglehold in which the banks thereby have the Portuguese economy. "You could say we're their major bankers. We have the (Portuguese) Central Bank deposits and their account on payments due them on trade. The government gets drafts of payments from us for food and fuel imports. We clear their accounts with the IMF, World Bank, with the U.S. and every other foreign government. We're a vehicle whereby they transact business on a global scale."

Oil Co.'s "Integrated"

Portugal-Angola Operation

The Rockefeller oil companies' backing of genocide against the Popular Movement for the Liberation of Angola (MPLA) as documented by this newspaper is, according to Manufacturers Hanover spokesmen, an "integrated operation" with production cutbacks in Portugal. Since refineries in Portugal are in large part specifically geared to the sulfur level of oil from Cabinda, Angola — now under embargo by CIA and Gulf-backed mercenaries—Mobil, Exxon, Texaco, and Gulf have been able to slash their refining there. This is a heavy blow to Portugal's petrochemical, fertilizer, and all other industries.

The same companies, the banker continued, "have stopped their offshore oil exploration and all their expansion plans" in Portugal. Mobil in particular has been renegeing on already made commitments for expansion at its Gaia facilities.

I.T.T. Waves Chilean Shirt

In exactly the "key and code" words used by the State Department, ITT President for Europe M.R. Valente threatened the working class this week that the multinational's financial cutoff action in Portugal was "being taken pending the restoration of effective management control." The parent company's suspension of funds is expected to force the closure of at least its major electronics subsidiary Standard Electrica. The Portuguese newspaper A Luta precisely pegged this as "an attempt to precipitate economic catastrophe." At least 7,000 workers will be laid off in this operation alone.

UN BECOMING FORUM ON HALTING DEPRESSION

by Susan Cohen

UNITED NATIONS, N.Y., Sept. 6 (IPS) — The Special Session of the United Nations General Assembly, now entering its seventh day, is taking on the explicit character of a strategy session devoted to mapping the way out of the world depression. In official statements this week, representatives of the Soviet Union, East Germany, and Bulgaria backed Third World motion out of the dollar orbit with calls for debt moratoria against the dollar, triangular trade agreements, and the replacement of the dollar-based monetary system.

This crucial combination of Soviet bloc and non-aligned nations, supplemented by the Swedish representative's explicit debt moratorium proposal, immediately converges on the International Caucus of Labor Committees' International Development Bank proposal for expanded production and trade via ruble-based three-way transfers of real wealth between advanced capitalist sector, the socialist bloc, and the Third World.

Beyond isolating the cops and agents crawling around the UN forum, widespread concrete discussion of the debt moratorium proposal has already moved key non-aligned forces to advance their target date for agreement between Europe and the Third World on the issue from May of 1976 to next month! According to sources close to the non-aligned effort, the West German delegation at the International Monetary Fund meetings in Washington this week "softened" its positions on the moratorium issue during the week, ostensibly on new instructions from Bonn.

The Soviet Model

Following Soviet Ambassador to the UN Malik's presentation, which reiterated the Soviets' support for the developing sector and backed Third World attacks on the dollar, East German representative Oskar Fischer elaborated East bloc views on the current monetary collapse. Charging that the "continuing deep crisis of the capitalist economic system" crushes living standards and "causes large economic capacities to be idle — capacities which otherwise could speed up economic and social progress," Fischer pointed out that "attempts to reform the capitalist monetary system... have been unsuccessful." Fischer concluded, "The GDR is opposed to passing the consequences of the capitalist crisis on to the developing countries."

Next Bulgarian representative Luben Petrov made the implications of that

statement explicit. "We are deeply convinced that it is not possible to render effective financial assistance to accelerate the economic progress of developing countries within the framework of the existing international financial institutions," he said. Instead Petrov proposed, "ameliorating the conditions of financing and alleviating the debt burden" through measures aimed directly at the imperialist powers "who bear full responsibility for the grave situation of developing countries."

European support for the debt moratorium drive came from Sweden's Minister of State Carl Lidbom, who called for "some form of moratorium or canceling procedures for official development assistance credits" to "immediately ease the acute payment problem" of Third World nations, since "the least developed countries are today incapable of repaying all their debts." Informed sources later revealed that a similar proposal had been discussed at an earlier OECD meeting, but when West Germany and the U.S. blocked the initiative Sweden decided to present it independently.

The key parameter for economic development is the augmentation of the international division of labor — the explicit criterion for Soviet bloc economic activity internally and externally. Both the Bulgarian and East German representatives described in some detail their own countries' economic development, pointing to the role of Soviet aid in promoting the rapid development of key sectors of the economy.

Reviewing East Germany's own role in overall Comecon support for Third World development, Fischer underscored the importance of developing countries' "efforts to speed up their industrialization, modernize their agriculture, and develop their infrastructure" — efforts systematically crippled by World Bank-IMF "aid."

As Petrov noted, repayment of aid credits within Comecon agreements takes place "by means of the produce of the newly created capacities." The Comecon now has long-term agreements along these lines with 64 developing countries.

The ICLC's agitation for dollar debt moratoria has been the crucial cutting edge for creating the programmatic unity to realize the development and moratoria proposals which the Soviet and non-aligned blocs are supporting. Members of several delegations have sought consultation with ICLC representatives on the debt moratorium is-

sue prior to writing their UN speeches.

In intense and ongoing private discussion surrounding the special session, the debt moratorium is increasingly becoming the litmus test for the emerging pro-development political machine. Delegates, in their official speeches, are addressing the issue with growing specificity and ruthlessness. In his speech, the Bulgarian spokesman Petrov bluntly exposed Henry Kissinger's two-hour bagful of gimmicks and insults: "At this session we have heard very detailed proposals which in essence amount to the preservation of the existing practices in the field of international financing and credits."

Demonstrating the increasingly pivotal nature of the debt moratorium issue, the Egyptian representative in his official speech found it necessary to explain precisely and at great length that his government — criminally servile to Mr. Kissinger — was interested in "preserving the interest of the creditor!"

GOLD ONLY TRANSITIONAL TO 3-WAY TRADE

by David Goldman

Sept. 6 (IPS)—There is now universal recognition that last week's decisions by the International Monetary Fund's Interim Committee point to a dominated role for gold in international payments. Interim Committee members France and Mexico defeated U.S. opposition to proposals to permit exchange of gold between central banks, and to sell off some of the IMF's large gold holdings, presumably to member central banks; Comecon member Rumania, the only socialist member of the IMF, backed France and Mexico from the sidelines.

But there is some doubt, even among the most politically-advanced members of the Non-aligned Nations group, as to the significance of this move, which bears the support of most of Western Europe. The rantings of conservative theologians notwithstanding, the use of gold as a monetary reserve in present circumstances has nothing whatsoever to do with a return to the "gold standard" of the 1920s. By gold, Mexico and other Third World countries mean three-way development, including the socialist countries and Western Europe, and transfer ruble credits from Comecon. For large-scale trade and development credits to be issued outside of the dollar sector, which has dominated world trade since 1944, there must exist a reserve asset in common among the central banks which participate in this three-way process. Gold, for a number of reasons, is the only monetary reserve asset held in large quantities both by the advanced-industrial countries and by the socialist countries. It therefore provides an interface between the two monetary systems.

In actuality, the backing for a nation's credit — acceptance of its currency abroad is a form of credit — is the productivity of its labor force. What makes the Soviets' transfer ruble viable international reserve currency is not, in the final analysis, that Soviet gold reserves amount to between \$20 and \$30 billion at recent market prices, but rather that capital goods bought by the Soviets with transfer rubles can effect an economic "take-off" in the Comecon sector. By providing the Comecon economies with a sufficient range of technologically-advanced capital goods to employ large sectors of the skilled and underutilized Soviet farm population, the West would find

itself in trade balance with an expanding Soviet sector in little more than five years.

Compatibility

Similarly, the issuance of transfer ruble credits by Comecon agencies, such as the R15 billion Special Fund which Soviet Ambassador Malik cited in his U.N. speech, extends the real creditworthiness of the Soviet sector to the Third World, since these credits would be used mostly for purchases of Western capital goods under a three-way arrangement. As Mexican central bank governor Ernesto Fernandez Hurtado explained to IPS this week, this is how the Third World views the transfer ruble. As in the case of the Soviet sector, the tremendous potential productivity of Third World countries, initially in the field of agriculture, given sufficient capital inputs, is the real "backing for such credits.

Once this process of trade and self-expanding investment is set into motion, not a Troy ounce of gold need change hands, except for minor and temporary adjustments. Provided that development credits are of a sufficiently long maturity — a minimum of 12 years for large projects in the Comecon sector — income generated by such projects will cover what capitalists call the problem of "balance-of-payments equilibrium" between nations.

In this context, gold is less a financial than a political necessity. For a nation presently under capitalist rule, such as West Germany or Japan, to conclude the necessary treaty arrangements with the Soviets to make the transfer-ruble acceptable for purchases of Western capital goods, there must be a reserve asset in common for the settling of claims of one sector upon another. In the ongoing negotiations between the West Germans and the Soviets on the use of the transfer ruble, according to the newspaper Deutsche Zeitung, this is the first point that the German side conceded, i.e., that Soviet and German gold reserves are the basis for the compatibility of the two credit systems.

Transition Out of Dollar

In addition, gold is key to current discussions among the capitalists over how to jerry-rig the remains of the old dollar monetary system while waiting for a new one to come along. The dollar

is no longer a standard for international transactions. As the French and Italians drummed in to the IMF's annual meeting this week, international contracts denominated in dollars for shipment of goods, let alone long-term investments, have no measurable value, due to the instability of the debt-ridden dollar sector! Overwhelmingly, the reserves of Western Europe and other advanced industrial nations are U.S. dollars, which have no precise value, or gold, which, until this week (and its "legal" status is still unclear) was frozen under the decree of the United States. While capitalists find such problems difficult, a recent series of discussions indicates a certain progress in their thinking:

1) Rinaldo Ossola of the Bank of Italy proposes that, since the dollar is bankrupt, the world will divide into "currency" blocs around the leading currencies.

2) Former Federal Reserve chairman William McChesney Martin says firmly what Ossola will only admit privately: that these blocs will have no reserve asset in common to clear payments with other than gold.

3) Nicholas Krul, the chief economist of the respected Swiss bank Lombard Odier, adds one more currency bloc to Ossola's dollar, Europe, and Japanese yen — the ruble zone!

Pegging the value of currencies to gold represents a short-term device to ensure monetary stability at a time when the irregular downward path of the depression in different national sectors makes currency values a speculator's game, and constitutes a major threat to international trade. In the above views of leading international bankers, the link is self-evident between short-term measures which capitalists favor merely to ensure stability, and the transition to a ruble-based monetary system using a gold-pegged ruble as the standard measure of currency values and large-scale ruble credits to finance economic expansion.

Mexico and other Third World countries who back the use of gold understand this process perfectly well. They want it to occur in the advanced sector, and they want their share in it. Mexico backs the restitution of gold not for the pittance its gold reserves would bring on the international market — in Mexico's case less than \$70 million, or 5 per cent of its foreign debt — but to gain

entry to these negotiations. Iraq, for similar reasons, has been accumulating gold in its reserves.

Dollar Short-Fall

A related question is frequently asked: why can't Western countries like West Germany, with \$24 billion in dollar reserves, simply lend these out for development purposes? A glance at the account books of West Germany, the best-heeled of Western European countries, gives the answer. Against DM 50 billion in currency reserves (about \$20 billion) in the German central bank, German corporations have short-term liabilities to foreigners of DM 34 billion. These liabilities derive mainly from the financing of Germany's international trade, either from

bills of exchange obtained on the Eurodollar market, or suppliers' credits from its trading partners. These liabilities must be repaid at the prevailing inflationary interest rates on the dollar credit market. Because the European economies were initially funded with dollar reserves under the Marshall Plan and similar arrangements, their own credit sectors are an extension of the dollar sector. Their reserves are not free, but are the basis for Europe's and Japan's participation in dollar-financed trade.

Japan's case is even more illustrative; the Bank of Japan holds about \$12 billion in reserves, against a short-term external debt of over \$33 billion, owed to New York and Eurodollar banks.

As long as Western Europe is hooked into the dollar sector, its deployment of dollar reserves must reflect prevailing conditions on the dollar credit markets — where the U.S. Treasury, the world's most secure borrower, is forced to pay its expenses with 13 to 18 day notes! In summary, there is no way that international trade can survive within the dollar credit structure. Gold represents the only "fallback" position that capitalist countries have, and simultaneously creates the basis for three-way credit and trade arrangements between the Comecon countries, the advanced sector, and the Third World.

WORLD COMMUNIST MOVEMENT MOBILIZES FOR DEFENSE OF PCP

by R. Bourne and T. DeCarlo

Sept. 6 — CIA-linked top commanders yesterday ousted pro-Communist Gen. Vasco Gonçalves from his appointment as Commander in Chief of the country's armed forces, on direct orders from NATO and U.S. Ambassador Frankie "the Enforcer" Carlucci. Simultaneously the leading whores of the "socialist" Second International met in London to map further plans for counterrevolutionary interference into Portugal. The same day former Portuguese president Gen. Spínola met in Paris with Portuguese fascists and released an interview in which he painted himself as the next government of Portugal, while his Portuguese Liberation Army reportedly is preparing an invasion from Franco's Spain.

This crowd of Rockefeller vultures inside and outside of Portugal is now preparing to turn the Portuguese revolution into another Chilean holocaust. In an interview with a Bulgarian newspaper this week Portuguese Communist leader Alvaro Cunhal "warned against an open counter-revolution."

Cunhal's warning was immediately answered by Communist Parties around the world. The international Communist movement has reacted as never before to the threat of another Chile, with a mass mobilization and propaganda campaign against the Second International butchers, their fascist comrades-in-arms, and the multinationals and banks masterminding the strangulation of Portugal's economy. Now, more than ever, the fate of the Portuguese revolution depends on working-class forces outside Portugal.

Gonçalves, the leading pro-Communist figure in the Portuguese military, was forced to resign his appointment as Chief of Staff of the armed forces yesterday afternoon by intense opposition from NATO-controlled military factions and threats of civil war. At the same time Gonçalves was removed from the Armed Forces Movement's ruling Revolutionary Council along with several other pro-Communist officers and, in token fashion, some of Gonçalves' political opponents as well.

Just previously, pro-CIA officers led by Army head Gen. Fabaio, Lisbon commander and former security head Gen. Carvalho, and Air Force chief Gen. Morais e Silva sabotaged the

planned General Assembly of the Armed Forces Movement by boycotting the meeting.

As today's pro-Communist Lisbon press points out, these maneuvers "can only be a victory for the internal and external reaction." With Gonçalves scheduled to resign as Premier Sept. 8 and a new cabinet already in preparation bringing the CIA's Socialists and rightist Christian Democrats into the government, the important strategic weapon of legality is passing into the hands of the Rockefeller forces.

Ready for Blood

Getting ready for the kill, the top agents of the Second International — West Germany's Willy Brandt, Austria's Bruno Kreisky, Sweden's Olof Palme, Britain's Harold Wilson, France's François Mitterrand, and Portuguese Socialist Party chief Mario Soares — met on Friday in London to set up a "Committee to Interfere in Portugal." The Committee's job will be to illegally pour funds into agent Soares' Socialist front (described by a high-placed Second International source as "15 men and Soares in a cafe") and tighten up the economic blockade around Portugal, in a carefully scripted Chilean-style destabilization operation.

The London conference was open in its intent. While Olof Palme threatened that "the road from Prague to Santiago can be short," Harold Wilson stressed Portugal's importance for "the security of NATO's southern flank." In such an atmosphere Mario Soares shed all pretense to a left cover and unblushingly admitted, "I think that Gen. Spínola could come back to power if he means to abide with the rules of democracy."

Fascist Hordes

Meanwhile Gen. Spínola, the Nazi collaborator-turned-"moderate" who was forced to flee Portugal last March after his second abortive right-wing coup attempt, has just arrived in Paris from Brazil and will soon go to Madrid. There he intends to assemble armed fascist gangs to send across the border into Portugal. The Brazilian weekly *Opinio* reports that paramilitary bands of up to 16,000 persons, consisting of "recently arrived elements from the ex-colonies, ex-PIDE (Portuguese secret police under the former fascist dictatorship) members, and military men who fled" the Portuguese revolution are preparing to invade the country from northwestern Spain.

Inside Portugal the Rockefeller forces continue to escalate provocations against the Portuguese Communists, with no attempt to conceal their connections. Most explicit was the fascist horde of Maoists, Angolan refugees, and Socialists who tried unsuccessfully to storm the pro-Communist newspaper *Diário de Notícias* Aug. 4, then marched straight to the U.S. Embassy in Lisbon demanding that the U.S. intervene!

Final preparations for a bloody civil war against the Portuguese working class will be set Aug. 8 at a top-level New York City meeting between Portuguese bankers and executives and Portuguese section chiefs from First National City, Chase Manhattan, and the rest of Rockefeller's New York banking operations. The Portuguese delegation will arrive directly from the International Monetary Fund conference in Washington. A State Department source corroborated the purpose of the meeting when he noted that State is advising U.S. banks and corporations that the Portuguese government will soon restore "administrative control" of worker-occupied factories.

Communist Mobilization

The international Communist movement has met the Rockefeller offensive against the Portuguese revolution head-on. The Soviet party newspaper *Pravda* gave the marching orders in a Sept. 4 article which said, "The defense of the revolutionary achievements of the Portuguese people is now the front line of the defense of the rights of the peoples of the Western European and other capitalist countries for free sovereign development."

Targeting the Second International, the *Pravda* article continues, "Everyone remembers how dearly the international workers' movement paid for the refusal of the leaders of the right-wing Social Democracy in the 1930s to enter a united front with the Communists. The anti-Communist blindness turned against the Social Democrats themselves, many of whom ended up in the concentration camps together with the Communists." But current Portuguese events show, says *Pravda*, "that lesson did not do certain Socialist Party leaders any good, above all not the Socialist Party of Portugal, whose right-wing leaders' splitting policy...is contributing to the present stormy activation of the reaction in the country."

West German Communist Party chairman Mies followed up the Pravda blast with an open letter to Willy Brandt telling him to stop his meddling in Portuguese affairs and stop supporting CIA agent Soares. Across the border East German radio began to rip into ITT's economic boycott of Portugal, with pointed reference to ITT's bloody history in Chile.

The French Communists aggressively mobilized their forces against Spinola, under the slogan, "Partisans will not allow Spinola to plot against the Portuguese democracy in peace." The PCF newspaper L'Humanité even published Spinola's hotel and room number, his cover name, security arrangements, the hotel exit he is likely to use, and so on. Louis Odru, head of the PCF federation in Seine-St. Denis, addressed the French government in the name of the Communist parliamentary bloc to demand that Spinola's activities in France be ended immediately.

WILLIAM McCHESNEY MARTIN PREDICTS GOLD BLOC, 20-CENT DOLLAR AT IMF

WASHINGTON, D.C., Sept. 5 (IPS) — The week-long annual session of the International Monetary Fund and the International Bank for Reconstruction and Development (World Bank) that ended today at the Sheraton-Park Hotel here was a source of deep despair for top-level guardians of Rockefeller's Dollar Empire.

William McChesney Martin, former Chairman of the U.S. Federal Reserve System and currently on the board of directors of nine major U.S. corporations including U.S. Steel, summed it all up in an informal interview with an IPS reporter at a luncheon today. "It terrifies me," he said nursing a cocktail, "but now it looks like the gold-backed currency blocs will develop. It's inevitable." Calling himself a "rebel against international monetary reform," he reflected, "I had told (John) Connally (then U.S. Secretary of the Treasury) back in 1971 to stop printing money if he wanted devaluation (10 per cent devaluation of the dollar) to work, but who listens?" He went on: "Now we have a situation where 250 banks in this country are being watched closely (for failure — ed.) and the Fed will have to buy up New York City bonds at par (face value of the paper — ed.)." "We'll soon have a 20-cent dollar, I tell you," he added sadly. Asked what he was going to do about it, the country's most respected financier replied: "Oh, I am going to play a lotta tennis."

Rockefeller flunkey and investment loan shark George Ball, caught sneaking out of the dining room, retorted to McChesney Martin's prophecies, "No, no, it can't happen," and bolted the room.

Other participants in the conference indulged in the most bizarre fantasies. A spokesman for a top New York-based

brokerage house, questioned about the impact of the now-inevitable New York City default on the U.S. dollar, mumbled: "Should the banking system collapse as a result and the Federal government take the system over, that would produce one hell of a strong dollar," adding, "once you blew off all that hot air."

Indeed, the last press conference at

the confab, scheduled to be given by West German central bank vice-president Ottmar Emminger, was abruptly cancelled when reportedly the Working Party Three of the OECD (a Kissinger-inspired economic grouping of the NATO countries along with Japan) broke up in disagreements about "the timing of an economic recovery" in the U.S.

BREAK UP THE NSC'S PORTUGUESE FASCIST NETWORK NOW

By Allan Salisbury

Sept. 6 (IPS)—Investigations by the Labor Committee's Security Staff into reported plans for the conducting of \$30,000 in U.S.-made handguns from Newark, N.J. to fascist gangs in Portugal have uncovered a National Security Council (NSC)-coordinated fascist operation in the Portuguese communities of three Eastern seaboard states.

The operation primarily involves: — henchmen of the former Portuguese President and CIA operative Gen. Antonio di Spínola,

— agents of the Second International's Soares-Portuguese Socialist Party's (PSP),

— Cuban Gusanos and fascist elements within the Catholic Church, both in this country and in Portugal.

Ferrying warm fascist bodies and cold cash as well as firearms to CIA operations in Portugal, this extensive network provides a thin, "respectable" cover for direct U.S. intervention. To accomplish their aims, these agents have created an atmosphere of anti-communist terror in U.S. Portuguese communities.

The Cloaks Behind the Daggers

Newark's Portuguese community in the East Ward is rapidly being turned into a recruiting and conducting station. Agents, guns, money and eager fascist recruits are assembled here for shipment to Portugal.

The operation is centralized through the East Ward's Our Lady of Fatima Church. The Church is currently involved in raising money with pro-reactionary exile and refugee groups for delivery to the CIA's Social democratic groups in Portugal, the PSP and the Popular Democrats (PPD).

Father Tinho, the second-in-command of the operation told a reporter that he and various refugee front groups expected "to raise thousands of dollars with the aid of the Church." According to Tinho, churches and social clubs are the best vehicle for this type of fundraising because "people are less suspicious about where their money is going to go."

Tinho, a former Portuguese Air Force Chaplain in Mozambique, was recently kicked out of Portugal for being a Maoist.

Tinho's boss, Father Capote is currently in Portugal on "undisclosed business." Capote was instrumental in placing a Portuguese consulate as an operations base in the East Ward during the Salazar regime.

Capote's pro-fascist newspaper,

Novos Rumos, is regularly conducted into Oporto, Braga, and by parishioners returning to the "homeland."

These so-called retuning parishioners are recruited at weekly fascist rallies in the East Ward organized by refugee groups directed primarily by PSP operative, Arnold Santos. Santos heads up Newark's branch of the "Portuguese Relief Fund," another CIA-funding conduit.

Shipment

The shipment of these recruits to the CIA's front lines in Portugal is handled out of the East Ward's Vauga Travel Agency. According to a special discount plan worked out with Capote's church, the Agency offers reduced rates for parishioners seeking a "pleasant Portuguese vacation." Since January of this year, more than 6,000 parishioners have taken the Portuguese trip. According to the Church, very few have returned.

The travel agency is headed by Jose Saraiva, whose brother is the ex-editor of the Portuguese Times, a CIA reactionary paper that circulates in the Portuguese communities of the U.S. Saraiva's brother is reported by informed sources to be handling the shipment of \$30,000 in handguns from Newark to centers of fascist reaction in the North of Portugal.

The agency itself is by no means solely concerned with the movement of fascist troops from the U.S. to Portugal. From all indications, it is a major spook center in the CIA Portuguese subversive operations.

In the basement of its relatively small office, is a branch operation of the Portugal's fifth largest bank, the Banco Pinto, Sotto Maior. Banks of telecommunications equipment fill the basement. According to Agency spokesmen, the telexes are "used primarily as a service for American corporations, allowing them direct communication with any bank branch in Portugal."

According to Father Tinho, however, a lot more sensitive information goes over to Portugal "than who is going on vacation or bank business."

A similar "travel agency" is operated by Fernando Santos, brother of Arnold, the PSP agent.

Coordination

The Newark operation is supported by and coordinated with branches of the fascist network in other Portuguese communities on the East Coast, especially Hartford, Conn. and New Bedford, Mass.

Manuel Gaspar, the chief organizer of the Portuguese Relief Fund in Hart-

ford, has played an active role in organizing the fascist rallies in Newark. Gaspar, one of many travelling agents in the network, lists his income sources as a Banks Travel Agency and the Firestone Rubber, Co.—Firestone has already been implicated in the LEA-CIA Reading gun-running operation.

The Gaspar Relief Fund's accounts are handled by the Hartford Constitution Bank and Trust Co., an executive board member of the Hartford Process counterinsurgency operation. The bank is reported to be conducting CIA funds into Portugal and Angola using the International Red Cross as its cover.

The Relief Funds act as a coordinating body for an assortment of CIA Portuguese fascist exile groupings.

Among these are the FLA (Front for the Liberation of the Azores), headed by Jose Amida who served in Salazar's Assembly.

The FLA is supported by "ex" Defense Intelligence Agency Colonel, now Queens College Professor Norman Bailey. Bailey, who is part of a Wall Street brokerage firm connected to Portuguese banks, just recently returned from the Azores arranging economic deals for whenever the FLA becomes the government.

Another exile grouping, the "Cape Verde Support Committee," has Roy Texeira, a former Salazar U. N. Ambassador, as its nominated head.

The U.S. Labor Party is not calling for additional investigation, though competent investigative work would no doubt reveal a covert operation of an even more extensive scale. The entire operation must be closed down now, before it succeeds in its intended aim—producing a bloodbath in Portugal. We offer the following list of names and phone numbers so that workers and ejected officials may take appropriate action.



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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)
EARLY EVENING NEWS REPORT
TUESDAY, SEPTEMBER 2, 1975

I. INTERNATIONAL PRESS ROUND-UP.

WORKERS 'OCCUPY' ALFA-ROME0 PLANTS IN ITALY

SEPT. 2 (IPS)—"THOUSANDS AND THOUSANDS OF WORKERS ARE PRESENT AT THE ALFA ROMEO PLANTS OF MILAN AND ARESE, IN THE MOST PERFECT ORDER, WITHOUT THE SLIGHTEST INCIDENT...", REPORTS TODAY'S UNITA, ORGAN OF THE ITALIAN COMMUNIST PARTY (PCI). THIS MASSIVE WORKERS' ATTENDANCE AT THE FACTORIES WHICH UNITA DECLINES TO CALL AN "OCCUPATION" RESULTED FROM THE COUNTER-ORDER OF THE MAJOR TRADE UNIONS CONFEDERATIONS (CGIL, CISL, UIL) NOT TO SUBMIT TO THE MANAGEMENT DEMAND FORCING WORKERS TO EXTEND THEIR VACATIONS UNTIL SEPT. 8.

LAST WEEK, THE UNIONS HAD ISSUED A CALL FOR WORKERS TO COME TO THE FACTORIES SEPT. 1, AS ORIGINALLY PLANNED. SOME GROUPS OF WORKERS INITIATED WORKING REGULAR WORK SCHEDULES, THOUGH THEY WERE REMINDED BY ENRICO SOAVE, MEMBER OF THE FLM (METALWORKERS' UNION) SECRETARIAT THAT "WE DO NOT ABSOLUTELY WANT TO ENDANGER THE SAFETY OF THE MACHINERY AND OF THE MEN, THEREFORE IT IS NECESSARY TO RE-START WORK ONLY WHERE THAT IS POSSIBLE."

UNITA REPORTS THAT THE COMPANY HAD REMOVED SOME MACHINERY TO PREVENT WORKERS FROM WORKING.

POLICE PROVOKES UNEMPLOYED IN NAPLES

SEPT. 2 (IPS)—NEARLY 1,000 UNEMPLOYED WERE ATTACKED BY POLICE YESTERDAY AS THEY RALLIED IN PIAZZA MUNICIPIO IN NAPLES; TO PROTEST THE LACK OF JOBS IN THAT CITY. THE DEMONSTRATION OCCURED AFTER THE MUNICIPAL AUTHORITIES HIRED ONLY 84 WORKERS OUT OF THE PROMISED 700 JOBS AVAILABLE.

AS THE UNEMPLOYED, ORGANIZED BY THE MAJOR UNION CONFEDERATION, ASSEMBLED IN THE PIAZZA, HEAVY POLICE FORCES WERE CALLED TO THE SCENE. THE DEMONSTRATORS THREW A FEW STONES AT THE POLICE AND THIS WAS RESPONDED TO WITH WHAT WAS DESCRIBED AS AN "EXTREMELY HARSH" ATTACK. THE ATTACKS INCREASED IN INTENSITY AS THE ENRAGED UNEMPLOYED BEGAN TO SMASH SEVERAL AREA STORES' WINDOWS.

THE DAILY, IL MATTINO, WHICH REPORTS THE NEWS TODAY, DOES NOT MENTION CASUALTIES OR THE NUMER OF ARRESTS.

ALGERIAN PAPER LABELS PORTUGUESE SOCIALIST PARTY AS 'TROIJAN HORSE'

SEPT. 2 (IPS)—THE ALGERIAN PAPER, REVOLUTION AFRICAN, LIKENS THE PORTUGUESE SOCIALIST PARTY (PSP), LED BY MARIO SOARES, TO THE "TROIJAN HORSE" OF THE REACTIONARIES, WHICH ARE BLACKMAILING THE PORTU-

(MORE)

GUESE GOVERNMENT. THE PAPER SAYS THAT "MARIO SOARES AND HIS MEMBERS ARE ACTIVE, HAND-IN-HAND WITH THEIR WESTERN MASTERS IN THEIR SOCIAL DEMOCRACY, PUSHING PORTUGAL TOWARDS LIBERAL INSTITUTIONS. THE WAY THEY WANT TO FORCE THEIR IDEAS OF DEMOCRACY ON THE ARMED FORCES MOVEMENT AND ON THE POPULAR MASSES CHARACTERIZES THE PSP AS A TROJAN HORSE" OF THE IMPERIALIST FORCES.

PCF POLITBURO BLASTS SOARES

SEPT. 2 (IPS)—THE POLITBURO OF THE FRENCH COMMUNIST PARTY (PCF) TODAY ISSUED A 3-POINT DECLARATION ATTACKING MARIO SOARES FOR HIS RECENT INTERVIEW IN AN ITALIAN NEWSPAPER. SOARES HAD REPEATEDLY CHARGED THAT THE PCF IS INTERFERING IN PORTUGAL AND THAT THE PORTUGUESE COMMUNISTS ARE RESPONSIBLE FOR THE NEAR CIVIL WAR SITUATION IN THE COUNTRY, THE POLITBURO DECLARATION POINTS OUT THAT WHILE THE "PCF HAS NEVER LIFTED A HAND AGAINST LIBERTIES", THE HISTORY OF EUROPEAN SOCIAL DEMOCRACY HAS AMPLY DEMONSTRATED THEIR ROLE IN "DEFENDING THE LIBERTY OF CAPITALISM IN EXPLOITING WORKERS".

THE DECLARATION ALSO ACCUSES SOARES OF BEING THE PRIMARY SABOTEUR OF A UNITED FRONT OF ALL DEMOCRATIC ORGANIZATIONS IN PORTUGAL AGAINST THE FASCISTS. IT CONCLUDES WITH A RENEWED CALL IN SUPPORT OF A EUROPEAN-WIDE CONFERENCE OF ALL PRO-DEMOCRATIC FORCES ON THE PORTUGUESE SITUATION.

PCF CALLS ON WORKERS TO SAFEGUARD LABOR POWER

SEPT. 2 (IPS)—ANSWERING RENEWED CALLS BY THE FRENCH EMPLOYERS' ASSOCIATION (CNPF) FOR SEVERE ANTI-WORKING CLASS AUSTERITY, TODAY'S EDITORIAL IN L'HUMANITE, NEWSPAPER OF THE FRENCH COMMUNIST PARTY (PCF), STATES "THERE WILL NO LONGER BE IN FRANCE THE ASSURANCE OF PROGRESS IN WORKERS' WELL-BEING WITHOUT THEIR INTERVENTION, WITHOUT THEM PLAYING A DECISIVE ROLE IN THE LIFE OF SOCIETY. AND THE SOONER THE BETTER."

THOUSANDS ON STRIKE IN SPAIN TO PROTEST DEATH SENTENCE OF 2 BASQUE SEPARATISTS

SEPT. 2 (IPS)—OVER 100,000 WORKERS HAVE BEEN ON STRIKE IN THE BASQUE COUNTRY FOR THE LAST THREE DAYS TO PROTEST THE DEATH SENTENCES IMPOSED LAST FRIDAY ON THE TWO BASQUE SEPARATISTS WHO WERE CONVICTED OF KILLING A POLICEMAN LAST YEAR. DEMONSTRATORS FROM AT LEAST SIX CITIES INCLUDE WORKERS, DOCTORS AND TEACHERS, AND PRISONERS ON HUNGER STRIKES, ACCORDING TO TODAY'S WEST GERMAN DAILY, THE FRANKFURTER RNDSCHAU.

YET ANOTHER JAPANESE BANKRUPTCY

SEPT. 2 (IPS)—TOHO SANGYO, LTD., A TRADING COMPANY, AND ITS SUBSIDIARY TOHOKU-KYOWA CO., WERE DECLARED BANKRUPT YESTERDAY WITH COMBINED LIABILITIES OF \$90 MILLION, THE WALL STREET JOURNAL REPORTS TODAY. THE BANKRUPTCY, WHICH JAPANESE PRESS SOURCES ASSERT WAS "COMPLETELY UNRELATED" TO LAST WEEK'S KOHJIN COLLAPSE, WAS TRIGGERED BY MASSIVE SPECULATIVE LOSSES IN REAL ESTATE.

(MORE)

MEANWHILE THE SAME SOURCES REVEALED THAT CHORI CO., THE 12TH LARGEST TRADING COMPANY IN JAPAN WITH SALES 8 TIMES KOHJIN'S VOLUME, WAS IN SEVERE FINANCIAL DIFFICULTIES ARISING FROM THE KOHJIN COLLAPSE AND HAD BEEN EXTENDED SPECIAL ASSISTANCE BY ITS BANKS TO HELP MEET PAYMENTS COMING DUE.

CHILEAN REGIME DENOUNCES LIMA CONFERENCE

SEPT. 2 (IPS)--EL MERCURIO, A MAJOR SANTIAGO, CHILE DAILY, DENOUNCED THE JUST-ENDED CONFERENCE OF NON-ALIGNED COUNTRIES IN LIMA, PERU, AS FACILITATING SOVIET PENETRATION INTO THE THIRD WORLD. "THE SOVIETS "HAVE FOUND A VERY POWERFUL ENEMY IN THEIR WAY," THE AUG. 29 EDITORIAL STATED. "COMMUNIST CHINA, WHICH IS TRYING TO MAKE ITSELF THE LEADING COUNTRY IN THIS (NON-ALIGNED) MOVEMENT."

EL MERCURIO, LEADING JOURNALISTIC SPOKESMAN FOR THE CHILEAN FASCIST REGIME, WAS ONE OF THE NEWSPAPERS REVEALED TO HAVE RECEIVED CIA FUNDING FOR ITS DESTABILIZING ROLE OF THE DEMOCRATICALLY-ELECTED ALLENDE REGIME LEADING UP TO THE BLOODY MILITARY COUP IN SEPT. 1973.

II. CONTINENTAL PRESS ROUND-UP.

KENNEDY CALLS FOR U.S./OPEC DEVELOPMENT POLICY

SEPT. 2 (IPS)--SEN. EDWARD KENNEDY (D-MASS), GIVEN PROMINENT EDITORIAL SPACE IN TODAY'S WASHINGTON POST, TODAY CALLED ON THE U.S. TO PURSUE DEVELOPMENT IN CONCERT WITH THE OPEC COUNTRIES, ASSERTING THAT THE PERSIAN GULF STATES ARE ACUTELY AWARE OF THE INTERDEPENDENCE THEY HAVE WITH INDUSTRIAL COUNTRIES. KENNEDY SCORES THE ADMINISTRATION'S LACK OF CLEAR POLICIES AND CALLS FOR U.S. LEADERS TO REASSERT THE COUNTRY'S ROLE IN SHAPING THE FUTURE OF THE GLOBAL ECONOMY.

KENNEDY SAYS HE "HEARD IN THE GULF (ON HIS RECENT TRIP - ED.) NO EXPRESSION OF A DESIRE TO DISRUPT WESTERN DEVELOPMENT OR PROMOTE MAJOR SHOCKS TO THE INTERNATIONAL MONETARY SYSTEM; INDEED I WAS TOLD QUITE THE REVERSE." THE MASSACHUSETTS SENATOR CHALLENGED THE ADMINISTRATION TO CONVENE MAJOR ECONOMIC MEETINGS TO BEGIN THE WORK OF COOPERATION FOR GLOBAL DEVELOPMENT.

DALLAS EX-POLICE CHIEF ALLEGES FBI COVERUP IN JFK ASSASSINATION

SEPT. 2 (IPS)--THE DALLAS POLICE CHIEF AT THE TIME OF THE ASSASSINATION OF PRESIDENT JOHN F. KENNEDY WAS TOLD BY AN FBI AGENT THAT THE FBI HAD KNOWN PRIOR TO THE MURDER THAT THE ALLEGED ASSASSIN LEE HARVEY OSWALD WAS A THREAT TO THE PRESIDENT, ACCORDING TO TODAY'S NEW YORK TIMES.

THE REPORT ADDS THAT THE WARREN COMMISSION, WHICH INVESTIGATED THE ASSASSINATION, DID NOT FULLY CHECK INTO THE FBI REMARKS.

(MORE)

I.R.A. STOLE WEAPONS FROM U.S. BASES

SEPT. 2 (IPS)—THE OUTLAWED IRISH REPUBLICAN ARMY (IRA) HAS STOLEN WEAPONS FROM U.S. BASES FOR SHIPMENT TO NORTHERN IRELAND, ACCORDING TO A DEFENSE DEPARTMENT DOCUMENT RELEASED YESTERDAY BY REP. LES ASPIN (D-WISC).

THE ARMY PHYSICAL REVIEW BOARD REPORT, TURNED OVER TO FORMER ARMY SECRETARY HOWARD CALLAWAY ON MARCH 10 SAID THAT WEAPONS LOSSES FROM 1971 THROUGH 1974 "WOULD EQUIP APPROXIMATELY 10 COMBAT BATTALIONS WITH A BASIC LOAD OF SMALL ARMS AND AMMUNITION." ACCORDING TO TODAY'S NEW YORK TIMES THE REPORT STATED THAT THE IRA WAS ATTEMPTING TO RECRUIT MEMBERS OF THE U.S. MARINE CORPS WHO WERE QUALIFIED WITH MACHINE GUNS AND COMMUNICATIONS EQUIPMENT.

NEW YORK TIMES PUMPS MORE HOT AIR INTO KISSINGER'S U.N. MESSAGE

SEPT. 2 (IPS)—SECRETARY OF STATE HENRY KISSINGER'S 12,000-WORD ODE TO CAPITALISM, DELIVERED YESTERDAY AT THE UNITED NATIONS SPECIAL SESSION ON ECONOMIC DEVELOPMENT BY U.S. AMBASSADOR DANIEL P. MOYNIHAN, IS LAUDED AS A "WELCOME INITIATIVE" BY THE NEW YORK TIMES IN ITS LEAD EDITORIAL TODAY. WITH KISSINGER'S ADDRESS, THE TIMES COMMENTS, "THE UNITED STATES HAS MADE ITS MOST POSITIVE AND COMPREHENSIVE RESPONSE IN YEARS TO THE DEMANDS OF THE DEVELOPING COUNTRIES FOR A GREATER SHARE OF THE WORLD'S BOUNTY AND FAIRER CONDITIONS OF WORLD TRADE."

III. ORGANIZING AND INTELLIGENCE REPORT

IRAN MOVES TO SPONSOR MAJOR FUSION RESEARCH EFFORT IN MIDDLE EAST

SEPT. 2 (IPS)—NEW SOLIDARITY HAS BEEN INFORMED BY SEVERAL LEADING U.S. FUSION RESEARCHERS THAT IRAN PLANS TO SPONSOR A MAJOR FUSION ENERGY RESEARCH PROGRAM.

IRANIAN REPRESENTATIVES HAVE RECENTLY VISITED FUSION RESEARCH LABORATORIES BOTH HERE IN THE U.S. AND IN WESTERN EUROPE RECRUITING PHYSICISTS FOR THEIR FUSION RESEARCH PROGRAM. ONE SUCH REPRESENTATIVE IS REPORTED THIS WEEK TO BE VISITING THE LOS ALAMOS SCIENTIFIC LABORATORY IN NEW MEXICO.

SOURCES REPORT, IRAN HAS EXPRESSED PARTICULAR INTEREST IN CONSTRUCTING LARGE LINEAR THETA PINCH MACHINES FOR EXPLORING THE POSSIBLE APPLICATIONS OF THERMONUCLEAR POWER. THE LINEAR THETA PINCH IS ONE OF THE FEW MAGNETIC BOTTLES TO ACTUALLY ACHIEVE THE CONDITIONS NEEDED TO PRODUCE FUSION ENERGY, AND THETA PINCH WORK HAS BEEN THE CHIEF FOCUS OF RESEARCH AT LOS ALAMOS. ONE PROBLEM WITH LINEAR THETA PINCHES IS THAT THEY MUST BE MADE OVER ONE KILOMETER LONG IN ORDER TO REACH NET ENERGY PRODUCING CONDITIONS. LOS

(MORE)

ALAMOS HAS THEREFORE EMPHASIZED CLOSED, DOUGHNUT SHAPED THETA PINCHES IN ITS PROGRAM. THE LARGEST LINEAR THETA PINCH PRESENTLY OPERATING IN THE U.S. IS 8 METERS LONG.

ACCORDING TO THE SCIENTISTS INTERVIEWED, IRAN PLANS A BRUTE FORCE PROGRAM BASED ON BUILDING A LINEAR THETA PINCH OVER 100 METERS LONG. THERE HAVE BEEN PROPOSALS TO BUILD A 40 METER PINCH HERE IN THE U.S., BUT THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION (ERDA) HAS NOT ACTED ON IT YET. THE IRANIANS PLAN TO EXPLORE FISSION/FUSION HYBRIDS AND POSSIBLE DESALINIZATION AND PRODUCTION OF HYDROGEN FROM SEA WATER WITH THEIR LINEAR THETA PINCH.

NATO DEPLOYS 4TH INTERNATIONAL GOONS AGAINST ELC IN TURIN

TURIN, ITALY, SEPT. 2 (IPS)—A 10-MAN HOODLUM SQUAD FROM THE NATO-CONTROLLED "FOURTH INTERNATIONAL" ASSAULTED EUROPEAN LABOR COMMITTEE (ELC) ORGANIZERS HERE YESTERDAY AT THE CENTRAL RAILWAY STATION, A KEY NEWSPAPER DISTRIBUTION SITE. THE GOONS, WHO CLAIMED TO BE "SUPPORTING THE LIBERATION OF SPAIN," BELONG TO THE TINY STUDENT-BASED ITALIAN SECTION OF THE FOURTH INTERNATIONAL, THE GRUPPI COMUNISTI RIVOLUZIONARI (GCR), WHICH NORMALLY DOES NO PUBLIC "ORGANIZING." THE GCR GOONS SCREAMED THREATS AND SLANDERS AGAINST THE ELC AND TORE UP POSTERS AND NEWSPAPERS.

THE GCR WERE DEPLOYED HERE TO WRECK ORGANIZING BY THE ELC AMONG COMMUNIST PARTY MEMBERS TO REBUILD THE ITALIAN COMMUNIST PARTY AS THE "ITALIAN PARTY OF CUNHAL." SUCH ORGANIZING HAS GENERATED SPONTANEOUS RALLIES OF 40-50 PERSONS AT THE STATION IN PRECEDING DAYS.

THE LAST ISSUE OF THE ELC'S EUROPEAN PRESS EXPOSED ERNEST MANDEL, THE FOURTH INTERNATIONAL'S HEAD, AS A 20-YEAR CONSCIOUS AGENT OF NATO AND ANGLO-AMERICAN INTELLIGENCE.

SIMON SAYS THEY "ALWAYS WANT MORE"

SEPT. 2 (IPS)—TREASURY SECRETARY WILLIAM SIMON, WHEN ASKED BY WASHINGTON POST CORRESPONDENT HOBART ROWAN ON THIRD WORLD DISFAVOR OF THE COMPROMISE REACHED YESTERDAY BY THE IMF "GROUP OF FIVE" ON A GOLD-BACKED AID FUND, MOANED: "PEOPLE ALWAYS WANT MORE." WITH HAND ON HEART, SIMON FURTHER ASSURED IPS CORRESPONDANT BOB BERKOWITZ AT THIS MORNING'S PRESS CONFERENCE AT THE IMF MEETING THAT AN ANTI-U.S. MOVE BY THIRD WORLD COUNTRIES TOWARDS DEBT MORATORIA WAS UNLIKELY SINCE THEY KNOW "OUR EFFORTS ARE SINCERE."

IV. IPS ANALYSIS

EGYPT, ISRAEL INITIAL KISSINGER'S SINAI PACT

SEPT. 2 (IPS)—EGYPT AND ISRAEL YESTERDAY INITIALED A SECOND-STAGE DISENGAGEMENT AGREEMENT OVER THE ISRAELI-OCCUPIED SINAI PENINSULA AFTER 12 DAYS OF SHUTTLE DIPLOMACY BY U.S. SECRETARY OF STATE HENRY KISSINGER.

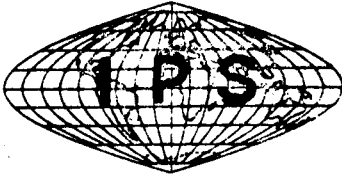
(MORE)

WIDELY HAILED AS A MAJOR VICTORY FOR AMERICAN FOREIGN POLICY BY THE BOURGEOIS PRESS, THE AGREEMENT REPRESENTS THE FINAL STAGE OF KISSINGER'S "DEAD-END" PERSONAL MEDIATION OF THE MIDEAST CONFLICT. EVENTS SINCE THE START OF KISSINGER'S ONE-MAN SHUTTLE DIPLOMACY 18 MONTHS AGO—IN PARTICULAR THE PRO-DEVELOPMENT MASS STRIKE LED BY IRAQ THAT IS SWEEPING THE ARAB WORLD—HAVE MADE THE INTERIM SINAI ACCORD NEARLY IRRELEVANT TO PRESENT REALITIES.

FOR ISRAEL, THE PACT FURTHER ENCLOSES THE COUNTRY IN THE ENVELOPE OF AMERICAN-CONTROLLED ISOLATION. KEY PROVISIONS OF THE PUBLIC AGREEMENT INCLUDE PLACING THE SUPPLY OF VITAL ISRAELI OIL IMPORTS ENTIRELY IN U.S. HANDS FOLLOWING THE RETURN OF THE SINAI OIL FIELDS TO EGYPT; THE STATIONING OF U.S. CIA "TECHNICIANS" IN THE SINAI PASSES WHERE THEY WILL ADVISE ISRAEL ON WAR AND PEACE; AND A MULTI-BILLION DOLLAR U.S. MILITARY AND ECONOMIC AID PACKAGE. ALL THESE PROVISIONS ENSURE THE REMOVAL OF THE LAST SHRED OF ISRAELI INDEPENDENCE.

BY SIGNING THE PACT, EGYPTIAN PRESIDENT ANWAR SADAT HAS OPENLY BUCKED THE PRO-DEVELOPMENT CURRENT IN THE THIRD WORLD IN HOPES OF GARNISHING U.S. AND WESTERN FINANCIAL AID AND INVESTMENT IN IMPOVERISHED EGYPT. SADAT'S STUBBORN ADHERENCE TO THE BANKRUPT DOLLAR WILL ENSURE HIS RAPID POLITICAL DEMISE. SADAT IS ALREADY UNDER PRESSURE FROM SOCIALIST AND ARAB NATIONALIST FORCES WITHIN EGYPT SUPPORTED BY IRAQ AND THE SOVIET UNION, TO REVERSE THIS POLICY.

END IPS/EARLY SEPT. 2, 1975.



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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE
LATE EVENING NEWS ROUND-UP
DAILY PRIORITIES
SEPT. 2, 1975 - 2000 HRS.

SCHMIDT CONFIRMS TRANSFER RUBLE TALK WITH SOVIETS

BONN, BRD, SEPT. 2 (IPS)--WEST GERMAN CHANCELLOR HELMUT SCHMIDT TODAY ACKNOWLEDGED IN AN EXCLUSIVE INTERVIEW WITH IPS THAT HE HAD DISCUSSED THE TRANSFER RUBLE, "AMONG OTHER THINGS," EARLY LAST WEEK IN BONN WITH SOVIET FOREIGN TRADE BANK HEAD IVANOV AND GOSBANK DIRECTOR SCHVESHNIKOV. IPS WAS THE ONLY NEWS SERVICE TO CARRY REPORTS LAST WEEK, NOW CONFIRMED BY THE CHANCELLOR, THAT THE TALKS INVOLVED THE EXPANSION OF THE RUBLE'S ROLE.

WEST GERMAN UNION HEAD PRAISES RUBLE, EAST-WEST TRADE

BONN, BRD, SEPT. 2 (IPS)--"WE ARE EXTRAORDINARILY PLEASED BY THE RECENT DEVELOPMENT OF EAST BLOC TRADE," STATED HEINZ-OSKAR VETTER, HEAD OF THE WEST GERMAN TRADE UNION FEDERATION, THE DGB, TODAY IN RESPONSE TO A QUESTION CONCERNING THE POTENTIAL FOR SUCH TRADE TO ALLEVIATE THE ECONOMIC CRISIS. ON THE SUBJECT OF THE SOVIET RUBLE, VETTER SAID, "I CANNOT CONCEIVE THAT A CURRENCY WITH SO MUCH INDUSTRIAL PRODUCTIVITY AND ECONOMIC STRENGTH BEHIND IT WILL STAY ANY LONGER OUTSIDE THE INTERNATIONAL MONETARY ARENA. IT CANNOT BE SAID WHETHER THAT MEANS THAT THE RUBLE WILL REPLACE THE DOLLAR AS THE NEW LEADING CURRENCY - EVERYONE HAS TO DISCUSS THAT INTERNATIONALLY." VETTER ADDED THAT "THE DOLLAR HAS TO ACCEPT THE ROLE ASSIGNED TO IT BY THE MAJORITY OF DIFFERENT COUNTRIES." VETTER'S COMMENTS WERE MADE DURING AN EXCLUSIVE INTERVIEW WITH IPS TODAY IN BONN, AFTER TRADE UNION LEADERS HAD MET WITH CHANCELLOR SCHMIDT.

LOAN OFFICERS DESCEND ON IMF MEETING TO BUY OFF THIRD WORLD

WASHINGTON, D.C., SEPT. 2 (IPS)--AS THE OFFICIAL PROCEEDINGS AT THE ANNUAL MEETING OF THE INTERNATIONAL MONETARY FUND-WORLD BANK ORGANIZATIONS CONCLUDE THEIR SECOND DAY, THE LOBBIES SURROUNDING BARS AND RESTAURANTS ARE SWARMING WITH BANK PRESIDENTS AND THEIR CHIEF LOAN OFFICERS BARGAINING WITH DEBT-STRAPPED THIRD WORLD NATIONS OVER THE PRICE OF THEIR SILENCE ON THE VOLATILE ISSUE OF A MORATORIUM AGAINST THE IMF, WORLD BANK AND EURODOLLAR DEBT, ONE OF THE KEY UNDERLYING ISSUES ANIMATING THE PROCEEDINGS. A SPOKESMAN FOR AN ESTABLISHED NEW YORK INVESTMENT HOUSE TOLD IPS REPORTERS THAT COUNTRIES WERE NOT GETTING THE MATURITIES OR AMOUNTS OF NEW LOANS THEY WANT, BUT JUST "ENOUGH" TO KEEP THEM QUIET - FOR THE TIME BEING.

(MORE)

THE STARTLING DISCREPANCIES BETWEEN THE SPEECHES OF FINANCE MINISTERS DELIVERED IN THE OFFICIAL, CLOSED PROCEEDINGS -- SPEECHES THAT WILL BE PUBLISHED BACK HOME -- AND THESE SAME OFFICIALS' CONDUCT AT THE PUBLIC PRESS CONFERENCES AND BRIEFINGS DRAMATICALLY REVEALS THE REAL UNDERLYING POLITICAL ISSUES AT HAND. THE FINANCE MINISTERS' OFFICIAL SPEECHES ARE RIFE WITH VITRIOLIC ATTACKS ON THE DOLLAR EMPIRE AND U.S. SABOTAGE OF DEVELOPMENT AND TRADE -- REFLECTING THE URGENCY OF A DECISIVE BREAK WITH THE BANKRUPT DOLLAR CREDIT SYSTEM AND THE IMPLEMENTATION OF TRADE AND DEVELOPMENT POLICIES ALONG THE LINES OF THE ICLC'S INTERNATIONAL DEVELOPMENT BANK PROPOSAL -- WHILE THEIR PUBLIC PRESS CONFERENCES, WITHIN EARSHOT OF THE WATCHFUL LOAN OFFICERS, CONSIST OF TRANSPARENTLY DEFERENTIAL SUPPORT FOR THIS OR THAT U.S. "INITIATIVE."

ANALYSIS:

**ECUADORIAN REBELS TOOK CUES FROM THE NEW YORK TIMES
--NOW FACE FIRING SQUAD**

SEPT. 2 (IPS)--ON SUNDAY MORNING, HOURS BEFORE THE ABORTIVE ATTEMPT TO OVERTHROW THE PRESIDENT OF ECUADOR, EL COMMERCIO, THE LEADING QUITO PAPER, PUBLISHED THE NEW YORK TIMES EDITORIAL CELEBRATING WHAT THE TIMES MISTAKENLY CONSIDERED A RIGHT-WING COUP IN NEIGHBORING PERU. EL COMMERCIO RAN A UPI SUMMARY OF THE TIMES EDITORIAL UNDER THE HEADLINE, "MILITARY REGIMES ARE NO GUARANTEE OF POLITICAL STABILITY, SAYS THE NEW YORK TIMES," AND AN EDITORIAL OF ITS OWN REPEATING THE TIMES' VIEW THAT THE PERUVIAN COUP WAS A "WARNING" TO GOVERNMENTS WHICH DEFY HENRY KISSINGER.

THE PREVIOUS DAY, EL COMMERCIO HAD LED A NEWS STORY SAYING THAT THE CIVIC FRONT, WHICH WAS CALLING FOR THE OVERTHROW OF THE MILITARY GOVERNMENT "IS COMPOSED OF ALL PARTIES, EXCEPT THE GOVERNMENT PARTY, WHICH IS CALLED THE COMMUNIST PARTY OF ECUADOR."

THE PAIR OF GENERALS WHO FOLLOWED THE IMPLICIT ADVICE OF THE NEW YORK TIMES ABOUT GETTING RID OF INCREASINGLY PRO-DEVELOPMENT MILITARY GOVERNMENTS HAVE BEEN CONDEMNED TO DEATH BY FIRING SQUAD, ACCORDING TO PRESIDENT GENERAL RODRIGUEZ LARA AS REPORTED BY WADO RADIO IN NEW YORK TODAY. IT HAS BEEN SUGGESTED THAT RODRIGUEZ PROVIDE THE SAME SERVICE FOR THE EDITORS OF THE TWO NEWSPAPERS INVOLVED.

**STATE DEPARTMENT READIES BLAST AGAINST
MEXICO'S DEVELOPMENT PLAN**

SEPT. 2 (IPS)--THE U.S. STATE DEPARTMENT IS NOW PREPARING TO COME OUT OPENLY AGAINST THE MEXICAN PROPOSAL FOR RAPID GLOBAL DEVELOPMENT PRESENTED TO THE CONFERENCE OF NON-ALIGNED NATIONS AT LIMA LAST WEEK, ACCORDING TO SOURCES INSIDE THE STATE DEPARTMENT. THE RELIABLE SOURCE ASSERTED THAT THE MEXICAN PROPOSAL WAS BEING WIDELY DISCUSSED, THAT IT WAS GENERALLY CONCEDED TO BE A GOOD PROPOSAL, BUT THAT THE U.S. WOULD HAVE TO COME OUT AGAINST IT.

DKP, EAP FORM DEFENSE AGAINST MAOISTS IN HAMBURG

HAMBURG, BRD, SEPT. 2 (IPS)—MEMBERS OF THE W. GERMAN COMMUNIST PARTY (DKP) JOINED WITH ORGANIZERS FROM THE EUROPEAN LABOR PARTY (EAP) HERE YESTERDAY TO DEFEND A WORKING-CLASS MEETING AGAINST TWENTY MAOIST HOODLUMS SHOUTING SLANDERS AGAINST POLAND AND THE SOVIET UNION. AFTER THE MAOISTS ATTACKED TWO EAP MEMBERS AND TORE UP THEIR PICKET SIGNS OUTSIDE A MEETING OF THE POLISH FRIENDSHIP SOCIETY HERE, THE LEADER OF THE DKP SECURITY SQUAD SET UP A DEFENSE LINE OUTSIDE THE HALL AND PERMITTED THE EAP MEMBERS TO ORGANIZE AMONG THE 500 DKP MEMBERS INSIDE.

U.S. CAPITAL SPENDING PLUMMETS

SEPT. 2 (IPS)—IN ITS LATEST QUARTERLY SURVEY OF CAPITAL SPENDING OF U.S. MANUFACTURERS, THE CONFERENCE BOARD, A PRIVATE RESEARCH GROUP, REPORTS THAT THE STEADY DOWNTURN IN CAPITAL APPROPRIATIONS HAS RESULTED IN THE STEEPEST DECLINES SINCE THE CONFERENCE BOARD BEGAN ITS QUARTERLY SURVEYS IN 1953. THE 9.42 BILLION DOLLAR TOTAL OF APPROPRIATIONS IN THE SECOND QUARTER WAS 42.5 PER CENT BELOW THE 16.38 BILLION DOLLAR PEAK REGISTERED IN THE THIRD QUARTER OF 1974.

CUNHAL CALLS FOR UNITY TO STOP COUNTER - REVOLUTION

SEPT. 2 (IPS)—ALVARO CUNHAL, LEADER OF THE PORTUGUESE COMMUNIST PARTY (PCP) STRESSED THAT THE "POWER INSTITUTIONS OF THE ARMED FORCES MOVEMENT (MFA) AND OF THE GOVERNMENT HAD BECOME WEAKER BECAUSE OF THE SPLITTING ACTIVITIES OF THE SOCIALIST LEADERS, WHO ARE ALLIES OF THE REACTION," IN AN INTERVIEW IN THE ITALIAN MAGAZINE EPOCA, ACCORDING TO TODAY'S PRAVDA, A SOVIET UNION PUBLICATION. CUNHAL ADDED THAT "THE SPLITTING OF THE MOVEMENT COULD LEAD TO THE DISAPPEARANCE OF THE PROGRESSIVE FORCES OF THE REVOLUTIONARY VANGUARD." IN ORDER TO SOLVE THE CRISIS, CUNHAL SAID THAT "IT IS NECESSARY THAT ALL FORCES UNITE IN STOPPING THE COUNTER - REVOLUTION. DIFFERENCES AMONG THE DEMOCRATIC FORCES SHOULD BE PUT ON A SECONDARY LEVEL, TEMPORARILY."



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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)
EARLY EVENING NEWS
WEDNESDAY, SEPT. 3, 1975

I. ORGANIZING AND INTELLIGENCE REPORT.

MEXICAN CENTRAL BANK GOVERNOR REAFFIRMS
3RD WORLD MOVING RAPIDLY TOWARDS DEBT MORATORIUM,
WITHOUT CALLING IT THAT

WASHINGTON, D.C., SEPT. 3 (IPS)--IN AN EXCLUSIVE IPS INTERVIEW TODAY, MR. ERNESTO FERNANDEZ HURTADO, DIRECTOR -GENERAL OF BANCO DI MEXICO, REAFFIRMED THAT MEXICO'S BACKING OF THE FRENCH AND EUROPEAN POSITION ON THE MONETIZATION OF GOLD AT THE GROUP OF 24 MEETING THIS WEEK, WAS A POLITICAL STEPPING STONE TOWARDS A THIRD WORLD MORATORIUM ON DOLLAR-DENOMINATED DEBT WITHOUT CALLING IT BY THAT NAME. THE MEXICAN CENTRAL BANK GOVERNOR, IN WASHINGTON ATTENDING THE IMF AND WORLD BANK MEETINGS THIS WEEK, FURTHER ADDED THAT HE SAW WESTERN EUROPE AND THE THIRD WORLD MOVING IN TANDEM TOWARDS THE REMOVAL OF THE DOLLAR AS THE INTERNATIONAL RESERVE CURRENCY AND ITS REPLACEMENT WITH THE SOVIET TRANSFERABLE RUBLE FOR TRI-ANGULAR DEVELOPMENT.

DENOUNCING IMF'S SPECIAL DRAWING RIGHTS AS A BOGUS SOLUTION TO THE PROBLEM OF TRANSFER OF RESOURCES, MR. HURTADO ADDED: "WHAT IS IMPORTANT IS NOT MONEY BUT REAL GOODS. MANY COUNTRIES IN THE HIRD WORLD WOUBLD BE GRATIFIED TO HAVE LONG TERM CREDITS FROM COMECON (THE SOCIALIST ECONOMIC BLOC)." ASKED AS TO HOW WESTERN EUROPE WOULD BE INTEGRATED IN THIS ARRANGEMENT, HE EXPLAINED: "THAT DEPENDS ON GRANTS FROM EUROPE GIVING CREDIT TO COMECON. IF THEY ACCEPT THE TRANSFER RUBLE THEY ARE GIVING CREDITS TO COMECON. THREE-WAY DEVELOPMENT IS POSSIBLE WITH THESE ARRANGEMENTS THE WESTERN EUROPEANS ARE ABLE TO ACCEPT COMECON CURRENCY." EMPHASIZING THAT THE ACCEPTANCE OF TRANSFER RUBLE BY EUROPE ALLOWS THE SOVIETS TO ISSUE CREDITS TO THE THIRD WORLD FOR PURCHASES OF GOODS TO EUROPE, HE ADDED, "IN THIS CASE COMECON IS BACKING THE CREDIT-WORTHINESS OF THE DEVELOPING COUNTRIES."

GOMES RECIEVES CARLUCCI: SPINOLA TO COME TO EUROPE

SEPT. 3 (IPS)--PRESIDENT OF PORTUGAL, COSTA GOMES, JUST RECIEVED THE U.S. AMBASSADOR TO LISBON, FRANK C. CARLUCCI, WITH THE AIR FORCE COMMANDER, GENERAL MORAIS DA SILVA. IT WAS REPORTED THAT THE SENTIMENT OF THE ABOVE WAS AGAINST GENERAL VASCO GONCALVES BECOMING CHIEF OF THE ARMED FORCES, ACCORDING TO SUMMARIES OF PRESS BY EAST GERMAN RADIO TODAY. IN ADDITION, EX-PRESIDENT GENERAL ANTONIO DE SPINOLA WILL ARRIVE IN SPAIN SHORTLY TO "SET UP OPERATIONS NEAR THE BORDER" OF PORTUGAL.

(MORE)

ARMY & AIR FORCE UNITS PURGE PRO-COMMUNISTS IN PORTUGAL

SEPT. 3 (IPS)—YESTERDAY BOTH ARMY AND AIR FORCE UNITS MET TO "PURGE PRO-COMMUNISTS FROM THEIR BRANCHES' DELEGATIONS TO THE ARMED FORCES MOVEMENT'S (MFA) ASSEMBLY..." ACCORDING TO TODAY'S WASHINGTON POST. PROGRESSIVE OFFICERS WERE NOT INVITED TO YESTERDAY'S MEETINGS, REPORTED EAST GERMAN RADIO.

FURTHERMORE, REPRESENTATIVES (DELEGATES) OF THE "AIR FORCE WILL NOT BE ELECTED (BY THE MEN) BUT WILL BE DESIGNATED BY THEIR OFFICERS," REPORTS TODAY'S L'UNITA, THE PAPER OF THE ITALIAN COMMUNIST PARTY. THESE ARE BLATANT MOVES TO FORCE A CONFRONTATION WITH THE PORTUGUESE COMMUNIST PARTY (PCP).

PORTUGUESE COMMUNIST PARTY
RESIGNS FROM ANTI-FASCIST COMMON FRONT

SEPT. 3 (IPS)—THE PORTUGUESE COMMUNIST PARTY (PCP) HAS FORMALLY RESIGNED FROM THE ANTI-FASCIST COMMON FRONT, WHICH IT CALLED INTO BEING A WEEK AGO TO STOP THE COUNTER-REVOLUTION IN PORTUGAL. THE PCP ACCUSED THE FRONT OF MAINTAINING "SECTARIAN AND ANTI-UNITARY ATTITUDES," ACCORDING TO TODAY'S L'UNITA, THE PAPER OF THE ITALIAN COMMUNIST PARTY. THE SIX OTHER PARTIES OF THE FRONT HAVE CRITICIZED THE PCP IN WANTING TO NEGOTIATE WITH THE PORTUGUESE SOCIALIST PARTY AND THE MODERATES, REPORTED YESTERDAY'S AVANTI, THE PAPER OF THE ITALIAN SOCIALIST PARTY.

FIRST SIGNS OF WORKING CLASS ARMING ITSELF IN PORTUGAL

SEPT. 3 (IPS)—ACCORDING TO YESTERDAY'S LONDON DAILY TELEGRAPH, THERE ARE MANY REPORTS OF CIVILIANS ARMING THEMSELVES, WITH "AUTOMATIC RIFLES, MACHINE PISTOLS AND OTHER WEAPONS." OTHER REPORTS INDICATE ROBBERIES OF ARMOURIES AND OF POLICEMEN FOR WEAPONS. "THE COMMUNISTS ARE BELIEVED TO HAVE ARMED THEMSELVES EXTENSIVELY, DISTRIBUTING SOME 10,000 WEAPONS AMONG THEIR MEMBERS," THE TELEGRAPH CONTINUES.

U.S. TO PROVIDE PLANES TO AIRLIFT REFUGEES
FROM ANGOLA TO PORTUGAL

SEPT. 3 (IPS)—THE U.S. GOVERNMENT WILL PROVIDE TWO CHARTERED PLANES IN ORDER TO HELP EVACUATE SOME 270,000 WHITE ANGOLANS WHO SEEK TO RETURN TO PORTUGAL, ACCORDING TO TODAY'S NEW YORK TIMES. A STATE DEPARTMENT SPOKESMAN DISMISSED THE "REPORT FROM LISBON THAT THE U.S. AMBASSADOR, FRANK C. CARLUCCI, HAD SUGGESTED THAT REFUGEE ASSISTANCE BE CONDITIONAL ON SHIFTS IN THE LEFTIST GOVERNMENT IN PORTUGAL," CONTINUED THE TIMES.

PORTUGUESE PRESIDENT COSTA GOMES
REPORTED EASING GENERAL GONCALVES OUT

SEPT. 3 (IPS)—ALTHOUGH PRESIDENT COSTA GOMES HAS APPOINTED GENERAL VASCO GONCALVES TO BECOME THE CHIEF OF THE ARMED FORCES, IN A COMMUNIQUE REPRIMANDING COMMANDER OF THE AIR FORCE, GENERAL MORAIS DA SILVA FOR HAVING ATTACKED GONCALVES, "THE PRESIDENT SIGNED HIMSELF AS CHIEF OF STAFF OF THE ARMED FORCES," ACCORDING TO TO-

(MORE)

DAY'S WASHINGTON POST. SIMULTANEOUSLY, THE LONDON DAILY TELEGRAPH REPORTED YESTERDAY THAT ALTHOUGH GONCALVES WAS SUPPOSED TO BE SWORN IN, GOMES IS CONSIDERING "PLACING A SECOND IN COMMAND, WHO, FOR PRACTICAL PURPOSES, WOULD BE IN CHARGE, LEAVING GONCALVES WITH ONLY A TITULAR ROLE."

FRENCH SUPPLY ARMS TO FNLA IN ANGOLA

PARIS. SEPT. 3 (IPS)--TODAY'S ISSUE OF LE MONDE EXPOSES FRENCH PRESIDENT GISCARD D'ESTAING'S INVOLVEMENT IN FOMENTING CIVIL WAR IN ANGOLA THROUGH HIS GOVERNMENT'S SUPPLYING WEAPONS AND "EXPERTS" TO THE OIL COMPANY-BACKED FNLA. (NATIONAL FRONT FOR THE LIBERATION OF ANGOLA.

"ACCORDING TO MANY CONCURRING WITNESSES, A FRENCH MILITARY TRANSPORT PLANE LANDED THIS SATURDAY AUG. 30, IN KINSHASA AND WOULD HAVE GONE INTO THE MILITARY SECTION OF THE AIRPORT. OUR INFORMERS HAVE ASSURED US THAT THEY WITNESSED THE UNLOADING OF WEAPONS WHICH THREE TRUCKS FROM THE FNLA CARRIED AWAY IMMEDIATELY.", SAYS LE MONDE.

"BESIDES, A FRENCH 'TECHNICAL AGENT' AND ARMAMENT SPECIALIST CAME AT THE INVITATION OF FNLA HEAD ROBERTO, TO STUDY THE MILITARY TECHNICAL MEANS OF THE FNLA. HE ARRIVED IN ANGOLA ON AUG. 25 AND LEFT ON THE 31 AFTER VISITING THE FIELD OF OPERATIONS MANY TIMES."

LE MONDE FURTHER SUGGESTS THAT DURING HIS RECENT TRIP TO ZAIRE AND GABON, PRESIDENT GISCARD WAS ASKED TO GIVE POLITICAL SUPPORT TO THE FNLA BY PRESIDENTS MOBUTU AND BONGO. THE PRESIDENT OF THE PRO-SOVIET POPULAR MOVEMENT FOR THE LIBERATION OF ANGOLA (MPLA), AUGUSTO NETO, HAS FOR A LONG TIME BEEN BANNED FROM FRENCH TERRITORY AND STEERED CLEAR OF THAT COUNTRY DURING HIS LATEST TRIP TO EUROPE.

FRENCH DEFENSE DEPT. DENIES GUNRUNNING TO FNLA

SEPT. 3 (IPS)--FOLLOWING THE PUBLICATION OF A STORY BY A LE MONDE CORRESPONDENT IN KINSHASA, ZAIRE ACCUSING THE FRENCH GOVERNMENT OF RUNNING GUNS AND TRAINED PERSONNEL TO AID THE CIA-COUNTERGANG FNLA IN ANGOLA, THE FRENCH DEFENSE DEPARTMENT WAS FORCED TO BREAK ITS SILENCE AND ISSUE AN OFFICIAL DENIAL YESTERDAY, ACCORDING TO TODAY'S L'HUMANITE.

L'HUMANITE ACCUSES SOARES OF BLOCKING PORTUGUESE SETTLEMENT

SEPT. 3 (IPS)--HENRI ALLEG, LISBON CORRESPONDENT OF L'HUMANITE, TODAY ACCUSED MARIO SOARES OF "MULTIPLYING THE OBSTACLES TO A RESOLUTION OF THE CRISIS" IN PORTUGAL. ALLEG ALSO STATED THAT SOARES' DEMAND FOR THE OUSTER OF CHIEF OF STAFF GONCALVES AS A PRECONDITION FOR HIS OWN PARTICIPATION IN A NEW GOVERNMENT, WOULD BE "A POINT IN FAVOR OF THE RIGHT."

(MORE)

CENTRAL BANKS TO GO FOR GOLD

SEPT. 3 (IPS)—GOLD EXPERTS CONTACTED BY THE JOURNAL OF COMMERCE YESTERDAY CONFIRMED THAT BOURGEOIS PRESS REPORTS FROM THE INTERNATIONAL MONETARY CONFERENCE MEETING IN WASHINGTON HAVE BEEN LARGELY INACCURATE AND HAVE LED TO WRONG CONCLUSIONS.

JAMES SINCLAIR OF VILAS & HICKEY CONFIRMED IPS REPORTS BY POINTING OUT THE DECISION TO SELL ONE-SIXTH OF THE IMF'S GOLD-- WHICH SPARKED A RUSH OF SPECULATORS OUT OF GOLD THE LAST TWO DAYS --IS CONTINGENT ON AGREEMENT ON FIXED EXCHANGE RATES IN JANUARY. US TREASURY SECRETARY SIMON HAD TO BE CORRECTED BY AN AID WHEN HE ANNOUNCED THAT THE SALES COULD TAKE PLACE IMMEDIATELY.

SINCLAIR ALSO SAID THAT DISAGREEMENT OVER GOLD WITHIN THE GROUP OF 24, WHICH INCLUDES DEVELOPING NATIONS, WHO HAVE TRADITIONALLY SUPPORTED THE U.S. PUSH TO DEMONITIZE GOLD, BECAUSE OF THEIR LOW GOLD HOLDINGS, MAY HAVE LED TO THE CANCELLATION OF THE PRESS CONFERENCE THAT WAS TO BE HELD BY THAT GROUP. NICHOLAS DEAK, PRESIDENT OF DEAK PERERA SAID THAT THOUGH THE GOLD AGREEMENT HASN'T BEEN TIGHTENED UP, IF CENTRAL BANKS ARE ALLOWED TO PURCHASE GOLD, BOTH FRANCE AND GERMANY WILL DO SO. "EVEN A NUMBER OF SMALLER COUNTRIES WOULD BE GLAD TO SELL DOLLARS FOR GOLD."

PALESTINIANS STRIKE
IN RESPONSE TO KISSINGER MID-EAST PACT

SEPT. 3 (IPS)—ALL PALESTINIAN CAMPS IN LEBANON ARE REPORTED ON STRIKE TODAY IN REACTION TO KISSINGER'S EGYPT-ISRAELI SINAI AGREEMENT ACCORDING TO CBS REPORTS TODAY.

L'HUMANITE CALLS KISSINGER SPEECH "REARGUARD ACTION"

SEPT. 3 (IPS)—TODAY'S L'HUMANITE, NEWSPAPER OF THE FRENCH COMMUNIST PARTY, CHARACTERIZED THE KISSINGER SPEECH TO THE UNITED NATIONS AS A "REARGUARD ACTION". L'HUMANITE ATTRIBUTED THIS TO THE NECESSITY FOR KISSINGER "TO TAKE INTO ACCOUNT THE RESULTS OF THE RECENT NONALIGNED NATIONS CONFERENCE IN LIMA, PERU."

SPD-CDU COALITION IN NECKARSULM, WEST GERMANY

WIESBADEN, BRD, SEPT. 3 (IPS)—A "GRAND COALITION" IS TAKING SHAPE BETWEEN SOCIAL DEMOCRATS AND CHRISTIAN DEMOCRATS IN THE MAYORALTY CAMPAIGN, IN THE AUDI/NSU FACTORY TOWN OF NECKARSULM, WEST GERMANY WHERE THE INCUMBENT SPD MAYOR, DR. ERHARD KLOTZ, HAS DISCLOSED THAT THE LOCAL CHRISTIAN DEMOCRATS WILL SUPPORT HIM IN THE CITY ELECTIONS ON SEPTEMBER. ACCORDING TO THE AUGUST 30-31 ISSUE OF THE HAMBURGER ABENDBLATT, A LEADING CHRISTIAN DEMOCRAT POLITICIAN IN THAT CITY COMMENTED ONLY THAT "DR. KLOTZ IS A GOOD MAN".

(MORE)

JAPAN BANKRUPTCY FULL-STEAM AHEAD

SEPT. 3 (IPS)—TERUKUNI KAIUN K.K., JAPAN'S NINTH LARGEST SHIPPING FIRM, HAS FILED BANKRUPTCY PETITIONS WITH THE GOVERNMENT REPORTS THE WALL STREET JOURNAL, LEAVING OVER \$144 MILLION IN BAD DEBTS. TERUKUNI'S OWNERS INCLUDE SOME OF JAPAN'S LARGEST CORPORATIONS: JAPAN LINE, THE LARGEST SHIPPER, IHI, THE LARGEST SHIPBUILDER, NIPPON STEEL, THE LARGEST STEELMAKER. ALSO INVOLVED IS DAI ICHI KANGYO BANK, WHICH HAS BEEN INVOLVED IN EVERY MAJOR JAPANESE CORPORATE COLLAPSE IN THE PAST WEEKS.

III. CONTINENTAL NEWS

ENCEPHALITIS CONTINUES TO SPREAD

SEPT. 3 (IPS)—TODAY'S WASHINGTON POST REPORTS THAT FEDERAL HEALTH OFFICIALS FEAR THAT THE OUTBREAK OF DEADLY ENCEPHALITIS INFECTION WILL CONTINUE TO SPREAD. DR. JOHN BRYAN OF THE FEDERAL CENTER FOR DISEASE CONTROL IN ATLANTA INDICATED THAT THE MOST OMINOUS FEATURE IS THAT MOST CASES HAVE APPEARED RECENTLY, SO THAT THE DISEASE MAY JUST BE TAKING OFF. IT HAS ALREADY REACHED SERIOUS PROPORTIONS IN 12 STATES.

THE DISEASE IS NORMALLY ASSOCIATED WITH THE FLOODING AND RAINFALL CONDITIONS THAT ENHANCE MOSQUITO BREEDING, BUT THERE ARE AREAS OF THE COUNTRY WHERE THIS DOES NOT APPEAR TO BE A MAJOR FACTOR. WHILE MOSQUITO CONTROL HAS BEEN UNDERTAKEN IN CHICAGO, WHERE THE DISEASE HAS STRUCK IN FORCE FOR THE FIRST TIME IN HISTORY, IT IS DIFFICULT TO PREVENT CONTACT WITH DISEASE-CARRYING MOSQUITOS, IN THE MANY RUN-DOWN AREAS AFFECTED. THERE ARE NO FUNDS FOR MONITORING OR CONTROLLING THE DISEASED BIRDS WHICH ACT AS CARRIERS FOR THE DISEASE.

OIL, MIDEAST PLAN TOP ISSUES ON HILL AGENDA

SEPT. 3 (IPS)—SECRETARY OF STATE KISSINGER'S NEW SINAI "PEACE PLAN" AND THE OLD CONTROVERSY OVER DECONTROLLING OIL PRICES ARE EXPECTED TO BE THE FIRST ITEMS ON THE CONGRESSIONAL CALENDAR AS CONGRESS RECONVENES TODAY, ACCORDING TO TODAY'S WASHINGTON POST.

PRESIDENT FORD WILL MEET WITH CONGRESSIONAL LEADERS ON THURSDAY TO DISCUSS THE MIDEAST PLAN, WHICH MUST BE RATIFIED BY CONGRESS, AS WELL AS TO CONTINUE THE QUARREL OVER OIL PRICE CONTROLS.

NYT ORDERS CONGRESS TO PASS PUBLIC WORKS BILL

SEPT. 3 (IPS)—"THERE IS NEED FOR CONGRESS TO APPROVE A PUBLIC WORKS PROGRAM" TODAY'S LEAD EDITORIAL IN THE NEW YORK TIMES TELLS THE RECONVENING CONGRESS. WHILE PROPOSING TO "CURE" UNEMPLOYMENT WITH SLAVE LABOR JOBS, THE TIMES WARNS THAT THERE IS ALSO "A NEED TO ADOPT A NATIONAL POLICY OF RESTRAINING WAGES AND PRICES IN THE KEY INDUSTRIES IN ACCORD WITH PRODUCTIVITY", A "POLICY" BEING M MOOTED BY ROCKEFELLER AS A LAST DITCH EFFORT TO MAINTAIN CONTROL OVER THE ECONOMY.

(MORE)

MAC WOULD SUSPEND DEBT TEMPORARILY
TO ENSURE FUTURE REPAYMENT

SEPT. 3 (IPS)—THE MUNICIPAL ASSISTANCE CORPORATION (MAC) HAS DRAWN UP LEGISLATION PROVIDING THAT IN THE EVENT OF A CITY DEFAULT, THE "FIRST LIEN" RIGHTS OF HOLDERS OF NEW YORK CITY BONDS COULD BE TEMPORARILY SUSPENDED FOLLOWING THE DECLARATION OF A "STATE OF FINANCIAL EMERGENCY." ALTHOUGH THE PLAN WOULD OSTENSIBLY MAINTAIN "ESSENTIAL" CITY SERVICES, TODAY'S WALL STREET JOURNAL POINTS OUT THAT ITS REAL AIM IS TO ENSURE "EVENTUAL PAYMENT IN FULL" OF ALL DEBTS. THE PLAN WOULD ESTABLISH A ROCKEFELLER DOMINATED EMERGENCY FINANCIAL CONTROL BOARD WHICH WOULD ASSUME ALL OF THE CITY'S POWERS OF COLLECTING AND SPENDING REVENUE.

MEANWHILE, MAC BONDS PLUNGED IN TRADING YESTERDAY—ONE ISSUE DUE 1990 FELL \$20 FOR EVERY \$1,000 FACE AMOUNT. GROWING EVIDENCE INDICATES THAT THE BANKERS' STRATEGY IS TO FORCE THE CITY TO DEFAULT ON ITS PAYROLL THIS FRIDAY, AS A MEANS OF DISCIPLINING THE WORKING CLASS AND IMPOSING FURTHER AUSTERITY. THE SEPT. 1 ISSUE OF BUSINESS WEEK REPORTS THAT TREASURY SECRETARY SIMON AND FEDERAL RESERVE OFFICIALS ACTUALLY WELCOME A DEFAULT SINCE IT "WOLD FORCE THE CITY TO BALANCE ITS BUDGET."

END EARLY IPS FOR WEDNESDAY, SEPTEMBER 3, 1975



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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE
LATE EVENING NEWS ROUND-UP
DAILY PRIORITIES
SEPT. 3, 1975 - 2000 HRS EDT.

BOUTEFLIKA CALLS FOR DEBT RESTRUCTURING AND WORLDWIDE PRODUCTIVE EFFORT AT UN

SEPT. 3 (IPS)--ADDRESSING THE OPENING SESSION OF THE UN GENERAL ASSEMBLY, ALGERIAN FOREIGN MINISTER ABDELAZIZ BOUFLIKA CALLED ON THE ADVANCED SECTOR TO HELP SOLVE THE URGENT ECONOMIC CRISIS FACING THE THIRD WORLD AND STRESSED THE NEED FOR THE DEVELOPED COUNTRIES TO IMMEDIATELY INCREASE THEIR EXPORTABLE FOOD SURPLUS, "BY USING ALL AVAILABLE MEANS OF PRODUCTION."

"IT WOULD BE PERFECTLY POSSIBLE TO REALIZE SUCH A GOAL IF THE DEVELOPED COUNTRIES DECIDED AT LAST TO WORK TOWARDS IT, LEAVING ASIDE ANY POLITICAL CONSIDERATIONS AND USING THEIR TECHNOLOGICAL CAPACITY AND THEIR RESOURCES INCLUDING THOSE WHICH MIGHT BE RELEASED BY DISARMAMENT.... ACCESS TO FOOD IS INDISSOLUBLY LINKED WITH THE RIGHT TO LIFE. ANY PRESSURE DESIGNED TO LIMIT THIS RIGHT AND ANY ATTEMPT TO USE THE THREAT OF FAMINES AS BLACKMAIL WOULD CONSTITUTE A SERIOUS VIOLATION OF HUMAN RIGHTS."

BOUFLIKA IDENTIFIED THE CRUSHING BURDEN OF DEBT THREATENING THE THIRD, WORLD, AND ATTACKED THE INTERNATIONAL FINANCIAL COMMUNITY. URGING "SERIOUS RENEGOTIATION...OF THE CUMULATIVE DEBT BURDEN OF THE COUNTRIES OF THE THIRD WORLD," BOUFLIKA CALLED FOR INDUSTRIALIZATION OF THE UNDERDEVELOPED SECTOR AND CLOSED BY ASKING, "IS IT OVERLY IDEALISTIC TO INVITE THE RICH COUNTRIES TO PUT ASIDE THEIR EGOISM AND THEIR ACCUSTOMED PRACTICES, IN ORDER TO RECONCILE THEIR TRUE INTEREST WITH THE ASPIRATIONS OF ALL MANKIND FOR PEACE, FREEDOM AND WELL-BEING?"

INDONESIA PROCLAIMS COLLAPSE OF BRETTON WOODS, CALLS ON EUROPEANS, JAPANESE TO JOIN WITH EAST BLOC IN DEVELOPMENT

UNITED NATIONS, SEPT. 2 (IPS)--DECLARING HIS COMPLETE SOLIDARITY WITH ALGERIAN PRESIDENT BOUMEDIENE'S PROGRAMMATIC THRUST FOR A NEW WORLD ECONOMIC ORDER, INDONESIAN FOREIGN MINISTER ADAM MALIK IN HIS SPEECH TO THE UNITED NATIONS SPECIAL SESSION TODAY OUTLINED THE COLLAPSE OF THE BRETTON WOODS SYSTEM, THE SERIOUSNESS OF THE CURRENT BREAKDOWN CRISIS, AND THEN INTERVENED INTO THE CURRENT FACTIONAL SITUATION IN EUROPE AND JAPAN BY DEMANDING THAT PRO-DEVELOPMENT FORCES THERE JOIN WITH THE THIRD WORLD AND THE SOVIET BLOC FOR TRADE AND DEVELOPMENT.

(MORE)

"THE PRESENT INTERNATIONAL ECONOMIC SYSTEM," HE STATED, "HAS SHOWN ITSELF...INCAPABLE OF EVEN FUNCTIONING PROPERLY.... WE ARE NOT CONCERNED WITH A TEMPORARY BREAKDOWN OR STAGNATION, ... THAT MAY BE OVERCOME BY PATCHWORK...(BUT) WITH A STRUCTURAL CRISIS OF THE SYSTEM THAT WILL REQUIRE INTEGRAL REFORM AND RECONSTRUCTION."

PRAISING STEPS ALREADY TAKEN TO EXPAND TRADE AND DEVELOPMENT, MALIK URGED THAT COOPERATION "BETWEEN STATES IRRESPECTIVE OF THEIR ECONOMIC AND SOCIAL SYSTEMS" BE INCREASED.

MR. MALIK FURTHER STRESSED THAT "...WHEN WE SPEAK OF REDEPLOYMENT OF INDUSTRY, IT SHOULD BE MADE CLEAR THAT THERE IS NO QUESTION OF CLOSING DOWN FACTORIES IN ORDER TO TRANSFER THEM TO THE DEVELOPING COUNTRIES. REDEPLOYMENT CAN ONLY RELATE TO NEW PRODUCTION POSSIBILITIES TO BE CREATED, PREFERABLY IN THESE COUNTRIES."

TODENHOEFER BACKS SELECTIVE DEBT MORATORIUM FOR THIRD AND FOURTH WORLD

BONN, BRD, SEPT. 3 (IPS)—JUERGEN TODENHOEFER, THE DEVELOPMENT POLICY SPOKESMAN OF THE WEST GERMAN OPPOSITION PARTY, THE CHRISTIAN DEMOCRATIC UNION, ADVOCATED DEBT MORATORIA "FOR FOURTH WORLD COUNTRIES IN GENERAL, AND FOR SOME COUNTRIES OF THE THIRD WORLD IN WHICH THE SITUATION IS CATASTROPHIC, SUCH AS INDIA" IN AN INTERVIEW WITH IPS LAST NIGHT. TODENHOEFER ADDED THAT HE HAD DISCUSSED THIS WITH ROBERT MCNAMARA, PRESIDENT OF THE WORLD BANK WHO THOROUGHLY DISAGREED WITH THE IDEA OF DEBT MORATORIA. "IT IS RIDICULOUS," TODENHOEFER ADDED, "WHEN WE GIVE THEM A 300 MILLION MARK CREDIT AND THEY ONLY PAY BACK THE INTEREST ON THE DEBT."

"MODERATE" ANTUNES, "MAOIST" CARVALHO, AND FABIAO UNITE IN ANTI-GONCALVES MOVES

SEPT. 3 (IPS)—BOTH "MODERATE" MAJOR MELO ANTUNES, DESIGNER OF THE FAILED COUP ATTEMPT LAST WEEK, AND MAOIST GENERAL OTELO CARVALHO, ATTENDED GENERAL CARLOS FABIAO'S PRE-ARMED FORCES MOVEMENT (MFA) ASSEMBLY FACTION MEETING YESTERDAY IN TANCOS, ACCORDING TO NEUES DEUTSCHLAND THE PAPER OF THE EAST GERMAN COMMUNIST PARTY. IT WAS AT THIS MEETING THAT "RIGHTIST FORCES WITHIN THE ARMED FORCES WERE TRYING TO ALTER THE COMPOSITION OF THE ASSEMBLY," BY PURGING PROGRESSIVES, REPORTS THE PAPER.

ACCORDING TO MILITARY SOURCES, PRO-NATO ARMY UNITS ARE NOW THREATENING TO BOYCOTT THE FRIDAY MFA ASSEMBLY IF GONCALVES IS NOT REMOVED AS CHIEF OF THE ARMED FORCES, ACCORDING TO UPI TODAY. IT APPEARS THAT THESE UNITS FEAR THAT THEY WILL LOSE THE ELECTIONS FOR DELEGATES, DESPITE THEIR ON-GOING FACTIONAL MACHINATIONS.

(MORE)

GENSCHER TAGGED AS STATE DEPT. AGENT BY W. GERMAN PRESS

WIESBADEN, BRD, SEPT. 3 (IPS)--REFERRING TO YESTERDAY'S UNITED NATIONS SPEECH BY WEST GERMAN FOREIGN MINISTER HANS-DIETRICH GENSCHER, FRANKFURTER RUNDSCHAU CORRESPONDENT MONIKA METZNER COMMENTED IN TODAY'S ISSUE THAT "THE WEST GERMAN POSITION, WHICH WAS WORKED OUT IN CONTACT WITH THE U.S.A., WAS FUNDAMENTALLY THAT OF THE U.S. GOVERNMENT." THE COVERAGE COUNTERPOSES GENSCHER'S SPEECH WITH THE PRO-DEVELOPMENT SPEECH OF ALGERIAN FOREIGN MINISTER BOUTEFLIKA.

PRO-SOVIET CHINESE REVOLUTION EXPANDS: MAOISTS FREAK OUT

NEW YORK, SEPT. 3 (IPS)--THE STRENGTH OF THE PRO-SOVIET REVOLUTION IN CHINA HAS REACHED SUCH INTENSITY THAT THE MAOIST LEADERSHIP OF THE COMMUNIST PARTY HAS BEEN FORCED TO LAUNCH A MAJOR CAMPAIGN AGAINST ALLEGED "CAPITULATIONISTS" IN THE PARTY WHO FAVOR RAPPROCHEMENT WITH THE SOVIET UNION, ACCORDING TO NUMEROUS ACCOUNTS IN THE WESTERN PRESS. THE NEW CAMPAIGN HAS BEEN PLASTERED ALL OVER THE PARTY NEWSPAPER PEOPLE'S DAILY AND THE THEORETICAL ORGAN RED FLAG, AND WAS KEYNOTED BY A MAJOR ARTICLE BY THE TOP MAOIST PROPAGANDIST, YAO WEN-YUAN. THE INTENSITY OF THE CAMPAIGN DEMONSTRATES THAT THE STRIKE WAVE WITHIN THE WORKING CLASS AND SIGNIFICANT LAYERS OF THE COMMUNIST PARTY ITSELF HAS DEVELOPED BOTH ORGANIZATION AND LEADERSHIP FROM TOP CIRCLES WITHIN THE PARTY.

CHICAGO JUDGE REVIVES 30'S STRIKE-BREAKING PLOY
IN KRESGE STRIKE

SEPT. 3 (IPS)--REVIVING STRIKE-BREAKING TACTICS FROM THE 1930'S, CIRCUIT COURT JUDGE MILLER IN CHICAGO IMPOSED A \$1000 PEACE BOND ON FIVE LABOR PARTY ORGANIZERS ARRESTED AT THE ROSELAND KRESGE STORE YESTERDAY. THE BOND RESTRICTS THE USLP'ERS RIGHT TO PICKET.

THE ARREST WAS SET UP BY THE KRESGE STORE MANAGER WHO PAID A LOCAL THUG, DWIGHT LOW, TO ORGANIZE A GANG OF YOUTH TO ATTACK THE LABOR PARTY PICKETERS WHEN THEY ARRIVED AT THE STORE. WHEN THE LABOR PARTY SUMMONED POLICE THE ASSAILANTS WERE ALL RELEASED AND THE 5 ORGANIZERS CHARGED WITH DISTURBING THE PEACE. THE LABOR PARTY ORGANIZERS WERE FORCED TO SIGN THE PEACE BOND WHEN JUDGE MILLER TOLD THEM: "SIGN THE BOND OR YOU GO TO JAIL NOW."

END OF LATE IPS PRIORITIES SEPTEMBER 3, 1975.

ATTENTION:

CORRECTION TO THE KRESGE STRIKE SHORT:

---FOR INFORMATION PURPOSES.- DWIGHT LOW, A 23 YEAR OLD VETERAN. ACCORDING TO A LATE REPORT, POLICE HAVE ARRESTED LOW, AND WE ARE PREPARING CHARGES.



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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)
EARLY EVENING NEWS ROUND-UP
THURSDAY, SEPTEMBER 4, 1975 1200 HOURS EDT

I. WORLD PRESS ROUND-UP--INTERNATIONAL NEWS

**ARMED CONFRONTATION IMMINENT IN PORTUGAL, SAYS PCP;
REVOLUTIONARY FORCES ARE STRONG**

SEPT. 4 (IPS)—THE LATEST PORTUGUESE COMMUNIST PARTY (PCP) PAPER, AVANTE, DECLARES THAT IF THE COUNTER-REVOLUTIONARY FASCIST FORCES TAKE ONE MORE STEP, THEN THE REVOLUTIONARY FORCES WILL MOVE TO CRUSH THEM. THE PAPER SAYS: "THE WORSENING OF THE POLITICAL AND MILITARY SITUATION IS REACHING A LIMIT BEYOND WHICH THE COUNTER-REVOLUTION WILL NOT BE TOLERATED." AVANTE ASKS THAT ALL THE PEOPLE OF PORTUGAL BE CONSCIOUS OF THIS REALITY AND STATES THAT REVOLUTIONARY FORCES ARE STRONG ENOUGH TO TAKE ACTION AGAINST THE COUNTER-REVOLUTIONARIES.

**PRAVDA ON PORTUGAL: PRO-SOCIALIST ECONOMIC PROGRAM
FACES INTERNATIONAL REACTIONARY ATTACK**

SEPT. 4 (IPS)—THE SOVIET PARTY DAILY PRAVDA WRITES TODAY THAT MOVES BY REACTIONARIES IN PORTUGAL ARE AIMED AT PROTECTING IMPERIALIST INTERESTS IN THAT COUNTRY, AND THAT THE LEADERSHIP OF THE PORTUGUESE SOCIALIST PARTY (PSP) IS FOREMOST AMONG THE COUNTER-REVOLUTIONARIES.

YESTERDAY'S PRAVDA CARRIED A REPORT FROM ITS LISBON CORRESPONDENTS EMPHASIZING THE IMPORTANCE OF THE GOVERNMENT ECONOMIC PROGRAM--PUSHED THROUGH BY PRO-COMMUNIST VASCO GONCALVES IN HIS LAST ACT AS PREMIER--FOR PHASED-NATIONALIZATION OF PRODUCTION AND AID TO SMALL ENTERPRISES TO MAINTAIN PRODUCTION. CORRESPONDENTS ERMAKOV AND KOTOV WROTE THAT THE PORTUGUESE REVOLUTION IS UNDER ATTACK FROM ALL SIDES, INCLUDING ANGOLA BY THE AMERICAN AND PEKING-FINANCED FNLA.

**NEW YORK TIMES PUSHES FOR CIVIL WAR IN PORTUGAL:
BLAMES COMMUNISTS**

SEPT. 4 (IPS)—TODAY'S NEW YORK TIMES PUTS WORDS INTO THE MOUTH OF CIA-SOCIALIST MARIO SOARES TO BLAME GENERAL VASCO GONCALVES AND THE COMMUNISTS FOR A CIVIL WAR. THE TIMES SAYS THAT "IF CHANGES ARE NOT MADE SOON THERE WOULD BE AN ARMED ENCOUNTER. IN THE END, HE (SOARES) SAID, THE WINNER WOULD BE EXTREME RIGHT ELEMENTS OUT TO END THE REVOLUTION AND ESTABLISH A NEW AUTHORITARIAN REGIME."

(MORE)

U.S. EMBARRASSED ABOUT AID TO ZAIRE, FNLA

SEPT. 4 (IPS)—HEADLINES IN THE WASHINGTON POST READ "WASHINGTON WARNS ZAIRE: NO U.S. WEAPONS TO ANGOLA." THE ARTICLE ATTEMPTS TO BLAME THE CHINESE AND NORTH KOREANS FOR TRAINING AND PROVIDING ARTILLERY AND HEAVY EQUIPMENT TO ZAIRE AND THE CIA'S NATIONAL FRONT FOR THE LIBERATION OF ANGOLA (FNLA).

THE POST STATES THAT ALTHOUGH "PEKING IS CLEARLY FAR MORE INVOLVED THAN WASHINGTON," BOTH GOVERNMENTS ARE EMBARRASSED ABOUT THE REVELATIONS.

"KISSINGER'S PEACE" A FRAUD, SAYS PCF

SEPT. 4 (IPS)—"IS THE INTERIM ACCORD WHICH WAS JUST SIGNED BETWEEN EGYPT AND ISRAEL THE FIRST STEP TOWARDS THE ESTABLISHMENT OF A JUST AND DURABLE PEACE IN THE MIDDLE EAST?" ASKS AN EDITORIAL IN TODAY'S L'HUMANITE, NEWSPAPER OF THE FRENCH COMMUNIST PARTY. "THE FACTS ARE TRAGICALLY ELOQUENT SINCE ISRAELI AVIATION AND ARTILLERY JUST BOMBARDED PALESTINIAN REFUGEE CAMPS."

L'HUMANITE ALSO VOICES SUSPICION OVER THE "UNITED NATIONS TECHNICIANS" WHO WILL BE STATIONED IN THE SINAI: "EVEN AMERICAN PARLIAMENTARIANS CONSIDER THAT THESE TECHNICIANS WILL BE NOTHING BUT CIA AGENTS."

METALWORKERS UNION DEMANDS CO-DETERMINATION

SEPT. 4 (IPS)—THE ITALIAN METALWORKERS UNION FEDERATION (FLM), WHICH IS LEADING AN OCCUPATION OF THE ALFA ROMEO AUTO FACTORIES IN MILAN AND ARESE, MET YESTERDAY WITH THE MANAGEMENT OF THE COMPANY TO COME TO AN AGREEMENT TO END THE PRESENT "CONFRONTATION." ACCORDING TO TUESDAY'S CORRIERE DELLA SERA, THE FLM DEMANDED THAT THE COMPANY IMMEDIATELY CANCEL THEIR UNILATERAL ORDER TO TEMPORARILY LAY OFF 15,000 WORKERS IN THE TWO PLANTS AND THAT THE FLM BE FULLY CONSULTED ON THE LAYOFFS. AFTER "CONSULTATIONS," THE FLM WILL PERMIT THE LAY-OFFS.

FLM LEADERS SAY THAT THEY OBJECT NOT TO WHAT WAS DONE, BUT ONLY TO THE WAY IT WAS DONE, ACCORDING TO CORRIERE.

MAJOR SOVIET RECONSTRUCTION DRIVE UNDERWAY IN LAOS

SEPT. 4 (IPS)—LARGE-SCALE SOVIET RECONSTRUCTION AND DEVELOPMENT PROJECTS ARE NOW BEING READIED BY HUNDREDS OF SOVIET TECHNICIANS IN LAOS, THE FINANCIAL TIMES REPORTS. BRIDGE-BUILDING AND OIL STORAGE FACILITY EXPERTS HAVE ALREADY ARRIVED AND ARE MAKING ARRANGEMENTS FOR A LARGER GROUP OF TECHNICIANS WHO WILL WORK ON MINERAL AND IRRIGATION DEVELOPMENT PROJECTS, AND DRAW UP A DETAILED, LONG-TERM SOVIET AID PLAN FOR LAOS.

HANOI RENEWS CALL TO WASHINGTON FOR PEACEFUL RELATIONS

SEPT. 4 (IPS)—PHAM VAN DONG, PRIME MINISTER OF NORTH VIETNAM, IN A SPEECH TO THE INDEPENDENCE DAY MASS RALLY THIS WEEK, HAS AGAIN

(MORE)

OFFERED "DIPLOMATIC RELATIONS AND FRIENDSHIP" TO THE U.S. GOVERNMENT, ACCORDING TO VARIOUS NEWS SOURCES. HE STRESSED HOWEVER THAT THIS WOULD DEPEND UPON THE UNITED STATES' ABIDING BY THE PARIS AGREEMENTS, WHICH INCLUDE PROVISIONS FOR RECONSTRUCTION AID TO INDOCHINA.

NEW LEBANON VIOLENCE

SEPT. 4 (IPS)—FOR THE PAST WEEK, INCIDENTS OF VIOLENCE IN AND AROUND THE TOWN OF ZAHLE HAVE LED TO ALMOST 50 DEATHS IN LEBANON, TODAY'S NEW YORK TIMES REPORTS. FEUDS BETWEEN MOSLEM AND CHRISTIAN GANGS HAS LED TO WIDESPREAD FEARS OF MAJOR NEW OUTBREAKS OF SIMILAR TO THOSE THAT TOOK PLACE IN APRIL AND JULY, THE TIMES REPORTS.

ECUADORIAN COMMUNIST PARTY SUPPORTS PRESIDENT

SEPT. 4 (IPS)—THE COMMUNIST PARTY OF ECUADOR (PCE) DECLARED ITS SUPPORT FOR PRESIDENT RODRIGUEZ LARA, WHILE CALLING MONDAY'S COUP ATTEMPT "ANTI-POPULAR AND ANTI-NATIONAL." THE PCE DECLARATION, WHICH WAS REPORTED IN THE SEPT. 2 EL DIA OF MEXICO, CALLED ON THE PEOPLE TO "DOUBLE THE STRUGGLE AND ADVANCE THE PROCESS OF REVOLUTIONARY TRANSFORMATION" AND TO BE "ALERT IN THE FACE OF REACTIONARY MANEUVERS OF THE CREOLE OLIGARCHS, DIRECTED BY NORTH AMERICAN IMPERIALISM."

SICILY: LACK OF WATER THREATENS HOSPITALS

SEPT. 4 (IPS)—THE GROWING WATER SHORTAGE IN SICILY NOW THREATENS TO FORCE AT LEAST ONE HOSPITAL TO CLOSE DUE TO LACK OF WATER, ACCORDING TO THE SEPT. 2 CORRIERE DELLA SERA. MOST COMMUNITIES IN THAT REGION RECEIVE WATER EVERY SIX DAYS AND SOME ONLY EVERY 15 DAYS.

MAO ZE-DONGISM POSTPONED

SEPT. 4 (IPS)—CHINA HAS INDEFINITELY POSTPONED INTRODUCTION OF A NEW SYSTEM OF TRANSLITERATING CHINESE CHARACTERS INTO THE WESTERN ALPHABET. WHILE NO OFFICIAL REASON WAS GIVEN FOR THE POSTPONEMENT, TODAY'S WASHINGTON POST POINTS OUT THAT UNDER THE NEW PIN-YIN SYSTEM MAO TSE-TUNG BECOMES MAO ZE-DONG.

II. CONTINENTAL NEWS ROUND-UP

SENATORS KENNEDY AND HOLLINGS RELEASE REPORT ON DEVASTATING ECONOMIC IMPACT OF OIL DECONTROLS

SEPT. 4 (IPS)—A STUDY ON THE IMPACT OF OIL PRICE DECONTROL RELEASED YESTERDAY BY SENATORS EDWARD M. KENNEDY AND ERNEST F. HOLLINGS DECLARED THAT AN EXPIRATION OF CONTROLS WOULD PRODUCE A NEW ENERGY SHOCK THAT WOULD FORCE AN ADDITIONAL 1 MILLION PEOPLE OUT OF WORK, ACCORDING TO TODAY'S BALTIMORE SUN. "THIS STUDY SHOWS THE INCREDIBLE DANGER INVOLVED IN THE PRESIDENT'S DECONTROL PROPOSAL TO ANY HOPES OF RESCUING THE ECONOMY FROM THE CURRENT

(MORE)

RECESSION OR HOLDING THE LID ON INFLATION," KENNEDY AND HOLLINGS SAID IN A JOINT STATEMENT.

ROCKY SUBPOENAED IN ATTICA CASE

SEPT. 4 (IPS)--VICE PRESIDENT NELSON ROCKEFELLER HAS BEEN SUBPOENAED TO APPEAR IN U.S. DISTRICT COURT IN BUFFALO NOV. 5 IN CONNECTION WITH A CIVIL SUIT ARISING FROM THE 1971 ATTICA PRISON SLAUGHTER, ACCORDING TO TODAY'S DAILY NEWS. ROCKEFELLER, WHO, AS GOVERNOR OF NEW YORK AT THE TIME, WAS RESPONSIBLE FOR THE MURDERS OF 39 ATTICA GUARDS AND INMATES, TESTIFIED ON HIS ROLE IN THE INCIDENT BEFORE A GRAND JURY IN WARSAW, N.Y. LAST FRIDAY.

NSA AND CIA LINKED TO CHE GUEVARA ASSASSINATION; HOUSE COMMITTEE INVESTIGATES

SEPT. 4 (IPS)--THE HOUSE INTELLIGENCE COMMITTEE IS INVESTIGATING REPORTS THAT BOTH THE NATIONAL SECURITY AGENCY AND THE CENTRAL INTELLIGENCE AGENCY PLAYED KEY ROLES IN TRACKING DOWN CHE GUEVARA, WHO WAS ASSASSINATED IN BOLIVIA IN 1967, ACCORDING TO TODAY'S BALTIMORE SUN. AT LEAST ONE PLANE LOADED WITH SOPHISTICATED NSA TRACKING EQUIPMENT HELPED SEARCH FOR GUEVARA'S GUERRILLAS, THE SUN REPORTS.

FILE CHARGES AGAINST KRESGE'S IN READING

SEPT. 4 (IPS)--MICHAEL BRENNAN, U.S. LABOR PARTY MAYORAL CANDIDATE, WILL PRESS ASSAULT CHARGES AGAINST A READING, PA. "SECURITY GUARD," MR. STORCH, WHO ATTACKED BRENNAN DURING A PICKET LINE ELECTORAL RALLY AT S.S. KRESGE'S STORE TUESDAY. NO ACTION WAS TAKEN AGAINST STORCH BY SHERIFFS ON THE SCENE. STORCH, WHO IS A READING POLICEMAN MOST OF THE TIME, TOLD BRENNAN "YOUR HEAD WILL ROLL ON THIS SIDEWALK."

HIRE UNEMPLOYED YOUTH TO SWEEP STREETS AND LIVE IN RAT-INFESTED DORMITORIES, PROPOSES NEW YORK TIMES COLUMNIST

SEPT. 4 (IPS)--THE SOLUTION TO YOUTH UNEMPLOYMENT IS SIMPLE: HIRE THE UNEMPLOYED TO LIVE IN RAT-INFESTED "ABANDONED BUILDINGS" AND LET THEM WORK ON "OUT-OF-DOOR PUBLIC SERVICE JOBS" OR LET THEM CLEAN UP THE CITIES IN PARKS, LIBRARIES, ETC., COLUMBIA UNIVERSITY PROFESSOR DIANE RAVITCH RIDICULOUSLY PROPOSED IN A PROMINENTLY PLACED OP ED COLUMN IN THE SEPT. 2 NEW YORK TIMES. THE SALARY OF COURSE WOULD BE "SMALL" SINCE THE YOUTH WOULD BE REWARDED BY WORK WHERE THEY "WERE REALLY NEEDED." RAVITCH SPECIFICALLY CITES THE PROGRAMS OF PRESIDENT FRANKLIN ROOSEVELT, THE CIVILIAN CONSERVATION CORPS, NATIONAL YOUTH ADMINISTRATION AND URBAN CONSERVATION CORPS AS MODELS TO FOLLOW.

END OF EARLY IPS FOR THURSDAY, SEPTEMBER 4, 1975



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LATE EVENING NEWS ROUND-UP, LATE NON-PRIORITY ITEMS
THURSDAY, SEPTEMBER 4, 1975

I. INTERNATIONAL NEWS ROUND-UP

WEST GERMAN PARTIES ASK IPSK IPS FOR ACCURATE NEWS ON UN CONFERENCE

SEPT. 4 (IPS)—HIGH OFFICIALS FROM EACH OF WEST GERMANY'S THREE BOURGEOIS POLITICAL PARTIES HAVE INDEPENDENTLY ASKED IPS FOR ACCURATE NEWS COVERAGE OF THE UNITED NATIONS DEVELOPMENT CONFERENCE IN NEW YORK. "THE PRESS HERE IS REPORTING SO BADLY ON THE UN CONFERENCE," COMMENTED A MEMBER OF THE CHRISTIAN DEMOCRATIC UNION'S FINANCE COMMITTEE, "THAT YOUR INFORMATION IS LIKE A GLASS BEAD FOR ME."

A FREE DEMOCRATIC PARTY OFFICIAL EXPRESSED A SIMILAR OPINION WHILE SOURCES CLOSE TO WEST GERMAN CHANCELLOR HELMUT SCHMIDT HAVE ASKED IPS FOR NEWS ITEMS PERTAINING TO U.S. FINANCIAL CIRCLES' ESTIMATIONS OF HIS POLITICAL PROSPECTS.

ARMTWISTING FORCES WEST GERMAN PRESS BLACK-OUT OF UN EVENTS

SEPT. 4 (IPS)—WEST GERMAN PRESS SOURCES TODAY REVERSED THEIR PREVIOUSLY ACCURATE REPORTAGE OF THE UNITED NATIONS SPECIAL SESSION ON DEVELOPMENT IN NEW YORK AND PRINTED A SERIES OF CAREFULLY CONCOCTED LIES.

TYPICAL OF THIS SHIFT IN LINE, WHICH INFORMED SOURCES HERE ATTRIBUTE TO EXTENSIVE ARMTWISTING BY ATLANTICISTS IN THE FEDERAL GOVERNMENT, IS TODAY'S REPORTS IN THE FRANKFURTER RUNDSCHAU.

"THE PEOPLE'S REPUBLIC OF CHINA AND THE WEST SHARE THE IDEA OF DEMANDING THAT THE THIRD WORLD NOT RELY ON OTHERS, BUT PRACTICE SELF-HELP," THE RUNDSCHAU REPORTS TODAY IN THE LEAD OF ITS ARTICLE ON THE SESSION. SUCH STATEMENTS TOTALLY COVER UP THE ACTUAL NEWS OF THE SESSION—THE STRONG PRO-DEVELOPMENT INITIATIVES OF THE THIRD WORLD NATIONS AND WIDESPREAD CALLS FOR DEBT MORATORIA BY EVEN SWEDEN. YESTERDAY, THE RUNDSCHAU HAD ACCURATELY DESCRIBED WEST GERMAN FOREIGN MINISTER GENSCHER'S SPEECH AT THE SESSION AS "WRITTEN IN CONSULTATION WITH THE U.S. STATE DEPARTMENT."

WEST GERMAN OFFICIAL ATTACKS NEGATIVE PRESS REPORTS ON THE DDR

SEPT. 4 (IPS)—WEST GERMAN ECONOMICS MINISTRY STATE SECRETARY ROHWEDDER EXPRESSED HIS ANGER AT THE DISTORTED QUESTIONS COMING

(MORE)

FROM JOURNALISTS WHO QUESTIONED HIM AT THE INTERNATIONAL TRADE FAIR IN LEIPZIG, EAST GERMANY, ACCORDING TO THE FINANCIAL DAILY HANDELSBLATT YESTERDAY. ROHWEDDER STATED THAT, CONTRARY TO NEWS-PAPER INSINUATION, NO PROBLEMS ARE EXPECTED REGARDING EAST GERMAN TRADE PAYMENTS. HE ADDED THAT HIS DISCUSSIONS WITH HIS EAST GERMAN COUNTERPART, HERR SOELLE, HAD COVERED NOT ONLY BILATERAL ISSUES, BUT ALSO "GENERAL POLITICAL QUESTIONS OF INTEREST," INCLUDING THE RAW MATERIALS SITUATION OF BOTH COUNTRIES AND APPROACHES TO DEVELOPING COUNTRIES.

SPINOLA PREPARING FOR COME-BACK TO PORTUGAL:
PUSHING CIVIL WAR

SEPT. 4 (IPS)--GENERAL ANTONIO DE SPINOLA, WHO WAS FORCED OUT OF PORTUGAL FOR PLOTTING A RIGHT-WING COUP LAST YEAR, IS NOW IN PARIS AND IS PLANNING A "POLITICAL COMEBACK," ACCORDING TO TODAY'S WASHINGTON POST. THE BALTIMORE SUN TODAY SPECULATES THAT "HE IS WAITING IN THE WINGS FOR A MILITARY COUNTER-COUP" OR TO PLAY THE PART OF MEDIATOR BETWEEN THE DEADLOCKED LEADERSHIP. "IF THE PRESENT ILLEGITIMATE LEADERS OBSTINATELY REFUSE TO HAND BACK POWER TO THE FORCES REPRESENTING THE WILL OF THE PEOPLE, THEN CIVIL WAR COULD ERUPT," SAID SPINOLA IN A BBC INTERVIEW, ACCORDING TO THE FRENCH DAILY LE MONDE TODAY. EAST GERMAN RADIO YESTERDAY NOTED THAT HE IS SETTING UP "OPERATIONS NEAR THE BORDER" IN SPAIN.

NAVY ASSEMBLY SUPPORTS GONCALVES

SEPT. 4 (IPS)--AFTER A SEVEN-HOUR MEETING TODAY, THE NAVAL ASSEMBLY OF THE PORTUGUESE ARMED FORCES MOVEMENT IN A MAJORITY RESOLUTION EXPRESSED ITS SUPPORT FOR GENERAL VASCO GONCALVES AND STATED THAT HE SHOULD REMAIN ON AS ARMED FORCES CHIEF OF STAFF, REPORTS UPI.

JONES FAILS TO RALLY SUPPORT
FOR GOVERNMENT'S AUSTERITY PROGRAM

SEPT. 4 (IPS)--UNABLE TO WHIP UP SUPPORT FOR THE BRITISH GOVERNMENT'S AUSTERITY PROGRAM, LABOR LEADER JACK JONES HAS BEEN FORCED INTO A COMPROMISE AT THE ANNUAL TRADE UNIONS CONGRESS MEETING NOW IN PROGRESS, THE SUNDAY EXPRESS REPORTED. BOWING TO RANK AND FILE PRESSURE, JONES ANNOUNCED BEFORE THE START OF THE CONFERENCE THAT UNLESS THERE WAS A DRAMATIC FALL IN UNEMPLOYMENT BY MID-WINTER--THE PROSPECT FOR WHICH IS NIL--THE TUC WOULD REPUDIATE ITS BARGAIN WITH THE GOVERNMENT, SUBMITTING WAGE CLAIMS FAR IN EXCESS OF THE \$12 LIMIT. JONES WAS FURTHER FORCED TO CALL FOR INCREASED GOVERNMENT SPENDING AND TOUGHER PRICE RESTRAINTS, INCORPORATING LEFT DEMANDS INTO HIS MOTION.

MAOISTS DISRUPT BRITISH UNION CONGRESS

SEPT. 4 (IPS)--THE SELF-STYLED LEADER OF BRITAIN'S MAOISTS LED HIS FOLLOWERS IN A DISRUPTION OF THE TRADES UNION CONGRESS (TUC) CONVENTION YESTERDAY. JUST BEFORE A SCHEDULED DEBATE ON WHETHER OR NOT THE CONGRESS SHOULD ENDORSE THE GOVERNMENT'S PAY LIMITS.

(MORE)

MAOIST LEADER REGINALD BIRCH, AN OFFICIAL OF THE AMALGAMATED UNION OF ENGINEERING WORKERS, SIGNALLED TO HIS HIPPIE FRIENDS IN THE BALCONY. THEY SENT UP A HOWL FOR THE RELEASE OF A TRADE UNION MILITANT WHOM THE GOVERNMENT IS HOLDING IN JAIL AND REFUSED TO BE SILENCED UNTIL CONGRESS OFFICIALS THREATENED TO CALL THE POLICE. THE BRITISH PRESS CARRIED ACCOUNTS OF THE CONVENTION.

LARGEST DROP IN JAPANESE EXPORTS IN 22 YEARS

SEPT. 4 (IPS)—CERTIFIED JAPANESE EXPORTS FELL 18.4 PER CENT IN AUGUST COMPARED WITH AUGUST 1974, ACCORDING TO THE GOVERNMENT'S MINISTRY FOR INTERNATIONAL TRADE AND INDUSTRY (MITI). THE DECREASE WAS THE LARGEST DROP IN 22 YEARS AND THE FOURTH CONSECUTIVE MONTHLY DECLINE, REPORTS TODAY'S JOURNAL OF COMMERCE. MITI REPORTS THAT STEEL EXPORTS WERE DOWN 27.8 PER CENT, CHEMICALS DOWN 37 PER CENT, SHIPS DOWN 27 PER CENT AND TEXTILES DOWN 20 PER CENT. THE MINISTRY SAID IT ALSO EXPECTS ANOTHER "DRASTIC DROP" IN SEPTEMBER DUE TO THE CONTINUING "WORLD RECESSION."

SOVIETS, JAPANESE NEGOTIATING HUGE SHIPBUILDING DEAL FOR JAPAN'S NEARLY BANKRUPT SHIPPING INDUSTRY

SEPT. 4 (IPS)—THE SOVIET UNION IS NEGOTIATING WITH JAPANESE SHIPBUILDERS FOR THE CONSTRUCTION OF 103 VESSELS VALUED AT AN ESTIMATED \$1 BILLION, ACCORDING TO AN ARTICLE IN THE JAPANESE BUSINESS DAILY NIHON KOGYO SHIMBUN, REPORTED IN TODAY'S JOURNAL OF COMMERCE. THE SOVIETS REPORTEDLY ARE SEEKING BIDS FOR SPECIAL PURPOSE VESSELS, LARGE BARGES, FLOATING CRANES, AUTOMOBILE CARRIERS FOR RIVER TRANSPORT AND DREDGES. SOME OR ALL OF THE ORDERS WILL GO THROUGH MITSUBISHI HEAVY INDUSTRIES, ISHIKAWAJIMA-HARIMA HEAVY INDUSTRIES, NIPPON KOKAN K.K. AND OTHER LARGE JAPANESE COMPANIES WHICH ARE NOW FACING NEAR BANKRUPTCY DUE TO RECENT CANCELLATIONS OF NEW TANKER ORDERS.

FIAT, ITALIAN METALWORKERS TO DISCUSS 30-DAY LAYOFF IN CO-DETERMINATION SEMINARS

SEPT. 4 (IPS)—FIAT AND THE FLM (ITALIAN METALWORKERS FEDERATION) WILL MEET TODAY IN TURIN FOR THE FIRST AUTUMN "VERIFICATION" OF THE ECONOMIC SITUATION AND THE RELATED PRODUCTION AND EMPLOYMENT POLICIES AT FIAT, REPORTS YESTERDAY'S AVANTI, THE ORGAN OF THE ITALIAN SOCIALIST PARTY. THE PAPER REPORTS "MANY SAY THAT NOTHING WILL COME OF THE MEETING OR WORSE—AND RUMORS HAVE BEEN CIRCULATING THESE DAYS—THAT IT WILL RESULT IN FIAT TELLING THE UNIONS OF ITS (FIAT'S) INTENTIONS TO ASK FOR 30 DAYS OF LAYOFFS BEFORE THE END OF THE YEAR."

DURING LAST YEAR'S CONTRACT NEGOTIATIONS BETWEEN FIAT AND THE FLM IN NOVEMBER, BOTH AGREED TO A CLAUSE THAT CALLED FOR THE "CO-MANAGEMENT OF THE CRISIS" BETWEEN FIAT AND THE LEADERS OF THE TRADE UNIONS.

SCANDAL OVER SECRET CLAUSES IN KISSINGER MIDEAST AGREEMENT GROWS

SEPT. 4 (IPS)—PENTAGON OFFICIALS ARE LOUDLY COMPLAINING THAT THE U.S. MILITARY HAS NOT YET RECEIVED A BRIEFING ON THE NUMEROUS SE-

(MORE)

CRET CLAUSES IN HENRY KISSINGER'S INTERIM MIDEAST PEACE SETTLEMENT, ACCORDING TO TODAY'S WASHINGTON POST.

CARL ALBERT, SPEAKER OF THE HOUSE OF REPRESENTATIVES, WHO RECEIVED A PERSONAL BRIEFING ON THE SETTLEMENT FROM PRESIDENT FORD, ALSO REPORTS THAT HE DOES NOT UNDERSTAND THE TERMS OF THE AGREEMENT.

THE POST ALSO REPORTS THAT KISSINGER IS MEETING WITH THE SENATE FOREIGN RELATIONS COMMITTEE TO DETERMINE "HOW MUCH OF THE AGREEMENT MUST BE DEPOSITED TO CONGRESS" IN ORDER TO SECURE ITS RATIFICATION.

NEW YORK TIMES REPORTER DENIES REALITY
AFTER TWO WEEKS ON THE KISSINGER SHUTTLE

SEPT. 4 (IPS)—BERNARD GWERTZMAN, NEW YORK TIMES JOURNALIST, JUST RETURNED AFTER TWO WEEKS WITH HENRY KISSINGER IN THE MIDDLE EAST, TOLD IPS TODAY THAT THE EGYPTIAN COMMUNIST PARTY (CPE) "IS JUST A FIGMENT OF THE IMAGINATION." GWERTZMAN CALLED WASHINGTON POST COLUMNIST VICTOR ZORZA'S PUBLIC WARNINGS ABOUT A CPE-LED MOBILIZATION AGAINST EGYPTIAN PRESIDENT SADAT "HORSESHIT."

GWERTZMAN FURTHER CLAIMED THAT THERE IS NO DANGER OF THE KISSINGER "SETTLEMENT" INEXTRICABLY BINDING THE U.S. TO BEING "THE COPS OF THE MIDDLE EAST" AGAINST THE MASS STRIKE IN THE AREA. "ALL COUNTRIES IN THE REGION RELY VERY MUCH ON THE U.S. THEY WANT AMERICAN HELP," HE DECLARED.

GWERTZMAN SAID THAT KISSINGER IS NOT WORRIED ABOUT TURKEY MOVES TOWARD THE NON-ALIGNED BLOC AFFECTING OTHER COUNTRIES AND THAT THE IRAQIS "CAN'T MOBILIZE ANYTHING RIGHT NOW, THE SYRIANS ARE GIVING THEM TOO MUCH TROUBLE."

GWERTZMAN IS INFAMOUS FOR PEDDLING STORIES THAT PARROT KISSINGER BRIEFINGS.

MASS PSYCHOSIS IS "BRAZILIAN MIRACLE"

SEPT. 4 (IPS)—THE WORKING-CLASS COMMUNITY OF LOTE QUINZE JUST OUTSIDE OF RIO DE JANEIRO, BRAZIL, TURNED INTO A RAGING MOB THIS WEEK AND LYNCHED FOUR GROCERY STORE ROBBERS AFTER A MAD THREE-DAY HUNT FOR THE THIEVES.

THE OUTBURST, SYMPTOMATIC OF THE MASS PSYCHOSIS AND UTTER DESPERATION OF THE RAVAGED BRAZILIAN WORKING CLASS, WAS DESCRIBED IN THE BRAZILIAN DAILY NEWSPAPER, O GLOBO: "A NEW FORM OF BEHAVIOR IS EMERGING: THE POPULATION DECIDED THAT THEY WOULD NO LONGER TOLERATE THE CONTINUOUS ASSAULTS AND SO IN OFFENSE CITIZENS DECIDED TO TRANSFORM THEMSELVES INTO JUSTICE EXECUTORS (WHICH THEY LACK), AND SECURITY (WHICH THEY NEVER HAD). ARMED WITH CLUBS, ROCKS AND BOTTLES, THEY BEGAN KILLING THE DELINQUENTS."

II. INTELLIGENCE

U.S. SCIENTISTS ANNOUNCE MAJOR FUSION RESEARCH BREAKTHROUGH

SEPT. 4 (IPS)--PHYSICISTS FROM THE U.S. LOS ALAMOS SCIENTIFIC LABORATORY WILL ANNOUNCE A MAJOR BREAKTHROUGH IN THETA PINCH FUSION RESEARCH AT THE 7TH EUROPEAN CONFERENCE ON CONTROLLED FUSION AND PLASMA PHYSICS BEING HELD THIS WEEK AT LAUSANNE, SWITZERLAND. THE BREAKTHROUGH IS THE RESULT OF THE APPLICATION OF A NEW COMPUTER FEEDBACK CONTROL TECHNOLOGY WHICH PROMISES TO MAKE A SIGNIFICANT CONTRIBUTION TO ALL FORMS OF MAGNETIC CONFINEMENT NOW BEING USED IN CTR RESEARCH.

CIA HARASSES FUSION RESEARCHERS

SEPT. 4 (IPS)--CIA AGENTS HAVE RECENTLY BEEN OBSERVED SNOOPING AROUND MAJOR U.S. CONTROLLED FUSION RESEARCH LABS, INFORMED SOURCES HAVE REPORTED TO IPS. THE CIA'S STATED REASON FOR THIS ACTIVITY IS THAT IT WANTS TO PROFILE THE SOVIET UNION'S MAGNETIC CONFINEMENT FUSION RESEARCH EFFORT.

U.S. PHYSICISTS DO NOT BELIEVE THIS LUDICROUS COVER STORY. THE CIA AGENTS WHO HAVE BEEN WANDERING AROUND THE U.S. LABS DO NOT KNOW ANYTHING ABOUT PLASMA OR NUCLEAR PHYSICS. OBVIOUSLY FREAKED OUT BY SOVIET INITIATIVES FOR INTERNATIONAL COLLABORATION IN FUSION RESEARCH, THE CIA IS BELATEDLY ATTEMPTING TO HARASS U.S. FUSION RESEARCHERS.

END OF IPS FOR SEPTEMBER 4, 1975.

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)
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PCP WARNS CARLUCCI

SEPT. 5 (IPS)—YESTERDAY'S AVANTE, THE WEEKLY NEWSPAPER OF THE PORTUGUESE COMMUNIST PARTY (PCP), WARNS THE U.S. MAFIOSO AMBASSADOR TO PORTUGAL, "FRANKIE" CARLUCCI, NOT TO DELUDE HIMSELF THAT IMPASSES CAUSED BY A NUMBER OF OLD-REGIME CONNECTED OFFICERS IN PORTUGAL'S ARMED FORCES MOVEMENT (MFA) WILL SUFFICE TO LIQUIDATE THE ALLIANCE BETWEEN THE WORKING CLASS AND ITS MFA MILITARY ALLIES. "THE FATE OF THE REVOLUTION IS NOT DECIDED IN THE HEAVENLY SPHERES. IT IS DECIDED BY THE STRUGGLE IN THE FACTORIES, IN THE FIRMS, IN THE FARMLANDS, AND IN ALL PLACES OF LABOR AND EDUCATION. IT WILL BE DECIDED IN THE ACTIVITIES OF THE TRADE UNIONS, THE ASSOCIATION OF FARMERS AND OTHER MASS ORGANIZATIONS."

SPINOLA INVASION FROM SPAIN THREATENED

SEPT. 5 (IPS)—PARAMILITARY GROUPS OF SUPPORTERS OF THE EXILED PORTUGUESE GENERAL, ANTONIO DE SPINOLA, ARE PREPARING TO INVADE PORTUGAL VIA A ROUTE PASSING THROUGH SANTIAGO DE CAMPOSTELA AND VIGO, SPAIN, THE BRAZILIAN WEEKLY OPINIAO OF AUG. 29 REPORTS. SPINOLA'S INVADING BANDS WOULD BE COMPRISED OF "RECENTLY ARRIVED ELEMENTS FROM THE EX-COLONIES," SUCH AS ANGOLA, MEMBERS OF THE FORMER PORTUGUESE SECRET POLICE (PIDE), AND MILITARY OFFICERS WHO FLED PORTUGAL AFTER APRIL 25, 1974 AND MARCH 11, 1975. ACCORDING TO OPINIAO, SPINOLA'S BANDS COULD INCLUDE AS MANY AS 16,000 TROOPS.

STATE DEPT ON PORTUGAL: THINGS ARE LOOKING UP...
LIKE CHILE

SEPT. 5 (IPS)—IN A SECRET BRIEFING TO MEMBERS OF THE HOUSE INTERNATIONAL RELATIONS SUBCOMMITTEE ON POLITICAL AND MILITARY AFFAIRS YESTERDAY, DEPUTY ASSISTANT SECRETARY FOR EUROPEAN AFFAIRS BRUCE LAINGEN REPORTED THAT THE STATE DEPARTMENT WAS MORE HOPEFUL ABOUT THE POLITICAL OUTLOOK IN PORTUGAL AS A RESULT OF THE RECENT CABINET DESTABILIZATIONS THERE.

STATE DEPARTMENT SOURCES TOLD THE NEW YORK TIMES, IN AN ARTICLE IN TODAY'S EDITION, THAT THE U.S. WAS RELYING ON AN ALLIANCE BETWEEN MAJOR ERNESTO MELO ANTUNES AND FASCIST PSP-LEADER MARIO SOARES TO DISRUPT THE PRO-COMMUNIST CONSOLIDATION OF THE GOVERNMENT. THE SAME SOURCES THEN WARNED THE PCP TO BACK DOWN IN ORDER TO "AVOID A CONFRONTATION SUCH AS DEVELOPED IN CHILE...WHEN A RIGHT-WING MILITARY JUNTA OVERTHREW...ALLENDE."

BRITISH TUC CALLS FOR DEFENSE OF PORTUGUESE DEMOCRACY

SEPT. 5 (IPS)—THE ANNUAL CONVENTION OF THE BRITISH TRADES UNION CONGRESS YESTERDAY CALLED FOR "SOLIDARITY AND SUPPORT FOR ALL THOSE IN SPAIN AND PORTUGAL FIGHTING TO END FASCISM AND ESTABLISH DEMOCRACY," ADN, THE EAST GERMAN NEWS AGENCY REPORTS.

(MORE)

IPS/2

MICK MCGAHEY, COMMUNIST VICE PRESIDENT OF THE NATIONAL UNION OF MINE WORKERS WHO INTRODUCED THE MOTION, SAID, "TO DEFEAT THE RIGHT IT IS NECESSARY TO HAVE THE UNITY OF THE DEMOCRATIC FORCES, THE COMMUNISTS, SOCIALISTS, AND THE ARMED FORCES MOVEMENT."

PASSAGE OF THE COMMUNIST-BACKED RESOLUTION BY THE T. I. C. COMES AS BRITAIN'S PRIME MINISTER HAROLD WILSON IS HOSTING AN INTERNATIONAL MEETING OF SECOND INTERNATIONAL AGENTS IN LONDON TO PLAN A FASCIST COUP IN PORTUGAL.

WEST GERMAN CP LEADER BLASTS WILLY BRANDT

SEPT. 5 (IPS)—WEST GERMAN CP-HEAD HERBERT VIES HAS ISSUED AN UNPRECEDENTED DENUNCIATION OF GERMAN SOCIAL DEMOCRACY HEAD WILLY BRANDT, WHO IS NOW IN LONDON MEETING WITH OTHER SECOND INTERNATIONAL LEADERS DISCUSSING INTERVENTION AGAINST THE PORTUGUESE COMMUNIST PARTY (PCP) LED PORTUGUESE WORKING CLASS. VIES, IN AN OPEN LETTER TO BRANDT, TELLS BRANDT TO STOP HIS CONTINUAL MEDDLING IN PORTUGUESE INTERNAL AFFAIRS, TO STOP SUPPORTING PORTUGUESE SOCIALIST PARTY LEADER MARIO SOARES, A CIA AGENT, AND IN GENERAL TO DESIST FROM SABOTAGING THE WEEKS-OLD HELSINKI AGREEMENT WHICH COMMITS SIGNATORY NATIONS SUCH AS WEST GERMANY TO NON-INTERFERENCE IN OTHER COUNTRY'S AFFAIRS.

PORTUGUESE MILITARY IN ANGOLA DENOUNCES ARMY ASSEMBLY RESOLUTIONS

SEPT. 5 (IPS)—OFFICERS, NON-COMMISSIONED OFFICERS, AND SOLDIERS OF THE MFA UNITS STATIONED IN ANGOLA ARE PUBLICLY CONTESTING THE LEGITIMACY OF THE 30 DELEGATES WHO SUPPOSEDLY REPRESENTED THEM AT THE ARMY ASSEMBLY MEETING HELD AT TANCOS AIR BASE, PORTUGAL, LAST TUESDAY, ACCORDING TO AN EAST GERMAN PRESS AGENCY (ADN) DISPATCH ISSUED YESTERDAY. THE DENUNCIATION CAME FOLLOWING A MEETING OF PORTUGUESE MILITARY HELD IN ANGOLA'S CAPITAL CITY OF LUANDA, THE DAY FOLLOWING THE TANCOS MEETING. THE TANCOS MEETING WAS PACKED WITH SUPPORTERS OF THE ARMY HEAD, GEN. CARLOS FARIAS, A NATO AGENT.

GISCARD PLAN LAUNCHED

SEPT. 5 (IPS)—IN A TELEVISED ADDRESS TO THE FRENCH NATION LAST NIGHT, FRENCH PRESIDENT GISCARD D'ESTAING PUBLICLY CEDED FRENCH ECONOMIC POLICY TO FRANCE'S INDUSTRIAL MONOPOLIES. THE ADDRESS WAS A PRESENTATION IN FINAL FORM OF GISCARD'S \$7 BILLION REFLECTIONARY ECONOMIC PROGRAM FOR THE NEW BUSINESS YEAR WHICH WILL BE PRESENTED TO THE FRENCH PARLIAMENT NEXT WEEK FOR DEBATE. THE PLAN HAS BEEN REVISED THREE TIMES IN THE PAST 10 DAYS.

EARLY REPORTS INDICATED THAT THE PRIMARY FOCUS OF THE PLAN WAS TO HAVE BEEN INCREASED CONSUMPTION AND REDUCED UNEMPLOYMENT; THE FINAL REVISED PLAN CALLS FOR ONLY \$1.1 BILLION GOING TO SUBSIDIES FOR THE AGED AND FAMILIES WITH DEPENDENT CHILDREN, \$2.84 BILLION IN CORPORATE TAX REBATES AND TAX POSTPONEMENTS FOR INDUSTRY, AND \$3.01 BILLION IN PUBLIC WORKS—OF WHICH OVER \$900 MILLION WILL GO FOR SOFT LOANS TO INDUSTRY.

(MORE)

GEORGES SEGUY, HEAD OF THE COMMUNIST PARTY-ALLIED TRADE UNION, THE CGT, IMMEDIATELY RESPONDED TO THE PLAN, BLASTING IT AS AN ANTI-WORKING-CLASS PROGRAM. TODAY'S U.S. PRESS UNANIMOUSLY AGREES THAT THE PLAN WILL HAVE MINIMAL IMMEDIATE IMPACT ON UNEMPLOYMENT.

PCF'S MARCHAIS: "GISCARD BLUFFS"

SEPT. 5 (IPS)--FRENCH PRESIDENT GISCARD D'ESTAING'S LONG-AWAITED ECONOMIC RELAUNCHING PLAN IS A "BLUFF," SAID FRENCH COMMUNIST PARTY GENERAL SECRETARY GEORGES MARCHAIS AT A PRESS CONFERENCE YESTERDAY, REPORTS TODAY'S L'HUMANITE. "HIS PLAN DOES NOT RE-LAUNCH POPULAR CONSUMPTION, DOES NOT DEVELOP ECONOMIC ACTIVITY AND EMPLOYMENT, DOES NOT PERMIT INFLATION TO BE BRAKED, DOES NOT GO AFTER INEQUALITIES, SOCIAL INJUSTICE AND WASTE."

GISCARD'S PLAN "ANNOUNCES HARD DAYS FOR WORKERS AND THEIR FAMILIES," MARCHAIS SAID, AND DEMANDED THAT FRANCE BREAK AWAY FROM THE DOMINATION OF U.S. AND WEST GERMAN MULTINATIONAL CONTROL.

RABIN CALLS FOR U.S.-SOVIET COOPERATION

SEPT. 5 (IPS)--ISRAELI PRIME MINISTER YITZAK RABIN YESTERDAY CALLED FOR "SOME MEASURE" OF UNITED STATES-SOVIET COOPERATION "IN ORDER TO ACHIEVE AN OVER-ALL SETTLEMENT OF THE ARAB-ISRAELI CONFLICT." THE STATEMENT WAS MADE IN AN INTERVIEW WITH THE ISRAELI LABOR PARTY NEWSPAPER, DAVOR.

SOVIETS BOYCOTT SIGNING OF SINAI PACT

SEPT. 5 (IPS)--THE SOVIET UNION YESTERDAY BOYCOTTED THE SIGNING OF THE SINAI PACT IN GENEVA AS A DEMONSTRATION OF ITS DISAPPROVAL OF THE KISSINGER-ORCHESTRATED SINAI AGREEMENT, ACCORDING TO TODAY'S WASHINGTON POST.

THE BOYCOTT WAS FOLLOWED BY AN ANTI-SOVIET TIRADE BY EGYPTIAN PRESIDENT ANWAR SADAT.

ABORTED COUP IN SUDAN

SEPT. 5 (IPS)--A COUP ATTEMPT BY A GROUP OF UNKNOWN OFFICERS WAS QUICKLY ABORTED LAST NIGHT IN SUDAN, ACCORDING TO CBS RADIO. PRELIMINARY INDICATIONS ARE THAT THE ATTEMPTED OVERTHROW OF THE NUMEIRY GOVERNMENT WAS A REFLECTION OF REACTIONS IN THE ARAB SECTOR AGAINST THE SIGNING OF THE SINAI INTERIM SETTLEMENT BY EGYPTIAN PRESIDENT ANWAR SADAT.

EGYPT AND SUDAN HAVE CLOSE POLITICAL AND ECONOMIC RELATIONS.

(MORE)

CONTINENTAL NEWS ROUND-UP

WHITE HOUSE TO TURN OVER "CHILE PAPERS"

SEPT. 5 (IPS)—MINUTES OF THE NATIONAL SECURITY COUNCIL'S SECRET "40 COMMITTEE" CONCERNING NIXON ADMINISTRATION ATTEMPTS TO DESTABILIZE OR OVERTHROW THE ALLENDE GOVERNMENT WILL BE TURNED OVER TO THE SENATE SELECT COMMITTEE ON INTELLIGENCE, ACCORDING TO TODAY'S NEW YORK TIMES.

THE COMMITTEE HAD SUBPOENAED THE WHITE HOUSE FOR THE DOCUMENTS CONCERNING CHILE AND FOR DOCUMENTS ON THE SO-CALLED HUSTON PLAN TO EXPAND DOMESTIC INTELLIGENCE ACTIVITIES.

ONTARIO COMMUNIST PARTY
TURNS NEW ELECTION LAW AGAINST MEDIA

SEPT. 5 (IPS)—THE ONTARIO COMMITTEE OF THE COMMUNIST PARTY OF CANADA (CPC) HAS WON A MAJOR VICTORY AGAINST THE NEW PROVINCIAL ELECTION FINANCING LAW WHICH WAS ORIGINALLY DESIGNED TO BAR SMALL PARTIES LIKE THE CPC AND THE NORTH AMERICAN LABOR PARTY (NALP) FROM ACTIVE PARTICIPATION IN ELECTIONS. HAVING SUBMITTED THE REQUIRED 10,000 PETITION SIGNATURES TO REGISTER AS A PARTY WITHIN THE RIDICULOUSLY SHORT PERIOD MANDATED BY THE NEW LAW, THE CP HAS FILED COMPLAINTS AGAINST THE MAJOR NEWS MEDIA IN ONTARIO WHICH HAVE FAILED TO GIVE EQUAL COVERAGE TO THE CPC'S 33 CANDIDATES IN THE UPCOMING ELECTION. IN ADDITION TO THE TORONTO STAR, THE TORONTO TELEVISION STATION CFTO AND THE CIVIL SERVICE COMMISSION OF ONTARIO HAVE BEEN OFFICIALLY NAMED BY THE NEW COMMISSION ON ELECTION CONTRIBUTIONS AND EXPENSES THAT THEIR DISCRIMINATION AGAINST THE CPC IS NOW BEING MONITORED BY THE COMMISSION FOR VIOLATIONS UNDER THE NEW LAW.

ICLC INTELLIGENCE AND ORGANIZING REPORT

IPS EXCLUSIVE

KISSINGER SAYS "NO" TO DEBT MORATORIUM

UNITED NATIONS, N.Y., SEPT. 5 (IPS)—SECRETARY OF STATE HENRY KISSINGER TOLD A GROUP OF MORE THAN 100 REPORTERS AT A PRESS CONFERENCE HERE TODAY THAT "I WOULD NOT FAVOR OUTHRIGHT CANCELLATION" OF THIRD WORLD DEBT. KISSINGER MADE THIS ADMISSION IN RESPONSE TO AN IPS CORRESPONDENT WHO ASKED HIM IF, GIVEN THE UNIFORMLY UNFAVORABLE RECEPTION TO HIS SPEECH MONDAY TO THE UN SPECIAL SESSION ON DEVELOPMENT, HE WOULD CONSIDER MAKING A PRO-DEBT MORATORIUM STAND ALONG THE LINES OF THAT PROPOSED YESTERDAY BY SWEDISH MINISTER OF STATE LINDBLUM. KISSINGER AT FIRST TRIED TO PUNT ON THE QUESTION, CLAIMING THAT HIS SPEECH WAS "NOT A FINAL PROPOSAL" BUT MERELY "A NEGOTIATING DOCUMENT," AND THAT, FURTHERMORE, HE HAD NOT YET "STUDIED" THE LINDBLUM PROPOSAL. HOWEVER, WHEN IPS INSISTED THAT HE DIRECTLY ADDRESS THE QUESTION OF DEBT MORATORIUM,

(MORE)

IPS EARLY 09.05.75/PAGE FIVE

A CLEARLY UNNERVED KISSINGER BLURTED OUT HIS CITED RESPONSE, ADDING THAT HE DID FAVOR "DEBT RENEGOTIATION" IN CERTAIN CASES, IF IT WAS TIED TO "SPECIFIC DEVELOPMENT (I.E., SLAVE LABOR--ED.) PROJECTS." KISSINGER THEN ENDED THE PRESS CONFERENCE.

ILLUSTRATING HIS CONTEMPT FOR THIRD WORLD CONCERNS, KISSINGER TIMED HIS PRESS CONFERENCE TO COINCIDE WITH THAT OF THE PRO-DEVELOPMENT IRAQIS, FORCING THEM TO POSTPONE THEIR OWN.

BANKERS TO MONOPOLIZE NYC DEBT HEARINGS

SEPT. 5 (IPS)--NEW YORK CITY CONGRESSMAN BENJAMIN ROSENTHAL HAS SCHEDULED HOUSE BANKING COMMITTEE HEARINGS ON THE IMPLICATIONS OF A DEFAULT BY NEW YORK CITY. "ONLY BANKS AND BROKERAGE FIRMS WILL TESTIFY," A ROSENTHAL AIDE SAID. "THERE IS NO ROOM FOR THE U.S. LABOR PARTY AT THESE HEARINGS."

END OF EARLY IPS FOR FRIDAY, SEPTEMBER 5, 1975

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)
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NEWS BULLETIN NO. 482

PRESIDENTIAL STATEMENT ON ASSASSINATION ATTEMPT AGAINST FORD

BY LYNDON H. LAROUCHE, JR.
U.S. LABOR PARTY CANDIDATE FOR PRESIDENT OF THE U.S.

SEPT. 5 -- TODAY'S ASSASSINATION ATTEMPT BY A MEMBER OF THE CHARLES MANSON CULT AGAINST PRESIDENT GERALD FORD MUST HASTEN THE IMMEDIATE CLOSING-DOWN OF THE ROCKEFELLER-CREATED BRAIN-WASHING NETWORK THROUGHOUT THE UNITED STATES.

WHILE IT IS NOT CLEAR WHO, IF ANYONE, ORDERED THE ATTACK ON FORD, THE FACT THAT THE ATTEMPTED MURDERESS IS A MANIFEST ZOMBIE LEADS US TO CONSIDER JUST WHERE SUCH ZOMBIES ARE CREATED. IT IS A MATTER OF PUBLIC KNOWLEDGE THAT THE MAIN SOURCES OF ZOMBIFIED PSYCHOTICS IN THE UNITED STATES ARE METHUEN MAINTENANCE CENTERS, PRISON REHABILITATION CENTERS, TRANSACTIONAL ANALYSIS GROUPS AND OTHER SO-CALLED COMMUNITY MENTAL HEALTH, DRUG OR BEHAVIORAL THERAPY INSTITUTIONS -- MOST OF WHICH ARE ADVISED, FUNDED OR ADMINISTERED BY PERSONS OR INSTITUTIONS (LIKE THE LAW ENFORCEMENT ASSISTANCE ADMINISTRATION) CONNECTED WITH THE ROCKEFELLER FAMILY AND CABAL. MISS FROMME, AS A MEMBER OF THE MANSON CULT, WAS OPEN TO THE INFLUENCES OF ONE SUCH NOTORIOUS BRAINWASHING INSTITUTION, THE ESALEN INSTITUTE.

THE LABOR PARTY IS NOT AN ADHERENT TO THE "LONE ASSASSIN" THEORY, BUT THE POSSIBILITY OF SUCH CRIMINAL ACTION CANNOT BE ELIMINATED AS LONG AS THE ROCKEFELLER-CREATED BRAINWASHING NETWORK REMAINS INTACT. MEMBERS OF THE LABOR PARTY HAVE BEEN SUBJECTED TO A WAVE OF RAPE ATTACKS FROM LEAA-CREATED PRISONER AND DRUG REHABILITATION CENTERS. THEIR BLANK STARES AND INCOHERENCE, AS WELL AS THEIR RECORD OF "THERAPY," MARKED THESE ASSAILANTS AS MANIFEST VICTIMS OF INDUCED PSYCHOSIS AND AS UNDER THE CONTROL OF AUTHORITIES HOSTILE TO THE LABOR PARTY. PERSONS CONCERNED WITH THE HEALTH OF THE PRESIDENT AND THE NATION WOULD DO WELL TO LOOK INTO MISS FROMME'S IMMEDIATE ASSOCIATES PRIOR TO HER ASSASSINATION ATTEMPT, TO SEE IF ANY SUCH CONTROLLING FIGURE APPEARS, AND WHO, IN FACT, HE WOULD BE SERVING IN "SUGGESTING" OR ORDERING SUCH AN ATTACK.

ONE MAJOR STEP TOWARD ELIMINATING SUCH DANGEROUS LAWLESSNESS IN THE UNITED STATES WOULD BE THE REFUSAL OF CONGRESS TO RENEW FUNDING FOR THE LAW ENFORCEMENT ASSISTANCE ADMINISTRATION, WHICH IS APPLYING FOR A RENEWAL OF FUNDS THIS COMING OCTOBER. LOCAL OFFICIALS IN COLORADO AND BOSTON HAVE ALREADY TAKEN MEASURES TO ELIMINATE CRIME FROM THE STREETS BY ELIMINATING THE LEAA.



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FRIDAY, SEPTEMBER 5, 1975 2000 HOURS EDT

PORTUGUESE NATO AGENTS BOYCOTT MFA ASSEMBLY

SEPT. 5 (IPS)—ATTENDANCE BY THE ARMY AND THE AIR FORCE AT THE ARMED FORCES MOVEMENT ASSEMBLY OF 240 TODAY IS REPORTED BY WEST GERMAN RADIO TO HAVE BEEN "SPARSE," SUGGESTING THAT DESPITE THE "PACKING" OF THE TWO DELEGATIONS BY HIGH-RANKING U.S.-ALLIED OFFICERS, U.S. AMBASSADOR TO PORTUGAL "FRANKIE" CARLUCCI ORDERED THE DELEGATIONS TO BOYCOTT THE ASSEMBLY RATHER THAN RISK POLITICAL DEFEAT. THIS VIEW TENDS TO BE CORROBORATED BY AN ANALYSIS IN TODAY'S ITALIAN COMMUNIST PARTY PAPER L'UNITA WHICH ON THE EVE OF TODAY'S ASSEMBLY MEETING CONCEDED THE PRO-PCP GENERAL GONCALVES FORCES A 130-110 MAJORITY AND AN EVEN WIDER MAJORITY SHOULD THE COPCON SECURITY FORCES SWING TO GONCALVES.

CAREY MANEUVERS TO STOP DEBT MORATORIUM

SEPT. 5 (IPS)—DESPERATELY ATTEMPTING TO TURN AROUND THE DECLARED INTENTION OF A GROUP OF NEW YORK CITY DEMOCRATS CENTERED IN THE BLACK AND PUERTO RICAN CAUCUS AND THE DEMOCRATIC STUDY GROUP TO INTRODUCE A DEBT MORATORIUM AMENDMENT, NEW YORK GOVERNOR HUGH CAREY HELD A SPECIAL MEETING WITH THE BLACK CAUCUS THIS MORNING AT WHICH HE PREPOSTEROUSLY LIED THAT NEW YORK BANKS WOULD MAKE AVAILABLE \$10 BILLION TO THE CITY, A FULL 10 PER CENT OF THE BANKS' ENTIRE ASSETS, IF THE LEGISLATURE PASSED THE FASCIST PENSION SWINDLE CAREY HAS PUT BEFORE THE LEGISLATURE.

IN THE SPECIAL ARMTWISTING SESSION, CAREY FURTHER LIED THAT THE \$750 MILLION WHICH MAC IS ATTEMPTING TO STEAL FROM THE STATE EMPLOYEES PENSION FUND WOULD LAST THE CITY FOR SEVERAL MONTHS AND DELIVERED A VERBAL PROMISE TO THE CAUCUS THAT THERE WOULD BE NO NEW YORK CITY WELFARE CUTS.

THE LEGISLATURE'S SPECIAL SESSION WAS ADJOURNED EARLY TODAY WHEN THE COMBINED OPPOSITION OF UPSTATE REPUBLICANS, UPSTATE ANTI-MAC DEMOCRATS WHO REALIZE THAT BIG MAC WOULD SOON BANKRUPT THE STATE, AND THE BLACK AND PUERTO RICAN CAUCUS MADE IT CLEAR THAT CAREY'S PLAN COULD NOT BE PASSED TODAY. AT THE PRESENT TIME, CAREY HAS CALLED THE DEMOCRATIC STUDY GROUP TO ANOTHER ARMTWISTING MEETING, WHILE MAC SOURCES HAVE ALREADY BEGUN TO FEED THE PRESS FALSE REPORTS THAT CAREY'S LEGISLATION HAS PASSED IN THE ASSEMBLY.

(MORE)

NEW YORK BANK ADMITS MORATORIUM LIKELY;
CONFESSES BANKS PLANTED SCARE PROPAGANDA IN PRESS

NEW YORK, SEPT. 5 (IPS)—AN OFFICIAL OF ONE OF NEW YORK'S LEADING INVESTMENT BANKS ADMITTED TODAY THAT A DEBT MORATORIUM IN NEW YORK CITY WAS ALMOST UNAVOIDABLE, FOLLOWING TODAY'S EVENTS IN THE STATE ASSEMBLY.

"IF NEW YORK DEFAULTS, THEN THE SEVEN TO EIGHT MILLION PEOPLE OF THE CITY WILL HAVE TO TAKE PRECEDENCE OVER THE TWO OR THREE THOUSAND BOND HOLDERS," SAID THE BANKER, WHO ASKED NOT TO BE IDENTIFIED. "USE YOUR COMMON SENSE. A DEFAULT WOULD PROVIDE AN INFLOW OF FUNDS TO THE CITY, SUFFICIENT TO COVER ITS EXPENSES, FOR AS LONG AS THE DEFAULT LASTS," HE ADDED. "AFTER 60 TO 90 DAYS, IT WOULD GO TO THE COURTS, AND BECOME AN OFFICIAL MORATORIUM." MOST OF THE SCARE TALK ABOUT UNPAID PAYROLLS, HE SAID, WAS "POLITICAL PROPAGANDA."

ALTHOUGH A DEFAULT MIGHT PROVOKE A RUN ON THE NEW YORK BANKS, HE REASONED, THE GOVERNMENT COULD THEN NATIONALIZE THE BANKING SYSTEM AND WRITE OFF MOST OF THE OLD DEBTS. "THAT WOULD PRODUCE ONE HELL OF A STRONG U.S. DOLLAR," HE SUGGESTED, "ONCE YOU BLEW ALL THAT HOT AIR OUT OF THE SYSTEM."

THE BANKER MADE THE ADMISSIONS AFTER HE WAS CONFRONTED ON SPURIOUS REPORTS--WHICH HE HAD DISSEMINATED--THAT THE NEW YORK STATE ASSEMBLY HAD PASSED GOVERNOR CAREY'S PROPOSED STATE TAKE-OVER OF NEW YORK CITY FINANCES.

TEDDY KENNEDY STANDS BEHIND CHASE ON PORTUGAL

SEPT. 5 (IPS)—ROBERT HUNTER, AN AIDE TO SENATOR EDWARD KENNEDY, TODAY TOLD A U.S. LABOR PARTY REPRESENTATIVE THAT A "VERY INTERESTED" EDWARD KENNEDY IS BACKING CHASE MANHATTAN-KISSINGER SABOTAGE OF THE PORTUGUESE ECONOMY. "HE HAS IN THE PAST BACKED (ECONOMIC) AID TO A DEMOCRATIC PORTUGAL. HE IS NOT ADVOCATING AID NOW," HUNTER SAID.

HUNTER, WHOSE BACKGROUND INCLUDES A TERM OF RESIDENCE AT THE INSTITUTE FOR STRATEGIC STUDIES IN LONDON, IS KENNEDY'S FULL-TIME ADVISER ON THE PORTUGAL SITUATION. KENNEDY'S HOME STATE, MASSACHUSETTS, IS A MAJOR CENTER OF CIA-NATIONAL SECURITY COUNCIL COORDINATED ACTIVITIES AGAINST THE PORTUGUESE WORKING CLASS WITHIN THE UNITED STATES.

THE U.S. LABOR PARTY HAS SINGLED OUT KENNEDY AS A TARGET FOR PRESSURE IN ITS CAMPAIGN TO LIFT THE WESTERN ECONOMIC BLOCKADE OF PORTUGAL AND FORCE THE RECALL OF U.S. AMBASSADOR FRANK CARLUCCI.

CPI BLASTS CIA/NATO INTERFERENCE
IN PORTUGAL, INDIAN SUBCONTINENT

SEPT. 5 (IPS)—THE NATIONAL COUNCIL OF THE COMMUNIST PARTY OF INDIA (CPI) HAS ASSAILED "THE ECONOMIC BOYCOTT IMPOSED BY CERTAIN

(MORE)

NATO AND EUROPEAN MARKET COUNTRIES AGAINST PORTUGAL" AND THE "INTERNATIONAL PLOT TO WEAKEN THE UNITY OF DEMOCRATIC FORCES IN PORTUGAL" AS A VIOLATION OF THE HELSINKI ACCORDS, IN A DECLARATION PUBLISHED IN THE INDIAN LEFT-WING DAILY, THE PATRIOT, AUG. 29. THE DECLARATION CHARGES THAT "THE PRESENT EVENTS IN PORTUGAL, THE DEVELOPMENTS IN INDIA THAT LED TO THE PROVULGATION OF THE EMERGENCY, THE ASSASSINATION OF SHEIKH MUJIBUR REHMAN, ALL FORM LINKS TO ONE SINGLE CHAIN OF U.S. IMPERIALISM'S GLOBAL STRATEGY TODAY," AND PINPOINTS THE CIA AS RESPONSIBLE FOR THE ANTI-COMMUNIST HYS-TERIA IN PORTUGAL.

THE CPI DEMANDED AN IMMEDIATE END TO FOREIGN INTERVENTION IN THE DOMESTIC AFFAIRS OF THE PORTUGUESE PEOPLE.

IPS EXCLUSIVE

MCMARTIN SEES RETURN TO GOLD, NO RECOVERY, BANK COLLAPSE

WASHINGTON, D.C. (IPS)--FORMER FEDERAL RESERVE CHAIRMAN WILLIAM MCCHESENEY MARTIN SAID TODAY THAT HE FEARED THE WORLD MONETARY SYSTEM WOULD MOVE TO A SET OF CURRENCY BLOCS, CLEARING THEIR PAYMENTS IN GOLD. THIS VIEW HAS BECOME POPULAR IN EUROPEAN CIRCLES, WITH ONE LEADING SWISS BANKER PREDICTING THAT FOUR ZONES WOULD EMERGE AROUND THE DOLLAR, GERMAN MARK, JAPANESE YEN AND SOVIET RUBLE.

SPEAKING OFF-THE-CUFF OVER COCKTAILS AT THE INTERNATIONAL MONETARY FUND'S ANNUAL MEETING, THE INFLUENTIAL "MCMARTIN" SAID HE BELIEVED THIS DEVELOPMENT--WHICH HE OPPOSED--WAS NOW INEVITABLE. "I WAS ALL FOR INTERNATIONAL MONETARY REFORM," HE SAID, "BUT NOW IT'S TOO LATE."

THE FORMER FED GOVERNOR ALSO WARNED THAT THE SHAKY SITUATION OF THE BANKING SYSTEM WOULD MAKE A RECOVERY "IMPOSSIBLE." "TWO HUNDRED AND FIFTY BANKS ARE BEING CAREFULLY WATCHED," HE SAID. MCMARTIN IS A DIRECTOR OF NINE AMERICAN CORPORATIONS, INCLUDING U.S. STEEL.

MCMARTIN PROPOSED THAT THE FEDERAL RESERVE BUY UP NEW YORK CITY BONDS AT THEIR FACE VALUE TO PREVENT A RUN ON THE BANKS SHOULD NEW YORK DEFAULT. "BUT THIS WOULD REDUCE THE DOLLAR TO 20 CENTS OF ITS CURRENT VALUE," THE RETIRED BANKER MUSED.

WHITE ADMINISTRATION ATTENDS DEBT MORATORIUM HEARINGS; COUNCIL TO VOTE ON O'NEIL'S RESOLUTION ON MONDAY

SEPT. 5 (IPS)--BOSTON COUNCILMAN ALBERT O'NEIL REOPENED HEARINGS ON DEBT MORATORIUM TODAY WITH MAYOR WHITE'S TOP-LEVEL ADMINISTRATION IN ATTENDANCE TO ANSWER QUESTIONS ON THE CITY'S FINANCIAL CONDITION. THE APPEARANCE OF CITY TREASURER JAMES YOUNG AND CHIEF AUDITOR MERRILL WITH FOUR OF HIS STAFF WAS THE RESULT OF A WEEK-LONG CAMPAIGN BY O'NEIL AND THE U.S. LABOR PARTY AFTER WHITE'S BOYCOTT OF THE HEARINGS LAST WEEK.

(MORE)

O'NEIL OPENED THE HEARINGS BY OUTLINING THE NATIONAL SUPPORT FOR THE DEBT MORATORIUM, POINTING OUT "I USED TO THINK I WAS ALONE IN THIS, BUT REPRESENTATIVES IN THE NEW YORK STATE LEGISLATURE, THE NEW YORK CITY COUNCIL AND OUR OWN MASSACHUSETTS STATE LEGISLATURE ARE ACTIVELY CONSIDERING DEBT MORATORIUM."

THROUGHOUT THE HEARINGS, THE LEADING COUNCIL OPPONENT OF DEBT MORATORIUM, LARRY DICARA, ATTEMPTED TO WORK WITH YOUNG TO ESTABLISH THAT BORROWING WAS USED ONLY TO MAINTAIN CITY SERVICES, DESPITE YOUNG'S ADMISION THAT DEBT PAYMENTS HAVE RISEN 137 PER CENT SINCE 1971, WHILE THE BUDGET HAS INCREASED ONLY 30 PER CENT.

U.S. LABOR PARTY MAYORAL CANDIDATE BOB GIBBONS BLASTED YOUNG'S TESTIMONY AND DOCUMENTED WHITE'S DRASTIC SLASHING OF ALL ESSENTIAL CITY SERVICES.

AT THE CONCLUSION OF THE HEARINGS, O'NEIL ANNOUNCED TO THE CHRISTIAN SCIENCE MONITOR THAT HE WOULD SUBMIT THE DEBT MORATORIUM TO THE COUNCIL FOR A VOTE MONDAY. THE ENTIRE CITY COUNCIL FACES REELECTION IN A PRIMARY ON SEPT. 23.

IRAQI AMBASSADOR PRAISES FRANCO-IRAQI COOPERATION

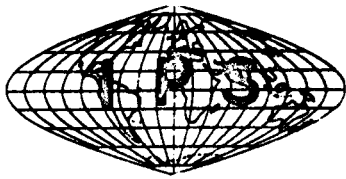
PARIS, SEPT. 5 (IPS)--MOUNZER AL WENDAONI, THE NEWLY APPOINTED IRAQI AMBASSADOR IN FRANCE, DECLARED IN HIS MESSAGE TO FRENCH PRESIDENT GISCARD D'ESTAING THAT "THE FRUITFUL COOPERATION ESTABLISHED BETWEEN FRANCE AND IRAQ CONSTITUTES A MARVELOUS EXAMPLE OF COOPERATION BETWEEN INDUSTRIALLY ADVANCED NATIONS AND THIRD WORLD COUNTRIES, AS WELL AS BETWEEN OIL PRODUCING AND CONSUMING COUNTRIES," ACCORDING TO THE SEPT. 4 ISSUE OF LE MONDE. GISCARD REPLIED THAT "EQUALLY ATTACHED TO THEIR NATIONAL INDEPENDENCE, IRAQ AND FRANCE HAVE IN COMMON THE WILLINGNESS TO CONTRIBUTE TO THE INSTALLATION OF AN INTERNATIONAL ECONOMIC ORDER BETTER ADAPTED TO THE PRESENT REALITIES."

K-MART: "FIND SOMEONE WHO WILL ARREST THEM."

AKRON, OH., SEPT. 5 (IPS)--STEVEN MEYERS, CAMPAIGN MANAGER OF CLEVELAND MAYORAL LABOR PARTY CANDIDATE JAMES ROSENBLATT, WAS ARRESTED ON THE PICKET LINE FOR TRESPASSING ON THE STRUCK AKRON K-MART YESTERDAY, AFTER THE STORE'S MANAGER PLACED FRENZIED CALLS TO CHICAGO AND DETROIT MANAGEMENT AND RECEIVED INSTRUCTIONS TO "FIND SOMEONE WHO WILL ARREST THEM." AREA PROSECUTORS HAD PREVIOUSLY RULED THE USLP IS WITHIN ITS RIGHTS IN PICKETING ON SEMI-PUBLIC K-MART PROPERTY.

USLP ATTORNEYS ARE SEEKING TO HAVE CHARGES DROPPED, AND PLAN TO FILE A FALSE ARREST SUIT AGAINST THE STORE'S ASSISTANT MANAGER BRUNO.

END OF LATE IPS PRIORITIES FOR FRIDAY, SEPTEMBER 5, 1975



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Daily News and Press Summaries

SEPTEMBER 5, 1975

I. INTERNATIONAL NEWS

SPINOLA'S OFFICERS ADVISE FNLA

SEPT. 5 (IPS)--OFFICERS CLOSE TO FORMER PORTUGUESE PRESIDENT SPINOLA, WHO FLED TO BRAZIL AFTER AN ABORTIVE CIA-BACKED FASCIST COUP ATTEMPT LAST MARCH, ARE NOW FUNCTIONING AS "COUNSELORS" TO THE NATIONAL FRONT FOR THE LIBERATION OF ANGOLA (FNLA), ACCORDING TO TODAY'S FRENCH DAILY LE MONDE.

LE MONDE REPORTS THAT SOME OF THESE OFFICERS ARE OPERATING OUT OF THE CIA-CONTROLLED FNLA'S MILITARY TRAINING CAMP IN AMBROZ, NORTH OF LUANDA. SPINOLA IS ATTEMPTING TO RALLY OFFICERS STILL STATIONED IN AFRICA TO HIS CAUSE, LE MONDE SAYS.

FRENCH COUNTER-ESPIONAGE AGENCY PROTECTS SPINOLA

SEPT. 5 (IPS)--THE FRENCH GOVERNMENT'S COUNTER-ESPIONAGE AGENCY IS IN CHARGE OF ENSURING FORMER PORTUGUESE PRESIDENT SPINOLA'S SAFETY WHILE HE IS IN PARIS, REPORTS TODAY'S FRENCH DAILY LE MONDE. SPINOLA IS PRESENTLY ON A TOUR OF EUROPE ORGANIZING FOR A BLOODY INTERVENTION AGAINST THE GOVERNMENT OF PORTUGAL.

THE REPORT FURTHER CONFIRMS THAT FRENCH PRESIDENT GISCARD D'ESTAING IS PLAYING AN ACTIVE ROLE IN THIS OPERATION ALSO ALONG WITH THE CIA, THE NATIONAL SECURITY COUNCIL AND THE SECOND INTERNATIONAL.

SPINOLA AT PARIS ITT HOTEL

SEPT. 5 (IPS)--THE EXILED PRO-FASCIST FORMER PORTUGUESE PRESIDENT AND GENERAL, ANTONIO DE SPINOLA, HAS ARRIVED IN PARIS, FRANCE, AND IS STAYING AT THE SHERATON HOTEL THERE, THE DAILY WORLD REPORTS. THE SHERATON HOTEL CHAIN IS A SUBSIDIARY OF THE INTERNATIONAL TELEPHONE AND TELEGRAPH COMPANY (ITT) WHICH WAS HEAVILY INVOLVED IN CHILEAN COUP PREPARATIONS.

SECOND INTERNATIONAL MEETS IN LONDON TO PLAN PORTUGAL BLOODBATH

SEPT. 5 (IPS)--THE LEADING FIGURES OF THE SECOND INTERNATIONAL, INCLUDING BRANDT OF WEST GERMANY, MITTERRAND OF FRANCE, OLOF PALME OF SWEDEN, AS WELL AS PORTUGUESE SOCIALIST PARTY HEAD MARIO SOARES, MET IN LONDON TODAY TO DISCUSS THE PORTUGUESE SITUATION. AT THE MEETING, BRANDT WAS ELECTED CHAIRMAN OF THE "SOLIDARITY COMMITTEE FOR PORTUGAL," WHICH WILL OFFER "FINANCIAL, TECHNICAL AND POLITICAL HELP" TO THE PORTUGUESE SOCIALISTS, REPORTS WEST GERMAN RADIO TODAY. BEFORE LEAVING FOR THE LONDON MEETING, SOARES DELIVERED AN ULTIMATUM TO PORTUGUESE PRESIDENT COSTA GOMES DEMANDING THAT "BOURGEOIS DEMOCRACY" BE ESTABLISHED IN PORTUGAL, ACCORDING TO AN EAST GERMAN RADIO REPORT YESTERDAY.

(MORE)

CPUSA HEDGES SUPPORT FOR MPLA

SEPT. 5 (IPS)—TODAY FOR THE FIRST TIME THE UNITED STATES COMMUNIST PARTY NEWSPAPER, THE DAILY WORLD, HAS GIVEN SIGNIFICANT COVERAGE TO CIA-COORDINATED PROVOCATION OF CIVIL WAR IN ANGOLA. THE ARTICLE HOLDS BACK FROM EXPLICITLY DENOUNCING THE FNLA AND UNITA AS CIA-CONTROLLED COUNTERGANGS, A CONCESSION TO THE ANGELA DAVIS CIA AGENT FACTION WITHIN THE PARTY.

FRENCH DAILY PRAISES FRANCO-IRAQI RELATIONS

PARIS, SEPT. 5 (IPS)—ON THE OCCASION OF IRAQI VICE-PRESIDENT SADDAM HUSSEIN'S ARRIVAL ON A VISIT TO FRANCE, LE FIGARO TODAY CARRIES AN ARTICLE PRAISING IRAQ'S "FRENETIC RACE FOR DEVELOPMENT" AND THE "GIGANTIC PERSPECTIVES" IT OFFERS, FURTHER DESCRIBING FRANCO-IRAQI RELATIONS AS "PRIVILEGED" AND BASED ON RECIPROCAL ECONOMIC INTERESTS AND A COMMON CONCERN FOR POLITICAL INDEPENDENCE. LE FIGARO DETAILS AREAS IN WHICH BILATERAL COOPERATION FOR DEVELOPMENT HAS EXTREMELY HIGH POTENTIAL, INCLUDING NUCLEAR ENERGY, PETRO-CHEMICALS, COMMUNICATIONS, NAVAL CONSTRUCTIONS AND AGRICULTURE, AND TRACES THIS "ORIENTAL FAIRY TALE FOR BUSINESSMEN" BACK TO DE GAULLE'S POLICY.

A FURTHER ARTICLE FAVORABLY PORTRAYS HUSSEIN'S POLITICAL CAREER AND ADDS THAT HE HAS "SOLID PERSONAL CONTACTS" WITH FRENCH GOVERNMENT OFFICIALS, NOTABLY WITH PRIME MINISTER CHIRAC WHOM HE CALLS "MY FRIEND CHIRAC."

FRENCH IMPORTS OF ALGERIAN OIL TO INCREASE

PARIS, SEPT. 5 (IPS)—LE FIGARO ANNOUNCED TODAY THAT FRANCE IS LIKELY TO INCREASE HER IMPORTS OF ALGERIAN OIL STARTING IN OCTOBER WHEN OIL PRICES ARE READJUSTED. FRENCH TRADE MINISTER SEGARD RECENTLY MET IN ALGIERS WITH ALGERIAN PRESIDENT BOUMEDIENNE TO DISCUSS THE PROBLEM OF ALGERIA'S GROWING TRADE DEFICIT WITH FRANCE.

EXPANDING ARAB-EAST BLOC TRADE

SEPT. 5 (IPS)—"THE RECENTLY PROLIFERATING SERIES OF AGREEMENTS BETWEEN COMMUNIST AND ARAB GOVERNMENTS POINTS TO A CERTAIN STEADY AND SUBSTANTIAL DEVELOPMENT OF ECONOMIC RELATIONS BETWEEN THE TWO AREAS," TODAY'S CHRISTIAN SCIENCE MONITOR COMMENTS.

DESCRIBING THIS AS A "STRIKING ARAB SHIFT FROM IDEOLOGY AND POLITICS TO HARDHEADED ECONOMICS," THE MONITOR HIGHLIGHTS "A WIDE-RANGING ACCORD ON ECONOMIC AND TECHNICAL COOPERATION" BETWEEN LIBYA AND THE SOVIET UNION, MAJOR IRAQI TRADE AND COOPERATION DEALS WITH COMECON, ALGERIAN COOPERATION AGREEMENTS WITH EAST GERMANY AND CZECHOSLOVAKIA, AND THE RECENTLY EXPRESSED WILLINGNESS OF ANTI-COMMUNIST SAUDI ARABIA TO DEAL WITH BOTH WESTERN INDUSTRIALIZED COUNTRIES AND THE EAST BLOC. ALSO DETAILED ARE A BROAD-RANGING SCOPE OF OTHER ARAB-EAST BLOC COMMERCIAL RELATIONS.

PCP SPLITTING POLYCENTRIST PCE

SEPT. 5 (IPS)—IN AN INDICATION OF FURTHER MOVES AGAINST AGENTS IN THE COMMUNIST MOVEMENT WHO SUPPORT A FASCIST RESTORATION IN PORTUGAL, TODAY'S LE MONDE WRITES THAT DISTRAUGHT EXECUTIVE MEMBERS OF THE FRENCH SOCIALIST PARTY RECENTLY STATED: "THE PORTU-

(MORE)

GUESE COMMUNIST PARTY'S ATTITUDE CONSIDERABLY HARMS THE SPANISH COMMUNIST PARTY TO THE EXTENT THAT WITHIN THE PARTY A STRUGGLE OF TENDENCIES HAS BEGUN" WHICH IS "ENDANGERING THE HUMANISTIC TRENDS OF THE SPANISH COMMUNIST PARTY (PCE) IN FAVOR OF A HARDER PORTUGUESE STYLE TENDENCY, IN THE SPIRIT OF THE RECENT EDITORIAL OF PRAVDA BY ZARODOV, WITH ALL THE RISKS THIS WOULD MEAN AT THE TIME OF THE TRANSITION TOWARD DEMOCRACY," ACCORDING TO TODAY'S LE MONDE. IN RESPONSE, LE MONDE SAYS, THE FRENCH COMMUNIST PARTY ASKED WHETHER THE SUBORDINATION OF THE SPANISH COMMUNIST PARTY IN FAVOR OF SOCIALIST AND CHRISTIAN DEMOCRATIC TENDENCIES IS NOT "THE SO-CALLED EUROPEAN 'SOUTH FLANK' STRATEGY."

PCE LEADER SANTIAGO CARILLO IS A LEADING SUPPORTER OF PORTUGUESE AGENT MARIO SOARES.

BRITISH PRESS SKEPTICAL OF TUC VOTE ON WAGE LIMIT

SEPT. 4 (IPS)--MOST BRITISH NEWSPAPERS RUEFULLY ADMIT TODAY THAT THE MUCH-HEARLDED VOTE BY THE TRADES UNION CONGRESS TO ACCEPT THE GOVERNMENT'S PAY FREEZE MAY NOT STAND UP WHEN THE INDIVIDUAL MAJOR UNION CONTRACTS EXPIRE THIS FALL. THE VOTE IS NOT BINDING.

"SO THE TRADES UNION CONGRESS HAS ENDORSED THE SIX-POUND A WEEK PAY POLICY," A DAILY TELEGRAPH EDITORIAL SAID YESTERDAY. "THIS FACT WILL NOT SURPRISE ANYBODY. BUT NO ONE SHOULD EXPECT THAT THIS EVENT IS OF CRUCIAL SIGNIFICANCE TO BRITAIN'S ECONOMIC SURVIVAL. IT IS NOT."

THE LONDON TIMES SAID, "IN NINE OR TEN MONTHS THE WORKER WILL REALIZE HOW MUCH THE PAY LIMIT HURTS. THAT IS WHEN THE TEST WILL COME."

CALLAGHAN SAYS KISSINGER POLICY 'A MISTAKE,' FT REPORTS

SEPT. 5 (IPS)--JAMES CALLAGHAN, THE FOREIGN SECRETARY OF GREAT BRITAIN, "IS KNOWN TO FEEL, ALONG WITH OTHER EUROPEAN MINISTERS, THAT THE AMERICAN WARNINGS ABOUT OIL PRICES--DELIVERED BY HENRY KISSINGER AT THE UNITED NATIONS AND BY U.S. TREASURY SECRETARY WILLIAM SIMON AT THE INTERNATIONAL MONETARY FUND CONFERENCE IN WASHINGTON--ARE A TACTICAL MISTAKE," THE LONDON FINANCIAL TIMES REPORTS TODAY.

THE FINANCIAL TIMES REPORTS THAT MR. CALLAGHAN, IN HIS SPEECH TO THE SPECIAL SESSION AT THE UNITED NATIONS, EMPHASIZED THAT THE DEVELOPED COUNTRIES SHOULD DEAL WITH THE THIRD WORLD ON ITS COMMODITY PRICE PROBLEMS AND NOT CONFRONT THEM ON THE ENERGY QUESTION.

AUTO SALES DROP 12 PERCENT FROM LAST YEAR

SEPT 5 (IPS)--AUGUST SALES OF U.S. AUTOMOBILES PLUMMETED 12 PERCENT BELOW LAST YEAR, ACCORDING TO THE WALL STREET JOURNAL, GIVING THE LIE TO WIDELY TOUTED REPORTS OF AN AUTO "RUSHING" IN THE 1976 MODEL YEAR. "PRESUMING NOTHING LIKE LAST YEAR," THE JOURNAL REPORTS.

(MORE)

DEVELOPMENT A LA THE WORLD BANK

SEPT. 5 (IPS)—A WORLD BANK REPORT ON URBAN TRANSPORT EXTOLLS WALKING, ACCORDING TO TODAY'S WALL STREET JOURNAL. A FOOTPATH, THE WORLD BANKS STUDY PROCLAIMS, CAN CARRY 1100 PERSONS PER FOOT-WIDTH PER HOUR. "PEDESTRIANS CAN WALK VERY CLOSE TO EACH OTHER, EVEN IN OPPOSITE DIRECTIONS." SAYS THE WORLD BANK. WHAT'S MORE, COSTS ARE MINIMAL—"EXCEPT A SMALL EXPENSE FOR SHOES." AMONG THE DISADVANTAGES OF SUCH REVOLUTIONARY MODES: "SPEEDS ARE LOW... COMFORT IN HOT WEATHER OR RAIN IS AT BEST POOR."

II. FINANCIAL PRESS DIGEST

BUSINESS CONTINUES TO HATCHET PLANS FOR EXPANSION OUTLAYS

SEPT. 5 (IPS)—IN ITS LATEST QUARTERLY SURVEY OF CAPITAL SPENDING PLANS, THE COMMERCE DEPARTMENT REPORTS THAT BETWEEN JUNE AND AUGUST, U.S. COMPANIES ROLLED BACK THEIR ESTIMATED 1976 OUTLAYS FOR PLANT EQUIPMENT AND EXPANSION BY \$730 MILLION, ACCORDING TO TODAY'S WALL STREET JOURNAL. BUSINESSES PLAN TO SPEND ONLY 1 PER CENT MORE THIS YEAR ON CAPITAL OUTLAYS THEN IN 1974-- IN ACTUALITY A 12 PER CENT DECLINE IN SUCH EXPENDITURES, AND THE WORST SHOWING SINCE 1961 WHEN CAPITAL SPENDING DECLINED BY AN OFFICIAL 2.3 PER CENT.

A. GERMAN OUTPUT ORDERS DOWN FURTHER

SEPT. 5 (IPS)—WEST GERMAN INDUSTRIAL ORDERS DROPPED 14.5 PER CENT IN JULY FROM THE PREVIOUS MONTH, ACCORDING TO REPORTS FROM THE ECONOMICS MINISTRY IN TODAY'S JOURNAL OF COMMERCE. JUNE FIGURES WERE INFLATED, IT WAS POINTED OUT, DUE TO A PUSH BY BUSINESSMEN TO GET ORDERS ON CAPITAL GOODS IN BEFORE A 7.5 PER CENT INVESTMENT INCENTIVE EXPIRED AT THE END OF THAT MONTH. INTERNAL DEMAND DROPPED 19.5 PER CENT IN JULY. COMPARED TO A YEAR AGO, FOREIGN ORDERS DROPPED 17 PER CENT.

IN A RELATED DEVELOPMENT, ACCORDING TO THE WEST GERMAN FEDERAL STATISTICS OFFICE, WEST GERMAN CRUDE STEEL PRODUCTION DECLINE BY 4.6 PER CENT IN AUGUST COMPARED TO JULY AND 32 PER CENT COMPARED TO AUGUST, 1974. DURING THE FIRST EIGHT MONTHS OF THE YEAR, CRUDE STEEL PRODUCTION DECLINED 21 PER CENT FROM THE PREVIOUS YEAR.

FEDERAL RESERVE REPORTS ANOTHER PAPER TRANSFUSION

SEPT. 5 (IPS)—IN THE LARGEST ONE-WEEK GAIN SINCE MID-MARCH, THE NATION'S MONEY SUPPLY JUMPED BY 2.6 BILLION IN THE WEEK ENDING AUGUST 27, ACCORDING TO THE LATEST FEDERAL RESERVE STATISTICS. REPORT OF THE BIG INCREASE CAUSED "JITTERS" IN THE MONEY MARKETS, WHERE MANY ANTICIPATE THE RISE WILL INSPIRE THE FED TO TIGHTEN CREDIT IN A CORRECTING MOVE. TREASURY RATES ROSE FURTHER AND PRICES DECLINED AS A RESULT, ACCORDING TO THE WALL STREET JOURNAL.

(MORE)

FRENCH CHOP DISCOUNT RATE

SEPT. 5 (IPS)—THE BANK OF FRANCE ANNOUNCED THURSDAY THAT THE COUNTRY'S BANK RATE WAS BEING CUT FROM 8 1/2 PER CENT TO 8 PER CENT AT THE SAME TIME THAT GISCARD'S CABINET PUT THE SEAL OF APPROVAL ON A 5.6 BILLION PLAN OF EMERGENCY MEASURES TO COMBAT THE COUNTRY'S WORST POST-WAR SLUMP, THE JOURNAL OF COMMERCE REPORTS. THE ENORMOUS CUT IN THE BANK RATE WILL ENCOURAGE CAPITAL FLOWS OUT OF THE COUNTRY DESPITE THE FACT THAT IT IS INTENDED TO BOOST DOMESTIC BUSINESS ACTIVITY.

III. CONTINENTAL PRESS

INDICT CHICAGO LEAA OPERATIVES FOR DRUG PUSHING

SEPT. 5 (IPS)—DONALD CROFTON, DIRECTOR OF THE DRUG ABUSE AND REHABILITATION PROJECT WEST SIDE ORGANIZATION OF THE ILLINOIS DEPT. OF MENTAL HEALTH PSYCHIATRIC INSTITUTE, AND THREE FELLOW EMPLOYEES HAVE BEEN INDICTED FOR DISTRIBUTING HEROIN BY COOK COUNTY ILLINOIS PROSECUTORS ACCORDING TO YESTERDAY'S CHICAGO TRIBUNE.

THE WEST SIDE ORGANIZATION, WHICH HAS RECEIVED OVER \$1 MILLION IN FUNDS FROM THE ELI LILLY CORP., W. CLEMENT STONDE FOUNDATION, NATIONAL INSTITUTE OF MENTAL HEALTH, AND HEW, IS A FRONT OPERATION FOR THE BENI ZAKEEM CULT OF BRAINWASH VICTIMS. MOST OF THE WSO EMPLOYEES ARRESTED WERE REPORTED TO HAVE PRIOR NARCOTICS CONVICTIONS. THE COOK COUNTY METROPOLITAN ENFORCEMENT GROUP, A POLITICAL ORGANIZATION INFLUENCED BY CHICAGO MAYOR DALEY, IS ENCOURAGING THE INVESTIGATION AND IS REPORTEDLY BRINGING PRESSURE TO BEAR FOR A FEDERAL GRAND JURY INVESTIGATION INTO DRUG TRAFFICKING.

SYMBIONESE LIBERATION ARMY "THOROUGHLY INFILTRATED" BY FBI

SEPT. 5 (IPS)—THE FBI HAD "THOROUGHLY INFILTRATED" THE SYMBIONESE LIBERATION ARMY AND HAD NO INTENTION OF APPREHENDING PARTICIA HEARST DESPITE HAVING FULL KNOWLEDGE OF HER WHEREABOUTS ACCORDING TO WAYNE LEWIS WHO IS ACKNOWLEDGED TO BE AN "INFORMANT" BY THE FBI. ACCORDING TO TODAY'S NEW YORK POST, LEWIS, WHO IS SUING THE FBI FOR \$53,300 IN UNPAID WAGES AND EXPENSES, SAID THAT IN NOV. 1974 HE MADE CONTACT WITH THE SLA AND ARRANGED A MEETING WITH "TANIA" WHO SOUNDED LIKE THE TAPED RECORDINGS OF MS. HEARST. WITHIN TWO DAYS OF THE MEETING WITH MS HEARST, LEWIS SAID, HIS "COVER WAS BLOWN" WITH THE COOPERATION OF THE FBI AND HE WAS FORCED TO FLEE. "THERE WERE SEVERAL OCCASIONS," LEWIS SAID, "WHEN THEY (THE FBI) KNEW EXACTLY WHERE SHE (MS HEARST) WAS."

IV. ORGANIZING AND INTELLIGENCE

SWAPO CONFIRMS SOUTH AFRICAN SUBVERSION IN ANGOLA

SEPT. 5 (IPS)—THE SOUTHWEST AFRICAN PEOPLES' ORGANIZATION (SWAPO) CONFIRMED YESTERDAY THAT SOUTH AFRICAN MILITARY FORCES HAVE INTENSIFIED THEIR ATTACKS ON ANGOLA. IN A PRESS CONFERENCE IN STOCKHOLM, SWAPO FURTHER CHARGED THAT REPRESSION AGAINST SWAPO CADRE IN SOUTH AFRICAN-CONTROLLED SOUTHWEST AFRICA (NAMIBIA) HAS ESCALATED SHARPLY.

(MORE)

IPS/6

SWAPO DEFINED ITS OWN STRUGGLE IN TERMS OF THE LIBERATION OF THE REGION OF SOUTHERN AFRICA AS A WHOLE AND TARGETTED BOTH SECRETARY OF STATE HENRY KISSINGER AND THE CIA-CONTROLLED NATIONAL FRONT FOR THE LIBERATION OF ANGOLA (FNLA) COUNTERGANG AS THE KEY SABOTEURS OF THIS STRUGGLE.

CHARGE CIA-ANARCHIST CONSPIRACY TO SMASH U.S. LABOR PARTY

CHARLOTTE, N.C., SEPT. 5 (IPS)--FRAUD CHARGES AGAINST MARK ENGLANDER, LEADER OF A GROUP CALLING ITSELF THE "RED HORNETS" WERE FILED WITH THE CHARLOTTE BOARD OF ELECTIONS YESTERDAY BY NORTH CAROLINA U.S. LABOR PARTY STATE CHAIRMAN GEOFF BOOKS.

THE ENGLANDER GROUP HAS ATTEMPTED TO FRAUDULANTLY REGISTER AS USLP MEMBERS TO FORCE A "PRIMARY BATTLE" TO UNSEAT USLP CANDIDATES. ENGLANDER HAS INDICATED THAT HE IS PART OF AN INTERNATIONAL ANARCHIST OPERATION TO DESTROY THE USLP IN SAN FRANCISCO, DENVER, NEW YORK AND WASHINGTON STATE.

THE USLP IS CHARGING THAT ENGLANDER IS NOT A USLP MEMBER IN GOOD STANDING, AND THAT GIVEN ALSO HIS PUBLIC STATEMENTS OF INTENT TO SMASH THE USLP, HIS "VOTER REGISTRATION SCHEMES CONSTITUTE GROUNDS FOR PROSECUTION ON FRAUD CHARGES.

NORTH CAROLINA AFL-CIO PAY-OFFS FROM KREESGES SCAB OUTFIT

SEPT. 5 (IPS)--A PART-TIME FEMALE EMPLOYEE OF THE STRUCK K-MART STORE IN GREENSBORO, NORTH CAROLINA WAS OBSERVED MOONLIGHTING AS A PAID PROSTITUTE FOR PARTICIPANTS IN THE AFL-CIO CONVENTION IN THAT CITY, YESTERDAY. IT IS NOT YET KNOWN IF THE BELEAGUERED AFL-CIO STATE CHAIRMAN WILBUR HOBBY IS PARTAKING OF THE KREESGES FREE-LUNCH OFFER. SO FAR THE AFL-CIO HAS REFUSED TO TAKE A PUBLIC POSITION ON THE K-MART STRIKE.

THE STORE WAS COMPLETELY EMPTY YESTERDAY WHEN U.S. LABOR PARTY PICKET LINES WENT UP.

END OF LATE EVENING NON-PRIORITIES FOR SEPT. 5, 1975

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NEWS BULLETIN NO. 486

ROCKEFELLER BANKERS, PORTUGUESE CENTRAL BANK GOVERNOR
TO MEET TO PLAN PORTUGUESE BLOODBATH

SEPT. 5 (IPS)--GOVERNOR ANTONIO MANUEL PINTO BARBOSA OF THE CENTRAL BANK OF PORTUGAL WILL LEAD A CONSPIRATORIAL DELEGATION OF PORTUGUESE BANKERS IN TOP-LEVEL DISCUSSIONS WITH EXECUTIVES AND PORTUGUESE SECTION CHIEFS OF FIRST NATIONAL CITY, CHASE MANHATTAN AND OTHER NEW YORK-BASED, ROCKEFELLER-CONTROLLED BANKS. THE LUNCHEON MEETING, SCHEDULED 12 O'CLOCK NOON ON MONDAY, SEPT. 8, AT THE DOWNTOWN NEW YORK INDIA HOUSE RESTAURANT, HAS BEEN CALLED TO SET FINAL PREPARATIONS FOR BLOODY CIVIL WAR AGAINST THE PORTUGUESE WORKING CLASS. SIMULTANEOUS WITH PLANNING FOR THE BANKERS' CONFERENCE IS THE MARSHALLING OF THE COUNTERREVOLUTIONARY FORCES OF FASCIST GENERAL ANTONIO SPINOLA NOW IN PARIS, AND A FLURRY OF MEETINGS IN LONDON BETWEEN SECOND INTERNATIONAL ROCKEFELLER AGENTS WILLY BRANDT, FRENCH SOCIALIST PARTY LEADER FRANCOIS MITTERRAND, BRITISH PRIME MINISTER HAROLD WILSON AND PORTUGUESE SOCIALIST PARTY HEAD MARIO SOARES.

SOURCES AT FIRST NATIONAL CITY SAID TODAY THAT BARBOSA'S DELEGATION WILL COME TO NEW YORK STRAIGHT FROM THE RECENTLY CONCLUDED INTERNATIONAL MONETARY FUND MEETING IN WASHINGTON AND WILL CONSIST OF THE ENTIRE PORTUGUESE IMF DELEGATION, WHICH IS MADE UP OF MINISTRY OF FINANCE AND MINISTRY OF TRADE OFFICIALS.

THE U.S. STATE DEPARTMENT YESTERDAY CONFIRMED THAT ITS OFFICIALS WERE ADVISING U.S. BANKS AND CORPORATIONS THAT THE PORTUGUESE GOVERNMENT WOULD SOON RESTORE "ADMINISTRATIVE CONTROL" OF WORKER-OCCUPIED FACTORIES.



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Daily News and Press Summaries

SATURDAY, SEPTEMBER 6, 1975 1500 HOURS EDT

I. WORLD PRESS ROUND-UP

COMECON REPS AT UN SAY DEBT IS KEY PROBLEM

UNITED NATIONS, N.Y., SEPT. 6 (IPS)—EAST GERMAN AND BULGARIAN SPOKESMEN ADDRESSING THE GENERAL ASSEMBLY SPECIAL SESSION HERE YESTERDAY SAID THAT DEVELOPING COUNTRIES' INDEBTEDNESS TO THE CAPITALIST SECTOR IS THE MAJOR OBSTACLE TO WORLD ECONOMIC DEVELOPMENT AND CALLED FOR INTERNATIONAL MONETARY REFORM TO PERMIT WORLD TRADE AND EXPANDED PRODUCTION.

ATTEMPTS TO REFORM THE CAPITALIST MONETARY SYSTEM THROUGH THE IMF HAVE FAILED, SAID EAST GERMAN FOREIGN MINISTER OSKAR FISCHER. THE COMECON COUNTRIES HAVE PROVIDED AN EXAMPLE FOR WORLD INDUSTRIALIZATION, HE ADDED, AND IT IS APPROPRIATE FOR UNCTAD TO CONSIDER BROAD IMPLEMENTATION OF THE CONCRETE PROPOSALS SUBMITTED BY COMECON AND THE NON-ALIGNED GROUP. THE CONTRIBUTION OF NON-IDLE INDUSTRIAL CAPACITY IN THE CAPITALIST COUNTRIES IS CRUCIAL, FISCHER POINTED OUT.

BULGARIAN DEPUTY FOREIGN MINISTER LYUBIN PETROV CALLED FOR "ALLEVIATING THE DEBT BURDEN OF THE LESS DEVELOPED COUNTRIES." THE PRESENT FINANCIAL SYSTEM MAKES EFFECTIVE AID TO THESE COUNTRIES IMPOSSIBLE, HE SAID, AND IT MUST BE CHANGED TO ALLOW ACCELERATED INDUSTRIALIZATION OF THESE COUNTRIES. PETROV STRESSED THAT NEW INTERNATIONAL COMMODITY AGREEMENTS CAN BE EFFECTIVE ONLY IF THE SPECULATIVE PRACTICES OF THE TRANSNATIONAL CORPORATIONS ARE HALTED.

PCF CALLS FOR SPINOLA'S OUSTER FROM FRANCE

SEPT. 6 (IPS)—THE FRENCH COMMUNIST PARTY (PCF) AND THE COMMUNIST YOUTH MOVEMENT (MJC) ARE CALLING FOR A PARIS DEMONSTRATION TODAY AGAINST FORMER PORTUGUESE PRESIDENT GENERAL ANTONIO DI SPINOLA, WHO IS IN FRANCE ON THE FIRST LEG OF A EUROPEAN TOUR, OPENLY ORGANIZING FOR ARMED INTERVENTION INTO PORTUGAL.

"PARISIANS WILL NOT ALLOW FORMER GENERAL SPINOLA TO PEACEFULLY PLOT IN PARIS AGAINST THE YOUNG PORTUGUESE DEMOCRACY," THEIR CALL STATES. IN THE NATIONAL ASSEMBLY YESTERDAY, PCF SPOKESMAN AND LEADER OF THE POWERFUL SEINE SAINT DENIS FEDERATION IN PARIS, LOUIS ODRU, CALLED ON PRIME MINISTER CHIRAC TO TAKE IMMEDIATE MEASURES FOR SPINOLA'S REMOVAL FROM FRENCH SOIL. "THE FRENCH GOVERNMENT MANIFESTS TOLERANCE TOWARD SPINOLA, WHICH IS DIRECT AID TO THE PORTUGUESE FASCISTS," HE SAID.

(MORE)

THE PCF FURTHER DOCUMENTED THE FRENCH GOVERNMENT'S COMPLICITY IN THE ANTI-DEMOCRATIC CONSPIRACY BY REVEALING THAT FRENCH POLICE, SECURITY AND COUNTERESPIONAGE FORCES ARE USED TO ENSURE THE FASCIST GENERAL'S PROTECTION.

SOARES SAYS FASCIST SPINOLA CAN COME BACK TO POWER

SEPT. 6 (IPS)—"I THINK THAT GENERAL SPINOLA COULD COME BACK TO POWER IN PORTUGAL IF HE WANTS TO PLAY THE GAME OF DEMOCRACY," PORTUGUESE SOCIALIST PARTY LEADER MARIO SOARES SAID ON FRENCH RADIO. SPINOLA IS PRESENTLY READYING HIS FORCES TO DEPLOY FOR A BLOODBATH IN PORTUGAL. IS THIS WHAT SOARES MEANS BY "THE GAME OF DEMOCRACY?" THE FRENCH COMMUNIST DAILY L'HUMANITE ASKS.

WEST GERMAN CHANCELLOR SCHMIDT AND OPPOSITION CHAIRMAN KOHL TO CONSULT ON AGENT STRATEGY

SEPT. 6 (IPS)—HELMUT KOHL, THE CHAIRMAN OF THE MAIN WEST GERMAN OPPOSITION PARTY, THE CHRISTIAN DEMOCRATIC UNION (CDU), WILL MEET WITH WEST GERMANY'S SOCIAL DEMOCRATIC CHANCELLOR HELMUT SCHMIDT SOMETIME WITHIN THE NEXT TWO WEEKS TO DISCUSS THE GOVERNMENT'S AUSTERITY PROGRAM AND WEST GERMAN TREATIES WITH POLAND. IN SPITE OF THE ANNOUNCED TOPICS, IT IS ASSUMED THAT SCHMIDT AND KOHL, BOTH ROCKEFELLER AGENTS, WILL WORK OUT A STRATEGY TO DEAL WITH THE ONGOING WEST GERMAN GOVERNMENTAL CRISIS AT THIS MEETING. EVERY WEST GERMAN PAPER COVERED THE STORY TODAY.

ITALIAN INDUSTRIALISTS MOOT INTERVENTION INTO WEST GERMAN POLITICAL CRISIS

SEPT. 6 (IPS)—VITTORIO BRUNELLI, SPECIALIST ON WEST GERMAN POLITICS FOR THE ITALIAN CAPITALIST DAILY, CORRIERE DELLA SERA, HAS CHALLENGED WEST GERMAN PRO-DEVELOPMENT INDUSTRIALISTS TO MOVE MORE RAPIDLY TO REVERSE THE EUROPEAN ECONOMIC CRISIS.

IN A SEPT. 3 EDITORIAL, BRUNELLI WARNED THE INDUSTRIALISTS THAT SOCIAL DEMOCRATIC CHANCELLOR SCHMIDT HAS PITTED HIMSELF AGAINST THE INDUSTRIALISTS' DRIVE FOR AN EXPANSIVE GOVERNMENT POLICY OF ECONOMIC INVESTMENT AND EMPLOYMENT.

BRUNELLI WRITES THAT FEDERAL BANK CHAIRMAN KARL KLASSEN "HAS PREDICTED THAT SCHMIDT STILL HAS SOME CARDS TO PLAY. SHOULD THAT NOT BE THE CASE, THEN THE EUROPEANS WOULD HAVE THE RIGHT TO DEMAND THAT GERMAN INDUSTRIALISTS MOVE, SINCE THE DELAY IN RE-LAUNCHING THE GERMAN ECONOMY HAS WIDE REPERCUSSIONS EVERYWHERE ELSE."

IN ADDITION, BRUNELLI WARNS THAT SCHMIDT MAY BE IN A CONSPIRACY WITH PRO-ROCKEFELLER FORCES IN THE OPPOSITION CHRISTIAN DEMOCRACY (CDU) TO ALLOW HIS CRISIS-RIDDEN GOVERNMENT TO FALL—ONLY FOR THE PURPOSE OF REPLACING IT WITH A CDU, PRO-ROCKEFELLER CABINET RUN BY HELMUT KOHL AND NEO-FASCIST FRANZ JOSEF STRAUSS.

(MORE)

GANGES BRAHMAPUTRA DEVELOPMENT DISCUSSIONS

SEPT. 6 (IPS)--W. DAVID HOPPER, PRESIDENT OF THE CANADIAN INTERNATIONAL DEVELOPMENT RESEARCH COUNCIL, TOLD INDIAN PRIME MINISTER INDIRA GANDHI, AGRICULTURE MINISTER JAGJIVAN RAM AND FINANCE MINISTER SUBRAMANIAM LAST WEEK THAT IF \$15 TO \$20 BILLION WERE MADE AVAILABLE, THE GANGES BRAHMAPUTRA RIPARIAN REGION COULD END HUNGER IN THE SUBCONTINENT AS WELL AS THE REST OF THE WORLD.

HOPPER, WHO IS BEING PUT FORWARD AS THE CANADIAN GOVERNMENT'S CHOICE FOR THE POST OF DIRECTOR GENERAL OF THE UN FOOD AND AGRICULTURE ORGANIZATION (FAO), HELD CLOSED-DOOR MEETINGS WITH HIGH-LEVEL INDIAN OFFICIALS, DISCUSSING SPECIFICS OF TAPPING THE AGRICULTURAL AND HYDROELECTRIC POTENTIAL OF THE ENTIRE SUBCONTINENT. HE IS REPORTED BY THE AUG. 30 ECONOMIC TIMES TO HAVE TOLD INDIAN POLITICAL LEADERS THAT IF HE IS CHOSEN TO HEAD UP THE FAO, HE WILL RESTRUCTURE THE ORGANIZATION TO ACCELERATE THE DEVELOPMENT OF MODERN AGRICULTURE THROUGHOUT THE WORLD TO END HUNGER.

THE U.S. LABOR PARTY RESEARCH AND DEVELOPMENT UNIT HAS ALREADY ESTIMATED THAT THE GANGES BRAHMAPUTRA DEVELOPMENT WOULD COST SOME \$10 TO \$12 BILLION.

PAKISTANI ARMY RESHUFFLED BY BHUTTO

SEPT. 6 (IPS)--ONE DAY BEFORE DEPARTING FOR AN OFFICIAL TRIP TO SAUDI ARABIA LAST WEEK, PAKISTANI PRIME MINISTER ZULFIKAR ALI BHUTTO REORGANIZED THE ARMY, REMOVING TOP-LEVEL OFFICIALS IN THE MILITARY TO ENSURE STABILITY WHILE HE IS AWAY.

AT THE SAME TIME, RIGHT-WING, ISLAMIC-FANATIC INTERIOR MINISTER ABDUL QUAYYUM KHAN, KNOWN TO BE LINKED TO THE OUSTED MILITARY OFFICERS, CHARGED OPPOSITION LEADERS WITH "IRRESPONSIBLE POLITICAL BEHAVIOR." QUAYYUM WAS DIRECTLY REFERENCING STATEMENTS MADE BY OPPOSITION LEADER MAULANA MUFTI MAHMOOD THAT THE AUG. 15 COUP IN BANGLADESH SHOULD BE INVESTIGATED IN THE PAKISTAN NATIONAL ASSEMBLY FOR POSSIBLE COMPLICITY OF THE PAKISTANI MILITARY AND GOVERNMENT. THE REPORT IS FROM THE AUG. 30 PATRIOT, THE LEFT-WING INDIAN DAILY.

II. ORGANIZING AND INTELLIGENCE REPORT

ALL THE NEWS THAT FITS...

NEW YORK, SEPT. 6 (IPS)--CALLING THE PROSPECT OF DEBT MORATORIUM BEING INTRODUCED INTO THE SPECIAL SESSION OF THE NEW YORK STATE LEGISLATURE, "PREPOSTEROUS" AND "THE MOST RIDICULOUS IDEA I HAVE EVER HEARD", NEW YORK TIMES CITY HALL BUREAU CHIEF FRED FERRETTI MADE IT CLEAR YESTERDAY THAT HE WILL NOT COVER THE DEBT MORATORIUM UNDER ANY CIRCUMSTANCES.

(MORE)

WHEN CALLED TODAY ABOUT LABOR PARTY LEGISLATION CIRCULATING IN THAT SESSION, FERRETTI INTERRUPTED, SMIDELY ASKING WHO SUPPORTED THE BILL. WHEN TOLD THAT AT LEAST SIX AND AS MANY AS SEVERAL DOZEN LEGISLATORS WERE SUPPORTING THE PROPOSAL, FERRETTI HYSTERICALLY RULED OUT THE POSSIBILITY THAT THE DEBT MORATORIUM COULD BE INTRODUCED INTO THE LEGISLATIVE SESSION.

"HOW THE HELL," HE SAID, "ARE YOU GOING TO ATTACH A DEBT MORATORIUM TO THE CAREY-FAC BILL? IT CAN'T BE DONE. YOU'RE TELLING ME THIS OFF THE TOP OF YOUR HEAD. YOU DON'T KNOW WHAT YOU'RE TALKING ABOUT."

FERRETTI CALLED THE DEBT MORATORIUM "A HELL OF AN IDEA" LAST WINTER WHEN THERE APPEARED TO BE NO CHANCE OF IT BEING IMPLEMENTED; "GET ME A CITY COUNCILMAN IN NEW YORK AND I'LL COVER IT," HE ADDED. WHEN IN JUNE, LUIS OLMEDO INTRODUCED A DEBT MORATORIUM RESOLUTION INTO THE CITY COUNCIL, FERRETTI REFUSED TO COVER IT BECAUSE "MAYOR BEAME SAID IT WAS UNCONSTITUTIONAL."

END OF EARLY IPS 9.6.75



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SATURDAY, SEPTEMBER 6, 1975 2000 HOURS EDT

SOVIET PRESS NOTES BROAD INT'L. SOLIDARITY
WITH THE PORTUGUESE REVOLUTION
--THE "FRONT LINE OF DEFENSE" AGAINST FASCISM

SEPT. 6 (IPS)—STATEMENTS OF STRONG SUPPORT FOR THE PORTUGUESE COMMUNIST PARTY FROM NUMEROUS WESTERN EUROPEAN AND NORTH AMERICAN COMMUNIST AND SOCIALIST PARTY PUBLICATIONS WERE QUOTED IN THE SEPT. 4 SOVIET DAILY, PRAVDA. "PEOPLE ARE RIGHT WHEN THEY STATE THAT THE DEFENSE OF THE REVOLUTIONARY ACHIEVEMENTS OF THE PORTUGUESE PEOPLE IS NOW THE FRONT LINE OF DEFENSE OF THE RIGHTS OF THE PEOPLES OF WESTERN EUROPEAN AND OTHER CAPITALIST COUNTRIES FOR FREE AND SOVEREIGN DEVELOPMENT," PRAVDA STATES.

"EVERYONE REMEMBERS HOW DEARLY THE INTERNATIONAL WORKERS' MOVEMENT PAID FOR THE REFUSAL OF THE LEADERS OF THE RIGHT-WING SOCIAL DEMOCRACY IN THE 1930S TO ENTER A UNITED FRONT WITH THE COMMUNISTS," PRAVDA CONTINUES.

"THE ANTI-COMMUNIST BLINDNESS TURNED AGAINST THE SOCIAL DEMOCRATS THEMSELVES; MANY OF THOSE REPRESENTATIVES ENDED UP IN CONCENTRATION CAMPS TOGETHER WITH THE COMMUNISTS," NOTES PRAVDA, CONCLUDING, "THE GROWING MOVEMENT OF SOLIDARITY WITH THE PORTUGUESE PEOPLE SHOWS THAT THE WORKING CLASS AND ITS ORGANIZATIONS REMEMBER ONE OF THE MOST IMPORTANT LESSONS OF THE WAR AGAINST FASCISM."

CALL FOR ANTI-FASCIST UNITED FRONT TO DEFEND PORTUGAL

SEPT. 6 (IPS)—EAST GERMAN RADIO THIS MORNING COVERS FAVORABLY AN APPEAL BY THE BELGIAN WEEKLY HEBDO 75 FOR A EUROPEANWIDE UNITED FRONT TO DEFEND THE PORTUGUESE WORKING CLASS.

"FACING THE BROAD ANTI-PORTUGUESE CRUSADE OF THE WESTERN EUROPEAN BOURGEOISIE," HEBDO 75 WRITES, "IT IS AN URGENT TASK FOR ALL LEFT FORCES TO DEVELOP ANTI-FASCIST SOLIDARITY."

SECOND INT'L. STEPS UP FUNDING TO PORTUGUESE SOCIALISTS

SEPT. 6 (IPS)—THE SECOND INTERNATIONAL'S "PORTUGAL INTERFERENCE COMMITTEE" MEETING IN LONDON YESTERDAY DECIDED ON INCREASED AID FOR MARIO SOARES' PORTUGUESE SOCIALIST PARTY. "AT A PRESS CONFERENCE LATER, THEY (SECOND INTERNATIONAL LEADERS) DODGED QUESTIONS ABOUT WHAT THEY WERE GIVING," ACCORDING TO TODAY'S WASHINGTON POST.

(MORE)

SWEDISH PREMIER OLOF PALME, HOWEVER, BOASTED ABOUT HOW THE SWEDISH SOCIAL DEMOCRATS WERE ABLE TO GET AROUND A PORTUGUESE LAW PROHIBITING FOREIGN FUNDING OF POLITICAL PARTIES BY SETTING UP AN "EDUCATION FUND," THROUGH WHICH FUNDS FOR SOARES ARE BEING CHANNELLED. PALME ESTIMATED THAT SINCE THE PORTUGUESE COUP IN APRIL OF LAST YEAR, SWEDEN HAS CONTRIBUTED ABOUT \$2 MILLION TO SOARES' PARTY, WHILE ADDING THAT THE DUTCH AND WILLY BRANDT'S WEST GERMAN SOCIALIST PARTIES HAVE GIVEN "SUBSTANTIALLY MORE."

THE WASHINGTON POST ARTICLE ALSO MENTIONS THAT "APART FROM PORTUGUESE LAW, SOARES MUST NOT APPEAR IN PORTUGAL TO BE DEPENDENT ON MONEY FROM "SOCIAL DEMOCRATS" AND "NATO SOURCES."

ITT CUTS OFF FUNDING TO PORTUGUESE AFFILIATES

SEPT. 6 (IPS)—INTERNATIONAL TELEPHONE AND TELEGRAPH COMPANY (ITT) "HAS CUT OFF ALL FINANCIAL SUPPORT TO ITS PORTUGUESE SUBSIDIARIES," TODAY'S NEW YORK TIMES REPORTS. SEVEN THOUSAND PORTUGUESE EMPLOYEES OF ITT ARE THREATENED WITH UNEMPLOYMENT AS A RESULT OF THE FUNDING CUT-OFF. ITT PLAYED A SIMILAR LEADING ROLE IN USING ECONOMIC WARFARE TECHNIQUES IN PREPARING THE CHILEAN WORKING CLASS TO BE BUTCHERED IN THE SEPTEMBER 1973 COUP. IT IS WELL KNOWN THAT MOST OF THE OFFICERS OF ITT AFFILIATES INTERNATIONALLY ALSO FUNCTION AS EMPLOYEES FOR THE CIA.

GONCALVES DECLINES ARMED FORCES APPOINTMENT

SEPT. 6 (IPS)—FORMER PORTUGUESE PRIME MINISTER VASCO GONCALVES YESTERDAY REFUSED APPOINTMENT TO THE POST OF ARMED FORCES CHIEF OF STAFF.

"THIS DECISION WAS MADE KNOWN IN A COMMUNIQUE ISSUED FROM A MEETING OF LEADING PERSONALITIES OF THE ARMED FORCES MOVEMENT (MFA) IN THE LATE EVENING IN TANCOS," REPORTS TODAY'S EAST GERMAN DAILY NEUES DEUTSCHLAND.

A BOYCOTT MANEUVER BY RIGHT-WING MILITARY OFFICERS LED BY THE ARMY CHIEF OF STAFF GEN. FABIAO RESULTED IN THE POSTPONEMENT OF YESTERDAY'S PLANNED MFA GENERAL ASSEMBLY MEETING.

EAST GERMAN FOREIGN MINISTER CALLS FOR NEW CURRENCY ARRANGEMENTS AT UN

UNITED NATIONS, N.Y., SEPT. 6 (IPS)—EAST GERMAN FOREIGN MINISTER OSKAR FISCHER, SPEAKING AT THE UNITED NATIONS SPECIAL SESSION HERE YESTERDAY, STATED THAT "THE CRISIS OF THE CAPITALIST WORLD IS CLOSELY BOUND UP WITH INFLATION AND THE DISSOLUTION OF CURRENCIES. ATTEMPTS TO REFORM THE BRETTON WOODS CAPITALIST CURRENCY SYSTEM, OR TO FIND REGULATIONS IN THE CONTEXT OF THE INTERNATIONAL MONETARY FUND (IMF), HAVE BEEN UNSUCCESSFUL. THEY DO NOT COINCIDE WITH THE INTERESTS OF ALL STATES....THE RESULTS OF THE CAPITALIST MONETARY CRISIS ON INTERNATIONAL ECONOMIC RELATIONS MUST BE OVERCOME, AND CORRESPONDING PROPOSALS MUST BE PREPARED."

FISCHER ADDED THAT EAST GERMANY FULLY SUPPORTS "THE EFFORTS OF THE DEVELOPING COUNTRIES TO ACCELERATE INDUSTRIALIZATION, MODERN-

(MORE)

IZE AGRICULTURE, AND DEVELOP INFRASTRUCTURE." "ON FUNDAMENTAL POLITICAL AND ECONOMIC QUESTIONS," FISCHER SAID, EAST GERMANY IS IN AGREEMENT WITH THE POSITIONS OF THE NON-ALIGNED STATES, OR VERY CLOSE TO THEM." FISCHER'S REMARKS WERE PUBLISHED IN TODAY'S NEUES DEUTSCHLAND, THE EAST GERMAN PARTY DAILY.

SENATE CIA PANEL MAY INVESTIGATE PORTUGAL INVOLVEMENT

SEPT. 6 (IPS)--A CONGRESSIONAL OFFICE TOLD IPS YESTERDAY THAT THE NEW ROUND OF HEARINGS BY THE SENATE SELECT COMMITTEE ON INTELLIGENCE MAY INVOLVE INVESTIGATIONS INTO CIA OPERATIONS IN PORTUGAL.

MEANWHILE, TODAY'S NEW YORK TIMES REPORTS, THE MATTERS THAT WILL BE UNDER CONSIDERATION DURING THE HEARINGS SCHEDULED TO BEGIN SEPT. 16 ARE SO SECRET THAT NEITHER THE SUBJECT MATTER NOR THE WITNESSES WILL BE ANNOUNCED IN ADVANCE. COMMITTEE STAFF MEMBERS REPORT THAT THE SUBJECT MATTER WILL BE "STARTLING" AND "EXTREMELY URGENT."

EGYPTIAN REPRESENTATIVE ATTACKS DEBT MORATORIUM AT UN

UNITED NATIONS, N.Y., SEPT. 6 (IPS)--EGYPTIAN REPRESENTATIVE HALIL CALLED SEPT. 4 FOR THE CONVENING OF A CONFERENCE ON MATTERS OF DEBT FINANCING, WHOSE OBJECT "WOULD BE TO COOPERATE IN ESTABLISHING A MONETARY SYSTEM THAT WOULD PRESERVE THE INTEREST OF THE CREDITOR AND INCREASE THE REPAYMENT CAPACITY OF THE DEBTOR."

HALIL ALSO INSISTED THAT "THE REASON FOR CONVENING SUCH A CONFERENCE IS NOT TO ASK THE ADVANCED COUNTRIES TO CHANGE THEIR LOANS INTO GRANTS OR EVEN TO WRITE OFF PREVIOUS LOANS."

WOULD-BE ASSASSIN HAD THREATENED FORD'S LIFE; SECRET SERVICE FAILED TO ACT

SEPT. 6 (IPS)--INFORMATION PUBLISHED IN THE U.S. PRESS TODAY REVEALS THAT LYNETTE ALICE FROMME, THE WOULD-BE ASSASSIN OF PRESIDENT GERALD FORD, HAD MADE EXPLICIT THREATS ON THE PRESIDENT'S LIFE AS EARLY AS JULY.

DESPITE SUCH THREATS, NEITHER FROMME OR HER FRIEND SANDRA GOODE, BOTH MEMBERS OF THE "FAMILY" OF CONVICTED MASS MURDERER CHARLES MANSON, WERE PLACED ON A SECRET SERVICE LIST OF PERSONS REPRESENTING A POTENTIAL THREAT TO THE PRESIDENT. ACCORDING TO TODAY'S NEW YORK TIMES, THE LIST CONTAINS MORE THAN 45,000 NAMES.

IN A STATEMENT RELEASED TO THE PRESS TWO MONTHS AGO, FROMME AND GOODE ISSUED THE FOLLOWING WARNING: "IF NIXON'S REALITY WEARING A NEW FACE CONTINUES TO RUN THIS COUNTRY AGAINST THE LAW, YOUR HOMES WILL BE BLOODIER THAN THE TATE-LA BINANCA HOUSES (SCENE OF 1969 MASS MURDERS BY THE "FAMILY"-ED.) AND MY LAI PUT TOGETHER."

FROMME AND OTHER MEMBERS OF THE MANSON CULT HAD ALSO THREATENED THE LIFE OF FORMER PRESIDENT NIXON.

(MORE)

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THE SECRET SERVICE, THE FBI AND LOCAL LAW ENFORCEMENT BODIES ARE SUPPOSED TO CARRY OUT AN ADVANCE CHECK OF ALL NAMES ON THE LIST WHO ARE IN AN AREA TO BE VISITED BY THE PRESIDENT. IN ADDITION, NO HEED WAS GIVEN BY THESE SECURITY AGENCIES TO NUMEROUS PUBLIC STATEMENTS OF VINCENT BUGLIOSI, THE DISTRICT ATTORNEY WHO PUT MANSON BEHIND BARS, THAT FROMME WAS POTENTIALLY DANGEROUS AND HAD PREVIOUSLY MADE THREATS AGAINST PRESIDENT NIXON.

CAREY BAMBOOZLES NEW YORK BLACK CAUCUS HEAD INTO SELL-OUT

SEPT. 6 (IPS)—ASSEMBLYMAN ARTHUR EVE (D-BUFFALO), CHAIRMAN OF THE NEW YORK STATE BLACK AND PUERTO RICAN CAUCUS, TOLD THE BUFFALO EVENING NEWS YESTERDAY THAT "THE MAJORITY OF THE BLACK AND PUERTO RICAN CAUCUS WILL SUPPORT THE CAREY PLAN...BECAUSE (NEW YORK GOV. HUGH) CAREY ASSURED US THAT THE BASIC NEEDS (OF THE POOR) WOULD BE MET."

EVE'S STATEMENT FOLLOWS A SPECIAL MEETING CAREY HELD WITH THE BLACK AND PUERTO RICAN CAUCUS YESTERDAY MORNING, WHERE CAREY MADE THE PREPOSTEROUS "PROMISE" THAT THERE WOULD BE NO WELFARE CUTS, THAT THE \$750 MILLION WHICH CAREY'S PROPOSAL WOULD STEAL FROM THE STATE WORKERS' PENSION FUND WILL LAST THREE MONTHS AND, FINALLY, THAT THE NEW YORK BANKS WERE WILLING TO MAKE AVAILABLE A \$10 BILLION SLUSH FUND TO NEW YORK CITY OVER THE NEXT FEW MONTHS—A FUND THAT WOULD AMOUNT TO A FULL 10 PER CENT OF THEIR ASSETS.

ON THE BASIS OF THIS FAIRY TALE, EVE IS NOW PUBLICLY ATTEMPTING TO STOP THE PROPOSAL FOR A DEBT MORATORIUM UNDER CONSIDERATION BY LIBERALS IN THE DEMOCRATIC STUDY GROUP.

LABOR PARTY PICKETS/RALLIES TARGET AGENT "UNITED FRONT"

SEPT. 6 (IPS)—WITHIN THE COURSE OF TWO HOURS TODAY, U.S. LABOR PARTY PICKET LINES AND RALLIES WERE HARASSED AND ASSAULTED IN TWO STATES BY SUNDRY AGENTS DRAGGED IN FOR THE OCCASION. THE DEAD SERIOUSNESS OF THIS STRIKE-BEAKING ACTIVITY WAS ONLY OUTWEIGHED BY THE DIVERSITY OF SCUM DEPLOYED AGAINST LABOR PARTY ORGANIZERS.

IN BALTIMORE, RALLIES AND PICKETS WERE DISRUPTED BY A REGISTERED NAZI WAVING A SWASTIKA, A THREATENING KU KLUX KLAN MEMBER AND AN UNKNOWN DERANGED ASSAILANT WHO PUNCHED ONE ORGANIZER. AT THE KRESGE WHERE THE NAZI APPEARED, FOUR LEAA SQUAD CARS ARRIVED SHORTLY THEREAFTER WITH HORNS HONKING TO "INVESTIGATE A ROBBERY."

IN NEW YORK, A K-MART SECURITY GUARD "LENT" HIS NIGHTSTICK TO HIS "FRIEND," WHO PROCEEDED TO CHARGE LABOR PARTY ORGANIZERS. AT OTHER SITES IN THE CITY, GUSANOS AND BLACK METHADONE ZOMBIES ATTEMPTED TO ATTACK ORGANIZERS.

END OF LATE EVENING IPS PRIORITIES FOR SEPTEMBER 6, 1975



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LATE EVENING NEWS ROUND-UP, NON-PRIORITY ITEMS
SATURDAY, SEPTEMBER 6, 1975 2100 HOURS EDT

I. WORLD PRESS ROUND-UP

BRANDT LEADS WAY FOR WEST GERMAN BUSINESS

SEPT. 6 (IPS)--IMMEDIATELY FOLLOWING WEST GERMAN SOCIAL DEMOCRATIC PARTY (SPD) HEAD WILLY BRANDT'S SELECTION TO HEAD OF THE SECOND INTERNATIONAL "COMMITTEE TO INTERFERE IN PORTUGAL," THE WEST GERMAN ASSOCIATION OF CAPITALISTS ANNOUNCED ITS INTENTION TO HOLD A CONFERENCE NEXT WEEK IN LISBON. THE MEETING IS REPORTED BY STIMME DER DDR, EAST GERMAN RADIO.

DDR'S HONECKER CITES LESSONS OF EAST GERMAN AGRICULTURAL REFORM

SEPT. 6 (IPS)--IN A SPEECH YESTERDAY COMMEMORATING THE 30TH ANNIVERSARY OF THE CONSOLIDATION OF EAST GERMAN LAND REFORM, ERICH HONECKER, FIRST SECRETARY OF THE RULING SOCIALIST UNITY PARTY, STRESSED THE RELEVANCE OF HIS COUNTRY'S EXPERIENCE TO THE SITUATION NOW FACING THE PORTUGUESE COMMUNIST PARTY (PCP).

"BY DEPRIVING THE BIG LANDOWNERS OF THEIR LAND," HE SAID, "WE ELIMINATED A CLASS FROM THE COUNTRY'S POLITICAL AND SOCIAL LIFE THAT HAS ALWAYS PLAYED A FATAL ROLE IN THE HISTORY OF OUR PEOPLE." HE POINTED OUT THAT DEMOCRATIC LAND REFORM IN THE DDR REDISTRIBUTED LAND TO MORE THAN 375,000 RURAL WORKERS AND PEASANTS. LAND REFORM HAS BEEN ONE OF THE MAJOR ASPECTS OF THE PROGRAM OF THE PORTUGUESE COMMUNIST PARTY.

HONECKER THEN DISCUSSED THE QUESTION OF RELATIONS WITH THE SOCIAL DEMOCRACY, AN ISSUE OF VITAL IMPORTANCE FOR PORTUGAL, WHERE THE SOCIALIST PARTY HAS JOINED THE FASCISTS IN ATTACKING THE PCP. IN THE DDR, HE STATED, IT WAS PRECISELY THE JOINT ACTIONS BY COMMUNISTS AND SOCIALISTS WHICH MADE POSSIBLE "THE DEFEAT OF THE CLASS ENEMY" AND THE REALIZATION OF PROGRESSIVE REFORMS.

HONECKER EXPRESSED THE SOLIDARITY OF HIS COUNTRYMEN WITH THE STRUGGLE OF PORTUGUESE REVOLUTIONARIES. HE WARNED, HOWEVER, THAT THE SITUATION IN PORTUGAL IS UNSTABLE AND THAT THERE MAY BE "SUDDEN CHANGES ON THE INTERNATIONAL SCENE."

BRANDT AND WILSON STRESS IMPORTANCE OF PORTUGAL FOR NATO'S SOUTHERN FLANK

SEPT. 6 (IPS)--AT THE MEETING OF SECOND INTERNATIONAL LEADERS IN LONDON, BOTH LEADER WILLY BRANDT AND BRITISH LABOUR PARTY HEAD

(MORE)

HAROLD WILSON STRESSED THE IMPORTANCE OF THE PORTUGUESE CAPITAL CITY OF LISBON "FOR THE SECURITY OF NATO ON ITS SOUTHERN FLANK," REPORTS EAST GERMAN RADIO.

RABIN REJECTS DEVELOPMENTS, OPTS FOR AUSTERITY

SEPT. 6 (IPS)—IN A JEWISH NEW YEAR'S MESSAGE BROADCAST TO ISRAEL, ISRAELI PRIME MINISTER YITZHAK RABIN ANNOUNCED THAT MASSIVE AUSTERITY MEASURES WILL BE IMPOSED ON THE ISRAELI POPULATION.

THE "CENTRAL ISSUE" FACING ISRAEL, RABIN DECLARED, IS HER \$4 BILLION DEFICIT AND THE NECESSITY FOR ISRAELIS TO "MANUFACTURE AND EXPORT MORE AND CONSUME LESS." PROMISING "REDUCTIONS IN THE DEVELOPMENT OF SERVICES," RABIN ASSURED LISTENERS THAT THE EXPECTED INFLOW OF \$2.3 BILLION IN AID FROM THE U.S. "WOULD NOT ENDANGER THE AUSTERITY PROGRAM." RABIN CONTINUED, "IF ANYONE EXPECTS BARRELS OF MONEY THAT CAN BE SPENT ON ECONOMIC DEVELOPMENT IN ISRAEL AS A RESULT OF THE AID WE ARE ASKING FROM THE UNITED STATES, HE IS SUFFERING FROM A DANGEROUS DELUSION."

CGT LEADER SEGUY CALLS FOR FRENCH GOVERNMENT TO STEP ASIDE

SEPT. 6 (IPS)—IN A SPEECH YESTERDAY IN RESPONSE TO FRENCH PRESIDENT GISCARD'S JUST UNVEILED ECONOMIC PROGRAM, GEORGES SEGUY, LEADER OF THE CGT TRADE UNION CONFEDERATION AFFILIATED WITH THE FRENCH COMMUNIST PARTY (PCF), DECLARED, "IT IS TIME FOR THE DEMOLISHERS OF THE NATIONAL ECONOMY INSTALLED IN POWER TO GIVE PLACE TO THE BUILDERS OF THE COMMON PROGRAM."

THE COMMON PROGRAM FOR A LEFT GOVERNMENT WAS SIGNED IN 1972 BETWEEN THE PCF, THE SOCIALIST PARTY AND THE LEFT-RADICAL PARTY.

"IF THE PRIME MINISTER IS SINCERE WHEN HE CLAIMS HE HAS SEEN THE END OF THE TUNNEL, THERE IS ONLY ONE LOGICAL EXPLANATION POSSIBLE," SEGUY STATED. "THAT IS THAT HE IS WALKING BACKWARDS AND IS CONFUSING THE ENTRANCE WITH THE EXIT. AS FOR US, NO QUESTION OF SINKING FURTHER WITH HIM INTO THE GLOOM OF THE POLICY WHICH HE INTENDS TO PURSUE ON BEHALF OF HIS SUPERIORS OF BIG CAPITAL."

SEGUY'S STATEMENTS WERE REPRINTED IN YESTERDAY'S L'HUMANITE, THE PCF'S DAILY.

TURKISH TRADE UNIONIST ATTACKS MAOISTS, TROTSKYISTS
FOR WORKING WITH CAPITALISTS

SEPT. 6 (IPS)—AYDIN MERIC, THE ASSISTANT GENERAL SECRETARY OF THE TURKISH LEFTIST TRADE UNION CONFEDERATION DISK, HAS ACCUSED "PROVOCATEUR AGENTS AND THE SELF-STYLED 'LEFTIST' COUNTERGANGS, NAMELY MAOISTS, TROTSKYISTS AND OTHER GUERRILLA GROUPS" FOR "WORKING IN COLLABORATION IN ORDER TO DIVIDE THE WORKING CLASS AND SURRENDER IT TO THE CAPITALISTS."

WRITING IN THE AUG. 25 SOCIAL DEMOCRATIC DAILY CUMHURIYET, MERIC STRESSED "THE NEED THAT THE WORKING CLASS FEELS MORE THAN EVER NOW TO SET UP A DIALOGUE AMONG ALL THE PRO-WORKING-CLASS FORCES."

(MORE)

MERIC'S REMARKS ECHO RECENT CALLS BY THE EXILED TURKISH COMMUNIST PARTY (TKP) DENOUNCING COUNTERREVOLUTIONARY AGENTS, DEMANDING UNITY OF THE WORKING CLASS AND PRAISING SOVIET INITIATIVES AT HELSINKI.

TURKISH NEWSPAPER ATTACKS SYRIA OVER EUPHRATES ISSUE

SEPT. 6 (IPS)—ONE OF TURKEY'S LARGEST MASS CIRCULATION DAILIES, MILLIYET, HAS ATTACKED SYRIA FOR BETRAYING THE DEVELOPMENT OF THE ARAB NATIONS BY WITHHOLDING THE EUPHRATES RIVER WATERS FROM IRAQ.

IN A PICTORIAL FEATURE ON IRAQ, MILLIYET PRAISED THE LEADERSHIP OF THE ARAB BA'ATH SOCIALIST PARTY IN ADVANCING THE LIVING STANDARDS OF ITS PEOPLE UNDER CONDITIONS OF SYRIAN SABOTAGE.

WEST GERMAN PRESS LOSE THEIR HEADS

SEPT. 6 (IPS)—THE WEST GERMAN PRESS TODAY REFLECTS THE NEUROSIS OF THEIR U.S. STATE DEPARTMENT CONTROLLERS IN ITS COVERAGE OF THE UN SPECIAL SESSION IN NEW YORK. SO DISTANT ARE THE ARTICLES AND THEIR ACCOMPANYING HEADLINES FROM THE TRUTH THAT THEY WOULD HAVE HAD TO HAVE BEEN WRITTEN BY THE SAME SPECIES OF ANIMAL THAT DRAFTS HENRY KISSINGER'S FANTASIES. WE REPRINT THE FOLLOWING REPRESENTATIVE SELECTION:

*DIE WELT: "THE THIRD WORLD IS ANGRY BECAUSE MOSCOW ATTACKS THE WEST, BUT DOES NOT WANT TO GIVE DEVELOPING COUNTRIES FINANCIAL ASSISTANCE."

*SUEDDEUTSCHE ZEITUNG: "MOSCOW ATTACKS PEKING." THE ARTICLE REPORTS THAT THE CHINESE DOMINATE THE UN SESSION.

*FRANKFURTER ALLGEMEINE ZEITUNG: "CHINESE WELCOME IN BANGLADESH." AGAIN, THE ARTICLE STRESSES THE IMPORTANCE OF CHINA AS A "THIRD WORLD LEADER."

*DIE WELT: A SECOND ARTICLE REPORTS THAT SOVIET FOREIGN MINISTER MALIK ADOPTS KISSINGER CONFRONTATION POLICY AGAINST DEVELOPING COUNTRIES. "MALIK IS AGAINST 'NEW WORLD ECONOMIC ORDER' PROPOSALS OF THE DEVELOPING COUNTRIES....THE THIRD WORLD IS POSITIVE TOWARD THE OFFERS FOR AID AND PROPOSALS FROM THE WEST. THE YUGOSLAVIAN FOREIGN MINISTER MINIC HAS ALSO WELCOMED THE WESTERN PROPOSALS."

SOVIET AMBASSADOR REITERATES SOVIETS' CALL FOR EXPANDING TRADE WITH VENEZUELA

CARACAS, SEPT. 6 (IPS)—VLADIMIR KAZIMIROV, THE SOVIET AMBASSADOR TO VENEZUELA, REITERATED THE SOVIET UNION'S CALL FOR EXPANDING TRADE BETWEEN THE TWO COUNTRIES AT A MEETING WITH THE VENEZUELAN ASSOCIATION OF EXPORTERS (AVEX) LAST WEDNESDAY. KAZIMIROV PROPOSED EXCHANGING VENEZUELAN AGRICULTURAL PRODUCTS FOR SOVIET MACHINERY, TRACTORS AND TRANSPORTATION EQUIPMENT, AS THEY ARE DOING WITH OTHER LATIN AMERICAN COUNTRIES. ACCORDING TO THE VENEZUELAN DAILY EL NACIONAL, THE SOVIET AMBASSADOR STRESSED TO THE AVEX

(MORE)

THAT THE SOVIET UNION DOES NOT IMPOSE TARIFF RESTRICTIONS ON PRODUCTS FROM DEVELOPING NATIONS.

"WITCHES ARE A PART OF CAPITALISM"

BOGOTA, SEPT. 6 (IPS)—COLUMNIST JAIME PINZON LOPEZ, WRITING IN AN OP-EDITORIAL IN THE COLOMBIAN DAILY EL ESPECTADOR LAST WEEK, DREW THE ANALOGY BETWEEN THE CRISIS FACING COLOMBIA TODAY AND THE VIOLENCE AND IRRATIONALITY OF THE MIDDLE AGES. COMMENTING ON THE "WORLD CONGRESS OF WITCHES" JUST HELD IN BOGOTA, PINZON STATED THAT MAN IS NOW RETURNING TO THE "ILLOGICAL STATE OF THE YEAR 1000," WHEN BELIEVING THAT THE WORLD WAS COMING TO AN END, MAN "TOOK REFUGE IN THE TRIVIAL, THE UNREAL, THE MYSTERIOUS, IN THAT WITHOUT RELATION TO SCIENCE." PINZON ADDS THAT IT WAS THE RENAISSANCE THAT "RESCUED THE LOST THREAD" OF HUMAN REASON ONCE BEFORE AND THAT TODAY IT IS THE SOCIALIST SECTOR WHICH REPRESENTS THE NEEDED RATIONALITY. "THE CITIZENS OF THE SOVIET UNION AND THE DEMOCRATIC SOCIALIST REPUBLICS HAVE A CLEAR CRITERIA IN THIS RESPECT," PINZON WRITES, "BECAUSE WITCHES ARE A PART OF CAPITALISM."

INDIAN LEFT-WING PAPER DENOUNCES SRI LANKA DESTABILIZATION

SEPT. 6 (IPS)—PRO-DEVELOPMENT FORCES IN INDIA HAVE DENOUNCED RECENT EFFORTS TO BRING DOWN THE NEIGHBORING COALITION GOVERNMENT OF SRI LANKA AS "LEFT OPPORTUNIST ACTIONS" AIMED AT DESTABILIZING THE REGION. THE LEFT-WING INDIAN DAILY, PATRIOT, SEPT. 1 STRONGLY CONDEMNS TROTSKYIST FINANCE MINISTER N. M. PERRERA'S LANKA SAMA SAMAJ PARTY'S (LSSP) RECENT ACTIONS AND DEMANDS. "THE LSSP SHOULD ASK ITSELF WHETHER IT IS NOT HELPING THE IMPERIALIST GAME OF DESTABILIZATION IN THE REGION," THE PATRIOT WRITES. PERRERA IS ALSO KNOWN FOR HIS ROLE AS ONE OF THE INVENTORS OF THE IMF'S FUNNY MONEY, THE SDR.

OVER THE PAST TWO WEEKS, THE LSSP HAS ADOPTED AN EXTREME LEFT-WING STAND ON NATIONALIZATION WITHOUT COMPENSATION OF BRITISH-OWNED TEA PLANTATIONS. PRIME MINISTER SRIMAVO BANDARANAIKE HAS BEEN FORCED TO REMOVE THE LSSP FROM THE COALITION'S KEY MINISTRIES, CAUSING THE LSSP TO THREATEN "MAJOR DISTURBANCES." THE OTHER MEMBER OF THE COALITION GOVERNMENT IS THE PRO-SOVIET COMMUNIST PARTY OF SRI LANKA.

SAO PAULO'S HEALTH BUDGET CUT 50 PER CENT;
RUMORS THAT HEALTH SECRETARY WILL RESIGN IN PROTEST

SEPT. 6 (IPS)—DRASTIC BUDGET CUTS WERE ANNOUNCED THIS WEEK FOR SAO PAULO, THE MOST POPULOUS STATE IN BRAZIL, WITH THE AREA OF HEALTH THE MOST SEVERELY HIT, REDUCING ITS OPERATING FUNDS BY 50 PER CENT. THE BUDGET CUTS COME AT A TIME WHEN THE STATE IS IN THE MIDST OF AN ONGOING BATTLE TO HALT THE SPREAD OF A RAGING MENINGITIS EPIDEMIC WHICH INFECTED OVER 40,000 PEOPLE LAST YEAR AND RESULTED IN 4,000 DEATHS.

(MORE)

A LEADING SAO PAULO DAILY, FOLHA DE SAO PAULO, REPORTED THREE DAYS AGO THAT RUMORS ARE ALREADY SPREADING ABOUT THE SECRETARY OF HEALTH, WALTER LESER, WHO IS REPORTED THREATENING TO RESIGN IN OUTRAGED PROTEST AGAINST THE CUTS.

II. CONTINENTAL PRESS ROUND-UP

RURAL VIOLENCE ERUPTS IN MEXICO

SEPT. 6 (IPS)—A MAJOR LEFT AGRARIAN ORGANIZATION, THE CAM, YESTERDAY WARNED THAT CONTINUING VIOLENCE IN THE HIDALGO-VERACRUZ REGION COULD SET OFF "A MORTAL WAR BETWEEN RANCHERS AND HOLDERS OF GOVERNMENT DISTRIBUTED LAND."

THE CAM STATEMENT, PRINTED IN LA PRENSA, REPORTED THAT VERACRUZ VILLAGERS HUNTED DOWN AND LYNCHED RANCHER-GUNMEN WHO KILLED THREE PEASANTS AT A PEASANT MEETING. IN ANOTHER AREA, PEASANT LAND INVASIONS FOLLOWED THE ASSASSINATION OF A PEASANT LEADER BY A RANCHER-KILLER SQUAD.

THE DENUNCIATION CONCLUDES THAT THE SITUATION COULD "TURN INTO A MASSACRE OF LARGE DIMENSIONS," IF THE GOVERNMENT DOES NOT STEP IN QUICKLY.

SECRET SERVICE REFUSES TO COMMENT

SEPT. 6 (IPS)—IN AN INTERVIEW LAST NIGHT WITH A MEMBER OF THE LAROCHE/EVANS PRESIDENTIAL CAMPAIGN STAFF, THE SECRET SERVICE REFUSED TO COMMENT ON WHETHER THEY KNOW OF THREATENING REMARKS THAT LYNETTE ALICE FROMME, THE ALLEGED WOULD-BE ASSASSIN OF PRESIDENT FORD, HAD MADE IN A PRESS INTERVIEW WITH ASSOCIATED PRESS IN JULY.

AGENT GREEN OF THE SECRET SERVICE HEADQUARTERS IN WASHINGTON, D.C. SAID THAT HE WAS NOT PERMITTED TO REVEAL WHETHER THE SERVICES KNEW OF FROMME'S REMARKS THAT THREATENED "MORE BLOOD IN YOUR HOMES THAN THE TATE AND LABIANCA HOUSES AND MY LAI PUT TOGETHER," IF FORD'S "UNLAWFUL RULE OF THE COUNTRY" CONTINUES.

"I DOUBT IF YOU COULD FIND ANYONE IN THE SECRET SERVICE WHO WANTS TO ANSWER WHETHER THE THREATS WERE KNOWN BY THE AGENCY," GREEN TOLD IPS. HE FURTHER STATED THAT "THINGS THAT SEEM INNOCENT WHEN THEY HAPPEN LATER SEEM IMPORTANT AND ARE PLAYED UP."

III. FINANCIAL NEWS ROUND-UP

GREENSPAN BLASTS ROCKEFELLER'S \$100 BILLION ENERGY BOONDOGGLE

SEPT. 6 (IPS)—COUNCIL OF ECONOMIC ADVISORS CHAIRMAN ALAN GREENSPAN HAS CHARGED VICE PRESIDENT ROCKEFELLER'S PLAN FOR A \$100 BILLION ENERGY LOAN CORPORATION WITH AMONG OTHER THINGS CREATING "A LARGE POTENTIAL FOR REAL OR PERCEIVED CORRUPT PRACTICES" IN A

(MORE)

THREE-PAGE MEMORANDUM DATED LAST FRIDAY, A COPY OF WHICH WAS SECURED BY THE NEW YORK TIMES.

DAVID BURNHAM REPORTS IN TODAY'S TIMES THAT GREENSPAN'S PRIMARY OBJECTION TO THE ENERGY RESOURCES FINANCE CORPORATION (ERFCO) SCHEME IS THAT IT "WOULD BE VIRTUALLY UNCONSTRAINED IN ITS OPERATIONS."

BURNHAM NOTES THAT MR. ROCKEFELLER'S SUSTAINED EFFORT TO CONVINCE FORD TO RECOMMEND THE PLAN TO CONGRESS "REPRESENTS THE VICE PRESIDENT'S MAJOR EFFORT TO INFLUENCE THE DIRECTION OF THE ADMINISTRATION." FORD HAS ALREADY RECEIVED A FORMAL BRIEFING FROM ROCKEFELLER AND A DETAILED "INFORMATION DOCUMENT" ON THE SCHEME. BURNHAM NOTES ITS PRIME SUPPORTERS TO BE ROCKEFELLER AND FEDERAL ENERGY AGENCY HEAD FRANK ZARB, WITH SIMON AND GREENSPAN ITS PRIME OPPONENTS.

FORD IS TO HOLD A MEETING SOON TO HEAR BOTH SIDES BEFORE MAKING UP HIS MIND.

WAGE-PRICE BOARD BIDS ICC CALL OFF FOREIGN AUTO DUMPING INVESTIGATION

SEPT. 6 (IPS)—FOREIGN AUTO MAKERS HAVE NOT DUMPED THEIR CARS ON U.S. MARKETS, BUT RATHER HAVE PROVIDED A MODERATING PRICE INFLUENCE AND HEALTHY COMPETITION FOR AMERICAN MANUFACTURERS, THE COUNCIL ON WAGE AND PRICE STABILITY SAID YESTERDAY IN AN APPEAL TO THE INTERNATIONAL TRADE COMMISSION TO HALT THE AUTO DUMPING INVESTIGATION. ACCORDING TO A UPI DISPATCH AND A REPORT IN TODAY'S WASHINGTON POST, THE COUNCIL SAID THE INVESTIGATION WAS HAVING A "CHILLING EFFECT" ON FOREIGN AUTOMAKERS. WHILE UPI REPORTS THAT THE INVESTIGATION WAS INSPIRED BY A COMPLAINT FROM REPRESENTATIVE DENT (D-PA), THE WASHINGTON POST STORY NOTES THAT DENT MADE THE COMPLAINT IN ALLIANCE WITH THE UNITED AUTO WORKERS.

REUSS HAS SEVEN-POINT PLAN TO AID NEW YORK CITY AND OTHER "STRICKEN" CITIES

SEPT. 6 (IPS)—CHAIRMAN OF THE HOUSE BANKING AND CURRENCY COMMITTEE, REP. HENRY REUSS (D-WIS), HAS PROPOSED A SEVEN-POINT PROGRAM TO HELP NEW YORK AND OTHER "FISCALLY STRICKEN" CITIES, ACCORDING TO A FRONT-PAGE REPORT IN TODAY'S NEW YORK TIMES. THE REUSS PLAN WAS OFFERED IN RESPONSE TO THE NEW YORK DELEGATION'S REQUEST FOR LEGISLATION. THE PLAN CONSISTS OF THE FOLLOWING:

- 1) AN EMERGENCY LOAN FOR AN UNSPECIFIED AMOUNT FROM THE TREASURY OF THE FEDERAL RESERVE TO NEW YORK CITY, FULLY SECURED ON A PRIORITY BASIS, "TO PERMIT THE CITY TO OPERATE CONTINUOUSLY AND ON AN ORDERLY BASIS."

- 2) "...THE FED SHOULD UNHESITATINGLY DECLARE ITS INTENTION OF MAINTAINING BANK LIQUIDITY BY ACCEPTING NEW YORK CITY PAPER OF ALL MATURITIES AT ITS DISCOUNT WINDOW."

(MORE)

3) THE FED SHOULD ANNOUNCE THAT FOR THE NEXT SIX MONTHS IT WOULD RENDER AT LEAST SOME MEASURE OF SUPPORT TO MUNICIPALITIES IN SOUND FINANCIAL CONDITION WHOSE BOND ISSUES WERE THREATENED BY THE NEW YORK CITY SITUATION.

4) IN THE MEDIUM-TERM CATEGORY, THE GAO SHOULD BE DIRECTED TO MAKE AN EXPEDITED STUDY OF NEW YORK CITY REVENUES AND EXPENDITURES, LEADING TO PROMPT RECOMMENDATIONS.

5) IN THE LONG-TERM CATEGORY, A FEDERAL TAKEOVER OF WELFARE COSTS SHOULD BE MADE.

6) A NATIONAL HEALTH INSURANCE SYSTEM SHOULD BE ESTABLISHED.

7) CONNECTICUT AND NEW JERSEY SHOULD BE BROUGHT IN TO THE NEW YORK CITY SOLUTION.

"THE SITUATION IS TOO GRAVE FOR THE LAW OF THE JUNGLE TO PREVAIL," SAYS REUSS.

U.S. MAYORS FEAR NEW YORK CITY DEFAULT, SAYS TIMES

SEPT. 6 (IPS)—NEW YORK TIMES REPORTER MARTIN TOLCHIN WRITES TODAY THAT MAYORS ACROSS THE NATION HAVE EXPRESSED FEAR OF THE IMPACT A NEW YORK CITY DEFAULT WOULD HAVE ON THEIR OWN BORROWING ABILITY. ACCORDING TO TOLCHIN, THE UNITED STATES CONFERENCE OF MAYORS SAYS THAT A NUMBER OF CITIES ARE CONSIDERING PURCHASING BIG MAC BONDS IN AN EFFORT TO STAVE OFF NEW YORK'S DEFAULT.

END OF LATE IPS NON-PRIORITIES FOR SEPTEMBER 6, 1975



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COMBINED ISSUE
SUNDAY, SEPT. 7, 1975

I. WORLD PRESS ROUND-UP INTERNATIONAL NEWS.

NATO PRAISES GONCALVES RESIGNATION; WILL HOLD MEETING ON PORTUGAL

SEPT. 7 (IPS)—NATO HEADQUARTERS IN BRUSSELS EXPRESSED ITS JOY OVER RECENT EVENTS IN PORTUGAL, ESPECIALLY THE RESIGNATION OF EX-PREMIER VASCO GONCALVES AS ARMED FORCES CHIEF OF STAFF. NATO WILL HOLD A TWO-DAY MEETING THIS WEEK TO DISCUSS PORTUGAL, REPORTS EAST GERMAN RADIO.

PRO-CP LISBON PRESS DENOUNCE RIGHTWING MANUEVERS

SEPT. 7 (IPS)—LISBON'S EVENING NEWSPAPERS YESTERDAY COMMENTED THAT RIGHTWING MILITARY MANUEVERING AT FRIDAY'S TANCOS MEETING, WHICH LED TO THE PURGING OF GEN. VASCO GONCALVES AND SEVERAL OTHER PRO-COMMUNIST OFFICERS FROM THE REVOLUTIONARY COUNCIL, CONSTITUTES "EVEN GREATER DANGERS FOR THE REVOLUTION, AND IT CAN ONLY BE A VICTORY FOR THE INTERNAL AND EXTERNAL REACTION," ACCORDING TO EAST GERMAN TELEVISION YESTERDAY.

PCP YOUTH DEMONSTRATE IN LISBON

SEPT. 7 (IPS)—THOUSANDS OF PORTUGUESE COMMUNIST PARTY YOUTH DEMONSTRATED IN LISBON YESTERDAY TO CALL FOR THE UNIFICATION OF ALL DEMOCRATIC PARTIES. THEY ALSO CALLED FOR THE "DEFENSE OF THE ACHIEVEMENTS OF THE REVOLUTION AGAINST THE FASCIST ATTACKS," REPORTS EAST GERMAN RADIO.

SOVIETS BLAST IMPERIALIST INTERVENTIONS IN PORTUGAL, ANGOLA

SEPT. 7 (IPS)—TODAY'S PRAVDA, ORGAN OF THE COMMUNIST PARTY OF THE SOVIET UNION, SHARPLY ATTACKS "THE APPARATUS OF IMPERIALIST PROPAGANDA" WHICH "IS MOBILIZED TO DISCREDIT THE ATTITUDE OF THE COMMUNISTS IN THEIR DEFENSE OF THE REVOLUTION" IN PORTUGAL. "THEY ALSO PROVOKE SOME MILITARY UNITS TO COUNTER-REVOLUTIONARY ACTIONS," STATES PRAVDA. "THE ENEMIES OF THE PORTUGUESE REVOLUTION AND THEIR SUPPORTERS IN THE IMPERIALIST PRESS ARE THE ACCOMPLICES OF THE COUNTER-REVOLUTIONARIES NOW THREATENING ANGOLA." REPORTS ON THE ARTICLE WERE CARRIED THROUGHOUT THE NIGHT ON "VOICE OF EAST GERMANY" RADIO.

(MORE)

EAST GERMAN TRADE MINISTER STRESSES 3RD WORLD TIES

SEPT. 7 (IPS)—SPEAKING AT THE HEAVILY ATTENDED INTERNATIONAL TRADE FAIR IN LEIPZIG, EAST GERMANY YESTERDAY, EAST GERMAN FOREIGN TRADE MINISTER HORST SOELLE SAID THAT HIS COUNTRY HAS MADE GREAT PROGRESS IN TRADE AND ECONOMIC COOPERATION WITH THE DEVELOPING SECTOR. THE BERLIN DAILY, NEUES DEUTSCHLAND, REPORTING SOELLE'S STATEMENT, NOTED THAT EAST GERMAN TRADE WITH IRAQ HAS INCREASED SIX-FOLD AND WITH ALGERIA THREE-FOLD IN THE PAST THREE YEARS.

INDIA FEARS MALARIA, CHOLERA SPREADING

SEPT. 7 (IPS)—THE INDIAN GOVERNMENT AND THE WORLD HEALTH ORGANIZATION (WHO) ARE WORRIED ABOUT A SHARP RISE OF MALARIA CASES REPORTED FROM INDIA, ACCORDING TO TODAY'S WASHINGTON POST. THERE ARE SOME 30,000 CASES OF THE DISEASE IN NEW DELHI ALONE — DOUBLE THAT OF THREE YEARS AGO — AND THE TIMES OF INDIA TODAY REPORTS A SHORTAGE OF MEDICINE IN THE CAPITAL CITY.

THE INDIAN GOVERNMENT ALSO REPORTS THAT OVER 50 PEOPLE HAVE DIED OF CHOLERA IN FLOOD-STRICKEN PATNA — CAPITAL OF THE INDIAN STATE OF BIHAR, ACCORDING TO A REPORT APPEARING IN TODAY'S NEW YORK TIMES.

CHINESE LEADER ATTACKS SOVIET INFLUENCE IN CHINA

SEPT. 7 (IPS)—CHINESE VICE-PREMIER TENG HSIO-PING IN AN INTERVIEW WITH NEW ZEALAND JOURNALISTS "MADE CLEAR THAT A MAJOR CONCERN OF THE PRESENT AND PREVIOUS POLITICAL CAMPAIGNS (WITHIN CHINA) WAS TO PREVENT CHINA FROM SLIPPING INTO WHAT PEKING SEES AS MOSCOW'S IDEOLOGICAL AND MORAL QUAGMIRE," ACCORDING TO TODAY'S WASHINGTON POST.

TENG ALSO TOLD THE JOURNALISTS THAT THE CURRENT CHINESE CAMPAIGN AROUND THE NOVEL "ALL MEN ARE BROTHERS" WAS "MERELY PART OF PEKING'S EFFORTS TO PREVENT A RESTORATION OF CAPITALISM."

GROMYKO INVITED TO THAILAND

SEPT. 7 (IPS)—THAILAND HAS INVITED SOVIET FOREIGN MINISTER ANDREI GROMYKO TO VISIT BANGKOK TO CONCLUDE A CULTURAL AGREEMENT AND DISCUSS A SOVIET REQUEST TO OPEN A MILITARY MISSION THERE. THAI FOREIGN MINISTER CHATICHAI CHOONHAVEN HAS STATED IN AN INTERVIEW REPORTED ON IN TODAY'S WASHINGTON POST.

II. WORLD PRESS ROUND-UP
CONTINENTAL NEWS.

RASKIN: DEBT MORATORIUM LIKELY IN NYC

SEPT. 7 (IPS)—THERE IS A "LIKELIHOOD" OF A MORATORIUM FOR A YEAR OR LONGER ON ANY PAYMENTS OF INTEREST OR PRINCIPAL" TO NEW YORK CITY'S BONDHOLDERS, INCLUDING "SOME OF THE COUNTRY'S LARGEST BANKS, BROKERAGE HOUSES AND INSURANCE COMPANIES," ACKNOWLEDGES A.H. RASKIN, WRITING ON NEW YORK CITY'S ECONOMIC CRISIS IN TODAY'S NEW YORK TIMES.

(MORE)

RASKIN'S PIECE ON THE FRONT PAGE OF THE EDITORIAL SECTION ANTICIPATES THE ROCKEFELLER BANKING COMMUNITY'S WORST FEARS: A DEBT MORATORIUM PASSED INTO LAW AND INCLUDING PROVISION FOR BRINGING SERVICES BACK UP TO 1972 LEVELS.

FORD FOUNDATION ACHIEVING DESTRUCTION OF LITERACY

SEPT. 7 (IPS)—SENIOR HIGH SCHOOL STUDENTS TAKING THE COLLEGE ENTRANCE EXAMINATION BOARD EXAMS THIS YEAR HAVE SCORED LOWER THAN EVER, CAPPING A 12-YEAR DECLINE IN THE TEST SCORES, WHICH MEASURES BASIC SKILLS IN LANGUAGE AND MATH, ACCORDING TO A FRONT-PAGE ARTICLE IN THE WASHINGTON POST TODAY.

MANY EDUCATORS LINK THE DISASTROUS DECLINE TO RELIANCE ON SO-CALLED "INNOVATIVE" PROGRAMS BASED ON BEHAVIORIST PSYCHOLOGY — PROGRAMS DEVELOPED ALMOST EXCLUSIVELY BY THE FORD FOUNDATION.

IN A COMPANION PIECE, THE POST OUTLINES MOVES MADE BY MANY COMMUNITIES TO RETURN TO BASIC EDUCATION, INDICATING WORKING-CLASS DISGUST WITH PROGRAMS DESIGNED TO UNDERMINE CREATIVE DEVELOPMENT.

SECURITY CLASS UPSETS NSA, ACDA

SEPT. 7 (IPS)—THE CENTER FOR DEFENSE INFORMATION (CDI) HEADED BY FORMER REAR ADMIRAL GENE LAROCQUE IS CONDUCTING A CLASS ON "U.S. NATIONAL SECURITY" FOR CONGRESSIONAL AIDES, ACCORDING TO EVANS AND NOVAK WRITING IN TODAY'S WASHINGTON POST. THE COURSE, CONDUCTED BY DR. BARRY SCHNEIDER, A COLLEAGUE OF LAROCQUE WHO LIKE HIM IS HIGHLY CRITICAL OF ADMINISTRATION FOREIGN POLICY, HAS THE NATIONAL SECURITY AGENCY AND THE ARMS CONTROL AND DISARMAMENT AGENCY UPSET. A HIGH-RANKING OFFICIAL TOLD THE COLUMNISTS "THIS (THE CDI) IS SIMPLY NOT A RESPECTABLE OUTFIT." THE TWO AGENCIES HAVE REFUSED TO SEND SPEAKERS, A USUAL PRACTICE FOR SUCH COURSES.

III. ICLC INTELLIGENCE & ORGANIZING REPORT.

PHILADELPHIA TRANSIT WORKERS' OFFICIAL ENDORSES DEBT MORATORIUM

SEPT. 7 (IPS)—VINCE CAMERETTA, SECRETARY-TREASURER OF TRANSIT WORKERS UNION (TWU) LOCAL 234 IN PHILADELPHIA TOLD IPS FRIDAY THAT HE COMPLETELY SUPPORTS A DEBT MORATORIUM AND WISHES TO HAVE HIS NAME USED AS A PUBLIC BACKER OF THE MEASURE. THE TWU NEGOTIATES FOR THE EMPLOYEES OF THE SOUTH EASTERN PENNSYLVANIA TRANSIT AUTHORITY (SEPTA), AN INSTRUMENT FOR ONE OF THE LARGEST BOND-LOOTING SWINDLES IN U.S. MUNICIPAL HISTORY.

USLP TARGETS CONGRESSMEN ON PORTUGAL

SEPT. 7 (IPS)—YESTERDAY'S "OPERATIONS BULLETIN," A REPORT ON ORGANIZING ACTIVITIES CIRCULATED DAILY BY THE U.S. LABOR PARTY TO ALL ITS ORGANIZERS, HAS DIRECTED THE U.S. LABOR PARTY REGIONAL POLITICAL MACHINES TO MOBILIZE LARGE-SCALE PRESSURE AGAINST TEN KEY MEMBERS OF THE HOUSE COMMITTEE ON INTELLIGENCE TO LAUNCH AN INVES-

(MORE)

TIGATION INTO OPEN AND ILLEGAL CIA ACTIVITY IN PORTUGAL, AIMED AT PREPARING A "CHILE-STYLE" BLOODBATH THERE. "DESPITE ALL THE EM-BARRASSMENT TO CONGRESSIONAL SENSIBILITIES STEMMING FROM CHILE," THE DIRECTIVE STATES, "CONGRESS WILL NOT MOBILIZE AGAINST ANOTHER CIA-ENGINEERED 'CHILE' IN PORTUGAL UNLESS THE WORKING CLASS LETS THEM KNOW THEY MUST."

THE TARGETTED INTELLIGENCE COMMITTEE MEMBERS ARE:

OTIS PIKE (D-NY)	ROBT. GRANIO (D-CN)
DON EDWARDS (D-CA)	JAMES STANTON (D-OH)
RONALD DELLUMS (D-CA)	MORGAN MURPHY (D-IL)
ROBT. MCCLORY (R-IL)	ROBT. KASTEN (R-WI)
PHILIP HAYES (R-IN)	MICHAEL HARRINGTON (D-MA) (FORMER MEMBER)

IN ADDITION, THE U.S. LABOR PARTY TODAY ADDED SEN. EDWARD KENNEDY (D-MA) AND THE CONGRESSIONAL BLACK CAUCUS TO THE LIST OF TARGETTED CONGRESSMEN.

IV. IPS NEWS ANALYSIS.

VANCOUVER IWA MAOISTS DENOUNCE DEVELOPMENT
TO SABOTAGE STRIKE WAVE

SEPT. 7 (IPS)--THE LATEST ISSUE OF THE BARKER, NEWSPAPER OF LOCAL 217 OF THE INTERNATIONAL WOODWORKERS OF AMERICA (IWA) IN THE VANCOUVER, BRITISH COLUMBIA AREA CARRIED TWO ARTICLES ATTESTING TO THE MAOIST IWA LEADERSHIP'S DESIRE TO SABOTAGE THE CURRENT STRIKEWAVE IN BRITISH COLUMBIA. THE FIRST WAS A REPRINT OF AN ARTICLE FROM THE BRITISH NEW STATESMAN, QUOTING HAROLD WILSON'S ATTACK ON THE PORTUGUESE COMMUNIST PARTY. THE SECOND WAS A DENOUNCIATION OF INDIRA GANDHI'S PRO-DEVELOPMENT REGIME IN INDIA.

THE BARKER'S STAND ON THESE TWO KEY ISSUES REPRESENTS AN IMPLICIT ATTACK ON THE GROWING ORIENTATION OF THE B.C. STRIKEWAVE TOWARD THE PORTUGUESE REVOLUTION AND THE PRO-DEVELOPMENT LABOR BILL OF RIGHTS, WHICH WOULD ALLY NORTH AMERICAN WORKERS PROGRAMMATICALLY WITH GANDHI AND THE PORTUGUESE COMMUNISTS.

CIA TERRORIST ACTIVITY INCREASING

SEPT. 7 (IPS)--COMBINED REPORTS SHOW AN UPSWING IN CIA-DEPLOYED TERRORIST BOMBING ACTIVITY THROUGHOUT THE WORLD. THE CIA'S "WEATHER UNDERGROUND", IN CONJUNCTION WITH THE RELEASE OF THE SECOND EDITION OF THE "NEWSPAPER" "PRAIRIE FIRE," HAS BOMBED THE OFFICES OF KENNECOTT COPPER IN SALT LAKE CITY, UTAH. IN ADDITION, TWO LARGE BOMBINGS, ONE IN A LONDON HOTEL AND ONE IN A BELFAST PUB BY THE "IRA", HAVE CAUSED SERIOUS INJURY TO DOZENS OF PEOPLE. ALL OF THE BOMBINGS HAPPENED ON THE SAME DAY AT THE "MANSON" ZOMBIE ASSASSINATION ATTEMPT ON PRESIDENT FORD.

END IPS/COMBINED FOR SEPT. 7, 1975.



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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)
WORLD NEWS ROUND-UP
MONDAY, SEPTEMBER 8, 1975 1400 HOURS EDT

LEBANESE CP, DDR HIT AMERICAN INVOLVEMENT IN LEBANON CRISIS

SEPT. 8 (IPS)--THE LEBANESE COMMUNIST PARTY HAS CHARGED THAT RECENT MURDERS IN LEBANON COMMITTED BY THE EXTREME RIGHT ARE CLOSELY CONNECTED TO ATTEMPTS TO IMPOSE AN "AMERICAN SOLUTION" IN THE MIDDLE EAST, ACCORDING TO STIMME DER DDR, EAST GERMAN RADIO TODAY.

STIMME FURTHER NOTES THAT THE LEBANON CRISIS IS BEING FUELED BY THE STEADY FLOW OF ARMS INTO THAT COUNTRY FROM THE U.S. AND WESTERN EUROPE.

FIGHTING IN LEBANON INTENSIFIES

SEPT. 8 (IPS)--TWELVE PERSONS WERE KILLED YESTERDAY WHEN A BUS, PREDOMINANTLY OCCUPIED BY MUSLIMS WAS AMBUSHED IN A CHRISTIAN VILLAGE NEAR TRIPOLI, IN NORTH LEBANON. THIS BRINGS THE DEATH TOLL THROUGHOUT THE COUNTRY FROM A WEEK OF INTENSIFIED FIGHTING TO FIFTY-NINE.

MEANWHILE, THE LEBANESE CABINET WILL CONVENE AN EMERGENCY MEETING TODAY TO DISCUSS "DECISIVE ACTION" IN THE NORTH, ACCORDING TO TODAY'S WASHINGTON POST.

SINAI PACT OF LIMITED VALUE IF SOVIETS NOT INVOLVED, LONDON OBSERVER COMMENTS

SEPT. 8 (IPS)--THE SINAI INTERIM AGREEMENT ORCHESTRATED BY HENRY KISSINGER IS FUNDAMENTALLY FLAWED AND CONTRADICTORY SINCE IT TRIES TO FASHION A MIDEAST PEACE AND EXCLUDE THE SOVIETS AT THE SAME TIME, LONDON OBSERVER COMMENTATOR COLIN LEGUM STATED YESTERDAY.

ANY VALUE THE AGREEMENT MAY HAVE "COULD BE DESTROYED BECAUSE OF THE WAY IT IGNORES THE OVERRIDING IMPORTANCE OF JOINT AMERICAN-RUSSIAN GUARANTEES AS THE ONLY MEANS OF ACHIEVING A LASTING MIDDLE EAST PEACE," CONCLUDED LEGUM.

BALTIMORE SUN HITS KISSINGER'S MIDEAST SETTLEMENT

SEPT. 8 (IPS)--BALTIMORE SUN COLUMNIST GARY WILLS HARSHLY EDITORIALIZES AGAINST THE SINAI INTERIM AGREEMENT, CLAIMING THAT IT BLOCKS THE MOST IMPORTANT SETTLEMENT OF ALL, THAT WITH THE PALESTINIANS, "AND PINS EVERYTHING ON EGYPT." WILLS FURTHER CRITICIZES SECRETARY OF STATE HENRY KISSINGER, THE AGREEMENT'S ARCHITECT, WHO HE SAYS, "HAS PRECLUDED OTHER DEALS BY HIS MANEUVERING."

(MORE)

ISRAEL LOOTS ARAB TERRITORIES,
CUTS ITS LIVING STANDARDS TO STAY SOLVENT,
SAYS BALTIMORE SUN CORRESPONDENT

SEPT. 8 (IPS)--THE ISRAELI ECONOMY, ONCE NOTED FOR FAST GROWTH, IS STAGNATING BADLY, ACCORDING TO BALTIMORE SUN CORRESPONDENT MICHAEL PARKS. WITH AN ANTICIPATED BALANCE OF PAYMENTS DEFICIT OF OVER \$4 BILLION THIS YEAR (MORE THAN 40 PER CENT OF ISRAEL'S GNP) INCREASED UNEMPLOYMENT, AND INFLATION AT OVER 20 PER CENT PER YEAR, MANY SENIOR ISRAELI ECONOMISTS, BOTH WITHIN AND OUTSIDE THE GOVERNMENT HAVE GROWN PESSIMISTIC ABOUT ISRAEL'S LONG-RUN PROSPECTS, PARKS REPORTED IN YESTERDAY'S SUN.

PARKS INDICATES--BUT DOES NOT STATE DIRECTLY--THAT ISRAEL'S PRESENT ECONOMIC SURVIVAL IS PINNED TO THE LOOTING OF ITS "ARAB TERRITORIES," ESPECIALLY THE WEST BANK. HE SITES A SENIOR ISRAELI GOVERNMENT ECONOMIST AS SAYING, "THESE (OCCUPIED) AREAS HAVE BECOME A VERY IMPORTANT ELEMENT IN OUR ECONOMIC GROWTH. THEY CONTRIBUTED TO A MAJOR UPSURGE AFTER THE SIX-DAY WAR IN 1967, AND EVEN NOW THEY REMAIN STRONG CONTRIBUTORS TO ECONOMIC GROWTH, AND THAT IS MORE THAN CAN BE SAID FOR OTHER AREAS AND SECTORS OF THE ECONOMY."

SINCE ITS ENORMOUS DEFICIT IS CONFRONTING ISRAEL WITH DEFAULT, ON ITS DEBT PAYMENTS, THE GOVERNMENT IS ATTEMPTING TO LOWER THE STANDARD OF LIVING OF THE POPULATION IN AN ATTEMPT TO REMAIN SOLVENT, WRITES THE SUN CORRESPONDENT. "WE ARE TRYING TO SHRINK DOMESTIC DEMAND," PARKS QUOTES A GOVERNMENT FINANCIAL OFFICIAL AS SAYING. "THIS IS PROVING PAINFUL TO THE PEOPLE, BUT THE PROCESS IS ONLY BEGINNING. BY THE TIME IT IS OVER, OUR STANDARD OF LIVING WILL HAVE DROPPED PERHAPS 20 OR 25 PER CENT, TO THE EXTENT THAT THIS CAN BE MEASURED."

ARGENTINE GENERALS PREPARE RIGHT-WING COUP

SEPT. 8 (IPS)--ARGENTINA'S NEW COMMANDER OF THE ARMED FORCES, GENERAL JORGE VIDELA, HAS MOVED TO RAPIDLY CONSOLIDATE MILITARY CONTROL WITHIN A SMALL CIRCLE OF RIGHT-WING GENERALS THIS WEEK WHILE ARGENTINA'S PERONIST GOVERNMENT CONTINUES TO DRIFT.

VIDELA HAS REPLACED BOTH PRO-PERONIST AND NEANDERTHAL "GORILLA" OFFICERS IN KEY COMMANDING POSTS THROUGHOUT THE NATION WITH VIRULENTLY ANTI-PERONIST AND PRO-BRAZIL "GOLPISTA" (PRO-COUP) TYPES.

ACCORDING TO OCCIDENTE, A CONSERVATIVE COLUMBIAN DAILY, THE GENERAL PLACED BY VIDELA IN THE IMPORTANT POST OF CHIEF OF STAFF OF THE ARMY, ROBERTO VIOLA, FAVORS THE BRAZILIAN MODEL OF GOVERNMENT AND IS A KEY OPERATIVE IN THE MILITARY'S ANTI-GUERRILLA OPERATIONS.

MPLA REJECTS U.N. PEACE-KEEPING FORCE FOR ANGOLA

SEPT. 8 (IPS)--POPULAR MOVEMENT (MPLA) FORCES HAVE ANNOUNCED THEIR REJECTION OF THE RUMORED USE OF UNITED NATIONS TROOPS TO "KEEP THE

IPS/EARLY/9.8.75/P.3

PEACE" IN ANGOLA, ACCORDING TO DEUTSCHLANDFUNK RADIO BROADCASTS
SEPT. 6.

PCF REMINDS PONIATOWSKI OF 1789

SEPT. 8 (IPS)--THE FRENCH COMMUNIST PARTY (PCF) CALLED ON THE DEMOCRATIC AND REVOLUTIONARY TRADITIONS OF THE FRENCH WORKING CLASS DATING BACK TO THE FRENCH REVOLUTION, IN A RENEWED CALL TODAY FOR THE OUSTER OF "PRINCE" MICHEL PONIATOWSKI, MINISTER OF THE INTERIOR. TODAY'S EDITORIAL IN L'HUMANITE, NEWSPAPER OF THE PCF, ATTRIBUTES PONIATOWSKI'S LATEST SLANDERS OF GEORGES SEGUY, HEAD OF THE PCF-ALLIED TRADE UNION CONFEDERATION (CGI), TO THE "PRINCE'S" OWN SENSE OF BEING BACKED AGAINST THE WALL BY THE SUCCESSFUL PCF MOBILIZATION AROUND ITS RIGHT TO ORGANIZE. THE EDITORIAL WARNS PRINCE PONIA THAT "FRANCE IS A PLACE WHERE PRINCES AND SEIGNEURS HAVE BEEN TAMED, WHERE THE PEOPLE HAVE WON FREEDOMS OVER PRIVILEGES AND HAS ACCUMULATED TRADITIONS OF RESPONSIBLE STRUGGLE IN SOLIDARITY."

CONTINENTAL

SEN. SCHWEIKER LINKS JFK ASSASSINATION TO CIA & FBI; URGES SENATE INTELLIGENCE COMMITTEE INQUIRY

SEPT. 8 (IPS)--SEN. RICHARD S. SCHWEIKER (R-PA.) TOLD U.S. NEWS AND WORLD REPORT IN A RECENT INTERVIEW THAT HE SUSPECTS JACK RUBY ACTED FOR THE CIA IN SHOOTING LEE HARVEY OSWALD, ALLEGED ASSASSIN OF JOHN F. KENNEDY. RUBY HAD PREVIOUSLY BEEN IDENTIFIED AS AN FBI INFORMER.

SEN. SCHWEIKER IS NOW SPONSORING A RESOLUTION CALLING ON THE SENATE INTELLIGENCE COMMITTEE TO INVESTIGATE CIA/FBI INVOLVEMENT IN THE KENNEDY ASSASSINATION, ACCORDING TO TODAY'S BALTIMORE SUN.

SCHWEIKER, WHO CHARACTERIZED THE WARREN COMMISSION'S ASSUMPTIONS AS LIKE A "PUBLIC BOIL THAT'S GOING TO BURST," DISCLOSED THAT OSWALD HAD BEEN STATIONED AT A JAPANESE BASE WHERE CIA SPECIAL AGENTS WERE TRAINED.

SCHWEIKER SAID HE BECAME SUSPICIOUS WHEN OSWALD, WHO APPLIED FOR A HARDSHIP DISCHARGE BECAUSE OF PROBLEMS WITH HIS MOTHER, ALMOST IMMEDIATELY "HIGH-TAILED IT TO RUSSIA."

"HE (OSWALD) IMMEDIATELY GOT A PASSPORT TO GO THERE AND THEN PROCEEDED TO RENOUNCE HIS CITIZENSHIP, SCHWEIKER STATED. "YET, WHEN HE WANTED TO COME BACK, WE GAVE HIM BACK HIS PASSPORT AND PAID HIS FARE HOME," THE SENATOR WAS QUOTED AS SAYING.

BALTIMORE SUN LIES ABOUT EAST/WEST TRADE

SEPT. 8 (IPS)--AT THE VERY POINT THAT U.S. MID-WESTERN INDUSTRIALISTS ARE CLAMORING FOR MORE EAST/WEST TRADE, TODAY'S BALTIMORE SUN COMES OUT WITH A "WHO NEEDS EAST/WEST TRADE" FEATURE ARTICLE.

(MORE)

IPS/EARLY/9.8.75/P.4

THE SUN'S SOVIET "EXPERT", HAL PIPER, DREDGED UP SOME AMERICAN BUSINESSMEN TO COMPLAIN THAT THE SOVIETS ARE MORE INTERESTED IN LEARNING AMERICAN INDUSTRIAL "SECRET PROCESSES" THAN IN TRADING. ONLY SLIGHT MENTION WAS MADE OF STATE DEPARTMENT SABOTAGE OF EAST/WEST TRADE, PARTICULARLY BY THE PUSHING OF THE JACKSON AMENDMENT.

THE SUN ARTICLE DID, HOWEVER, DEMONSTRATE THE SOVIETS' REFUSAL TO CAPITULATE TO STATE DEPARTMENT MANEUVERS. A SOVIET SPOKESMAN WAS QUOTED AS SAYING: "WE HAVE DEMONSTRATED OUR INTEREST IN TRADING WITH YOU. IF THAT'S NOT ENOUGH FOR YOU, IT MAKES NO DIFFERENCE TO US. WE CAN FIND WHAT WE WANT SOMEWHERE ELSE."

NY BANK DEFAULT "CONTINGENCY PLAN"
INCLUDES SEIZURE OF CITY CHECKING ACCOUNTS

SEPT. 8 (IPS)--THE MAJOR ROCKEFELLER-ALLIED NEW YORK BANKS HAVE DEVELOPED "CONTINGENCY PLANS" IN THE EVENT OF NEW YORK CITY DEBT DEFAULT, INCLUDING PLANS TO IMMEDIATELY FREEZE ALL CITY CHECKING ACCOUNTS.

ACCORDING TO TODAY'S WALL STREET JOURNAL, "BANKERS CONCEDE THAT CONFLICTING INSTRUCTIONS FROM 'AUTHORITIES' COULD 'FREEZE' SOME ACCOUNTS COMPLETELY, PREVENTING BANKS FROM MAKING ANY PAYMENTS."

ANXIOUS CITY WORKERS ARE ALREADY RUSHING INTO THE BANKS ON WHICH THEIR PAY CHECKS ARE DRAWN, OUT OF FEAR THAT IF THEY WAIT UNTIL THE CHECK IS PROCESSED THROUGH THEIR OWN BANKS, THEY WILL LOSE THE MONEY. THE BANKS ARE ALSO REPORTED AS AGGRESSIVELY SEEKING "TIME" DEPOSITS--SAVINGS DEPOSITS WHICH CANNOT BE WITHDRAWN FOR A SPECIFIC PERIOD OF TIME--IN THE EVENT THAT A NEW YORK DEFAULT TRIGGERS A RUN ON BANK DEPOSITS.

DAVID ROCKEFELLER IS LABELLED
MOST "HAWKISH" NEW YORK BANKER

SEPT. 8 (IPS)--BANKING SOURCES SAY THAT DAVID ROCKEFELLER, CHASE MANHATTAN BANK CHAIRMAN, HAS TAKEN THE "MOST HAWKISH STANCE" IN BEHIND-THE-SCENES MEETINGS OF NEW YORK'S TOP BANKERS ON THE CITY BUDGET CRISIS.

ACCORDING TO THE NEW YORK TIMES, "CHASE MANHATTAN HAS PRESSED FOR THE MOST STRENGENT MUNICIPAL REFORMS..." AIDING THE DELIBERATIONS BETWEEN ROCKEFELLER, FIRST NATIONAL CITY BANK PRESIDENT WILLIAM T. SPENCER, AND MORGAN GUARANTY TRUST CHAIRMAN ELLMORE C. PATTERSON, THE TIMES REPORTS, IS A SMALL GROUP OF BOND EXPERTS "LABELLED 'THE JERSEY MAFIA' BY THEIR PEERS" WHO TAKE CARE OF THE DAY-TO-DAY MECHANICS OF THE BANKS' LOOTING OPERATION.

END OF EARLY IPS FOR MONDAY, SEPTEMBER 8, 1975.



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****IPS EXCLUSIVE****

NY BANKERS, AGENTS HEAR PLEA FOR END TO PORTUGAL BLOCKADE

SEPT. 8 (IPS)--IN THE BRITISH COLONIAL DECOR OF THE THIRD FLOOR OF THE INDIA HOUSE, A PRIVATE BANKERS' CLUB IN THE WALL ST. FINANCIAL DISTRICT, OFFICIALS OF CHASE MANHATTEN BANK AND MEMBERS OF THE SECRETIVE PORTUGUESE AMERICAN SOCIETY LISTENED TO THE GOVERNOR OF THE BANK OF PORTUGAL PLEAD FOR AN END TO THE ECONOMIC BLOCKADE.

ACCORDING TO SOURCES INSIDE THE LUNCHEON CONFERENCE, ANTONIO PINTO BARBOSA, GOVERNOR OF THE BANK OF PORTUGAL SAID THAT PORTUGAL FACES A BILLION DOLLAR DEFICIT IN THE COMING YEAR (COMPARED WITH A SURPLUS TWO YEARS AGO) AND A VIRTUAL CUTOFF OF AMERICAN INVESTMENT. OF PORTUGAL'S TOTAL RESERVES BARBOSA SAID THAT MORE THAN HALF, EXACTLY \$1.2 BILLION, CONSISTED OF GOLD WHICH WAS VALUED AT THE PRE-1971 PRICE OF ONLY \$35 AN OUNCE.

IN ANSWER TO BANKERS' QUESTIONS ABOUT THE "CONTINUED UNSTABLE POLITICAL SITUATION" AND WHETHER HE COULD GUARANTEE CONTINUED CAPITALIST PROFITS IN PORTUGAL, BARBOSA MEEKLY REPLIED THAT HE WAS NOT ABLE TO SAY ANYTHING ABOUT THE CURRENT POLITICAL SITUATION SINCE HE HAD NOT BEEN IN LISBON IN A WEEK.

****IPS EXCLUSIVE****

IS HUBERT PLOTTING PORTUGUESE BLOODBATH?

SEPT. 8 (IPS)--SEN. HUBERT HUMPHREY (D-MINN) MET PRIME MINISTER HAROLD WILSON IN LONDON THURSDAY AND FRIDAY OF LAST WEEK, IPS CONFIRMED TODAY.

IPS IS INVESTIGATING REPORTS THAT HUMPHREY, THE ORIGINAL AMERICAN SOCIAL DEMOCRAT, PARTICIPATED IN THE WILSON-INITIATED SECOND INTERNATIONAL MEETING OF THE "COMMITTEE TO INTERFERE IN PORTUGAL" WHICH MET AT THE SAME TIME. ON WEDNESDAY, HUMPHREY WAS IN SWEDEN MEETING WITH SWEDISH PREMIER OLOF PALME. PALME, A PARTICIPANT IN THE LONDON SECOND INTERNATIONAL MEETING, FLEW TO LONDON ON THURSDAY.

PORTUGUESE REVOLUTION NEEDS INTERNATIONAL SUPPORT: PRAVDA

SEPT. 8 (IPS)--THE SOVIET DAILY, PRAVDA, WRITES TODAY THAT INTERNATIONAL SUPPORT FOR THE PORTUGUESE REVOLUTION IS OF UTMOST SIGNIFICANCE AT THIS TIME. PRAVDA'S COMMENT WAS REPORTED ON EAST GERMAN RADIO.

DEBT MORATORIUM HITS FLOOR OF NEW YORK LEGISLATURE

SEPT. 8 (IPS)--ASSEMBLYMAN FRANK J. BARBARO (D-BKLYN) DECLARED TODAY ON THE FLOOR OF THE NEW YORK STATE ASSEMBLY THAT HE WOULD INTRODUCE DEBT MORATORIUM LEGISLATION WHEN THE LEGISLATURE RECONVENED IN TWO WEEKS, AS THE LONG BOTTLING-UP DEBT MORATORIUM DISCUSSION FINALLY ERUPTED IN THE LEGISLATURE.

SPEAKING FOR DEBT MORATORIUM AS THE ASSEMBLY FACED AN IMMINENT VOTE ON GOV. CAREY'S MAC PLAN, BARBARO CALLED BIG MAC "A DEFEAT FOR THE POPULATION OF NEW YORK CITY," AND OUTLINED THE ECOLOGICAL HOLOCAUST NOW RIPPING NYC. CITING THE HUGHES 1934 DECISION ON THE PRIORITY OF MUNICIPAL SERVICES FROM THE USLP'S LEGAL BRIEF, BARBARO DECLARED, "THIS IS A MILITARY SITUATION-- YOU HAVE TO ACCEPT A DEFEAT TO GO ON TO A VICTORY."

BLACK AND PUERTO RICAN CAUCUS CHAIRMAN ARTHUR EVE (D-BUF) MADE THE FIRST MENTION OF THE DEBT MORATORIUM TODAY, ON THE ASSEMBLY FLOOR, COMMENTING, "I PERSONALLY SUPPORT DEBT MORATORIUM, BUT IT WILL NEVER WIN," WHILE ADVOCATING "A LONG-TERM RESOLUTION OF THE CREDIT PROBLEMS OF ALL MUNICIPALITIES IN TROUBLE." EVE CALLED THE MAC PLAN "A TEMPORARY SOLUTION" AND PROMISED THAT THE LEGISLATURE WOULD COME BACK IN TWO WEEKS TO PRESENT ITS "FINAL SOLUTION."

AS SOON AS THE WORDS "DEBT MORATORIUM" HIT THE FLOOR, A NEW YORK CITY ASSEMBLYMAN WHO REPRODUCED 20 COPIES OF THE USLP LEGAL BRIEF THIS MORNING IMMEDIATELY DISTRIBUTED 40 MORE COPIES. INSIDE THE HALL, LEGISLATORS WOULD READ A PAGE THEN PASS IT TO OTHER WAITING LEGISLATORS.

EVE, THE PERSON TO TRIGGER THE DEBT MORATORIUM DEBATE, WAS TARGETED IN A USLP LEAFLET FOR ACCEPTING THE CAREY PLAN WITH THE EXPLANATION, "WE ASSURED US THAT ALL THE BASIC NEEDS WOULD BE MET."

AT THE CLOSE OF BARBARO'S SPEECH MORE THAN TEN LEGISLATORS ROSE TO RESPOND, BUT REPUBLICAN LEADER PERRY DURYEA FORCED DISCUSSION TO CLOSE WITH A CALL FOR A VOTE ON THE CAREY MAC PLAN.

THE TWO-WEEK PERIOD CITED BY ASSEMBLYMAN IS APPROXIMATELY THE TIME WHICH THE \$740 MILLION PENSION SWINDLE OF STATE EMPLOYEE FUNDS WILL LAST THE CITY'S CREDIT REQUIREMENTS.

AFSCME HEAD VICTOR GOTBAUM ASSAULTS TONY CHAITKIN

SEPT. 8 (IPS)--AFSCME DISTRICT 37 HEAD VICTOR GOTBAUM TODAY FREAKED OUT IN THE HALLS OF THE ALBANY STATE HOUSE AND PUSHED TONY CHAITKIN, FORMER U.S. LABOR PARTY CANDIDATE FOR MAYOR OF NEW YORK, AGAINST A WALL, AFTER CHAITKIN COMMENTED THAT IF GOTBAUM WERE IN NEW YORK CITY NOW HE WOULD BE STRUNG UP BY HIS MEMBERS.

THE ATTACK OCCURED AFTER SEVERAL NEW YORK CITY DEMOCRATIC ASSEMBLYMEN BEGAN CIRCULATING THE USLP LEGAL PACKET ON ORDERLY DEBT MORATORIUM AND A USLP LEAFLET ATTACKING THE CAPITULATION OF BLACK CAUCUS HEAD ASSEMBLYMAN ARTHUR EVE (D-BUFFALO).

CHAITKIN IS NOW PRESSING CHARGES WITH POLICE AND GATHERING WITNESSES.

SRI LANKA CALLS FOR DEBT MORATORIUM

UNITED NATIONS, NY., SEPT. 8 (IPS)—SPEAKING AT THE UNITED NATIONS SPECIAL SESSION ON SEPT. 6, FINANCE MINISTER FELIX BANDARANAIKE URGENTLY CALLED ON "APPROPRIATE INTERNATIONAL AGENCIES TO TAKE IMMEDIATE STEPS TO IMPLEMENT THESE PROVISIONS SO THAT NO COUNTRY BURDENED BY DEBT WOULD BE COMPELLED TO DEFAULT." "THE BALANCE OF PAYMENTS OF MOST DEVELOPING COUNTRIES AND PARTICULARLY THE POORER ONES ARE IN A STATE WHICH LEAVES NO ROOM FOR COMPLACENCY...THE PRESENT SITUATION THREATENS THE VERY STABILITY OF THE POLITICAL AND SOCIAL FABRIC OF COUNTRIES AND REGIONS WHICH COULD EMERGE AS AN OMINOUS THREAT TO INTERNATIONAL PEACE."

"MY DELEGATION, THEREFORE URGES THE ADOPTION OF MEASURES TO HELP THE POORER DEVELOPING COUNTRIES BY PROVIDING SUPPORT FOR THEIR BALANCE OF PAYMENTS," BANDARANAIKE STATED. "WE WELCOME AND STRONGLY ENDORSE THE PROPOSALS OF THE MINISTER OF STATE OF SWEDEN WHO ASKED FOR IMMEDIATE ACTION FOR EITHER A MORATORIUM OR CANCELLATION OF DEVELOPMENT ASSISTANCE CREDITS."

SPINOLA STILL IN PARIS DESPITE MASS PROTEST

SEPT. 8 (IPS)—EX-PORTUGUESE PRESIDENT GENERAL ANTONIO DE SPINOLA WILL REMAIN AT HIS HOTEL IN PARIS UNTIL NEXT MONDAY, REPORTS TODAY'S LE MONDE. THE NEWSPAPER ALSO REPORTS THAT SPINOLA CONTINUES TO RECEIVE NUMEROUS PHONE CALLS AND VISITS FROM UNNAMED PORTUGUESE PERSONALITIES, DESPITE MASSIVE DEMONSTRATING OUTSIDE THE HOTEL LED BY THE FRENCH COMMUNIST PARTY, ITS YOUTH GROUP AND THE FRENCH TRADE UNIONS.

BOXED TO THIS DISPATCH, LE MONDE REPORTS THAT THE ITT CORPORATION, A LEADING SABOTEUR AGAINST THE ALLENDE GOVERNMENT IN CHILE, HAS OFFICIALLY ANNOUNCED THAT IT WILL CEASE ALL INVESTMENT IN PORTUGAL. SPINOLA REMAINS BILLETED IN ITT-OWNED PARIS SHERATON.

ACLU FILES SUIT ON BEHALF OF U.S. LABOR PARTY
AGAINST CITY OF SEATTLE AND LEAA

SEATTLE, SEPT 8 (IPS)—THE SEATTLE AMERICAN CIVIL LIBERTIES UNION, FILED A \$5,000,000, 20-COUNT INJUNCTION TODAY AGAINST THE CITY OF SEATTLE AND SEATTLE'S NOTORIOUSLY LEAA CONTROLLED POLICE DEPARTMENT IN U.S. DISTRICT COURT FOR ELECTORAL HARASSMENT OF THE U.S. LABOR PARTY.

ACLU DIRECTOR LAWRENCE SELDEN, IN A STATEMENT TO THE PRESS, NOTED A SERIES OF INCIDENTS BEGINNING IN FEBRUARY, 1975 IN WHICH THE SEATTLE POLICE DEPARTMENT HAD VIOLATED THE FIRST AMENDMENT RIGHTS AND ELECTORAL RIGHTS OF LABOR PARTY MEMBERS. THE SUIT LISTS 20 HARASSMENT INCIDENTS WHERE ARREST CHARGES WERE LATER THROWN OUT OF COURT. IN ADDITION, THE SUIT LISTS NUMEROUS INCIDENTS IN WHICH SEATTLE POLICE DETAINED LABOR PARTY MEMBERS AND CANDIDATES.

THE SUIT RECEIVED COVERAGE TODAY FROM MAJOR SEATTLE PRESS. ATTORNEY WILLIAM LEVINSON WILL SERVE AS CHIEF COUNSEL IN THE SUIT.

(MORE)

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SEATTLE LABOR COUNCIL "INVADES" BD. OF ED MEETING
IN SUPPORT OF STRIKERS

SEATTLE, SEPT. 8 (IPS)—UNDER ENORMOUS PRESSURE FROM MEMBER UNIONS OF THE KING COUNTY CENTRAL LABOR COUNCIL (KCLC) JAMES BENDER, KCLC HEAD, LED AN UNINVITED DELEGATION OF TRADE UNION LEADERS INCLUDING ROBERT OWELL, SEATTLE RETAIL CLERKS PRESIDENT AND JACK MALONEY, SEATTLE ILWU PRESIDENT INTO A CLOSED MEETING OF THE SEATTLE BOARD OF EDUCATION AND LOUDLY DENOUNCED THAT BODY FOR SCABBING ON THE STRIKE BY OPERATING ENGINEERS AGAINST THE CITY SCHOOL SYSTEM. MR. BENDER ALSO ACCUSED THE BOARD MEMBERS OF TRYING TO TURN THE UNEMPLOYED AGAINST THE EMPLOYED AS HE ASSAILED THE BOARDS ATTEMPT TO REPLACE STRIKING ENGINEERS WITH CETA EMPLOYEES.

THIS SCAB-HERDING PRACTICE WAS INITIALLY EXPOSED BY STEVE KANKE, USLP CITY COUNCIL CANDIDATE, IN A TWO-HOUR RADIO INTERVIEW YESTERDAY WITH STATION KYAC.

UNCTAD SEC-GEN. CALLS FOR TRIANGULAR
TRADE AND DEVELOPMENT AGREEMENTS

UNITED NATIONS, N.Y., SEPT. 8 (IPS)—GAMANI CORREA, SECRETARY GENERAL OF THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT (UNCTAD), CALLED FOR THOROUGH RESEARCHING OF THE POTENTIAL FOR ECONOMIC EXPANSION THROUGH "TRIANGULAR" TRADE AND DEVELOPMENT AGREEMENTS INVOLVING THE COMECON COUNTRIES, THE WESTERN INDUSTRIAL STATES AND DEVELOPING COUNTRIES.

SPEAKING TO THE UN PRESS CORPS, CORREA SAID "A NEW ORIENTATION TOWARD THE COMECON COUNTRIES" IS NEEDED, AND CALLED FOR DISCUSSION AS TO HOW THE GROWTH OF THE ECONOMIES OF THE COMECON COUNTRIES COULD BENEFIT THE DEVELOPING NATIONS.

TO FACILITATE THIS DISCUSSION CORREA SAID HIS ORGANIZATION HAS SET UP "WORKSHOPS" FOR THE DEVELOPING NATIONS AND THE COMECON COUNTRIES. THE UNCTAD HEAD STATED THAT THE TREMENDOUS DEBT BURDENS OF THE DEVELOPING NATIONS MUST BE RELIEVED FOR EFFECTIVE TRADE AND DEVELOPMENT POLICIES TO BE IMPLEMENTED.

NEW YORK CITY TEACHERS VOTE TO STRIKE TOMORROW

NEW YORK, SEPT. 8 (IPS)—IN A VOICE VOTE TONIGHT AT MADISON SQUARE GARDEN MEMBERS OF THE UNITED FEDERATION OF TEACHERS RESOUNDINGLY REJECTED A BOARD OF EDUCATION COMPROMISE, VOTING TO STRIKE TOMORROW MORNING. AN OVERFLOW CROWD OF 50,000 TEACHERS AND

(MORE)

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OTHER SCHOOL PERSONNEL FILLED THE HALL, THE ADJOINING FELT FORUM, AND THE LOBBIES OF THE BUILDING WHERE THE MEETING WAS BROADCAST ON LOUD SPEAKERS. THE COMPROMISE CALLED FOR A 30 DAY POSTPONE-
MENT OF THE STRIKE DEADLINE.

UFT HEAD ALBERT SHANKER, HAGGARD FROM CONTINUOUS NEGOTIATING SESSIONS SINCE SATURDAY, TOLD THE TEACHERS THAT "FOR THE FIRST TIME IN HISTORY," THE 1,300 UNION DELEGATES HAD VOTED "UNANIMOUSLY" TO STRIKE."

"SALARY IS NOT THE ISSUE, SHANKER SAID. THE BOARD'S PROPOSAL WOULD CREATE "CHAOS" IN THE SCHOOLS: "NO SECURITY GUARDS, NO PARA-PROFESSIONALS, NO COUNSELORS, NO SOCIAL WORKERS, NO SCHOOL SECRETARIES..." AT THAT POINT THE CROWD ROARED "NO LAYOFFS, NO LAYOFFS."

AS SHANKER APPROACHED THE PODIUM TO SPEAK, AN IPS CORRESPONDENT ASKED WHETHER HE WAS BACKING THE DEBT MORATORIUM NOW ON THE FLOOR OF THE STATE LEGISLATURE. "I THINK IT'S A GOOD IDEA," SHANKER SAID.

WHEN SHANKER LEFT THE RALLY, ANOTHER IPS REPORTER ASKED WHERE THE MONEY WAS GOING TO COME FROM TO SETTLE THE STRIKE. AN EXHAUSTED SHANKER, HIS HANDS AND NECK RED AND RAW WITH A NERVOUS RASH, STARED BLANKLY AT THE REPORTER FOR SEVERAL SECONDS WITHOUT SAYING A WORD, UNTIL AIDES PULLED HIM ON HIS WAY.

DURING THE MEETING, CIVIL RIGHTS LEADER BAYARD RUSTIN, HEAD OF THE A. PHILIP RANDOLPH INSTITUTE, WAS INTRODUCED AS AN "OLD FRIEND " OF SHANKER. RUSTIN LED THE CROWD IN A RENDITION OF "WE SHALL OVERCOME," WITH THE WORDS, "WHERE ARE ALL THE PARENTS NOW?" RUSTIN TOLD THE TEACHERS, "WE'LL STRIKE IF IT TAKES SIX, EIGHT, FIFTEEN WEEKS UNTIL MINORITY CHILDREN CAN LEARN AGAIN."

PAPER BALLOTS ARE BEING COUNTED NOW BY THE AMERICAN ARBITRATION ASSOCIATION.

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)

NEWS BULLETIN

KISSINGER COVERUP ATTEMPT EXPOSED

SEPT. 8 (IPS)--UNDER ORDERS FROM THE NATIONAL SECURITY COUNCIL (NSC) AND HENRY KISSINGER, A SPECIAL TEAM OF AGENTS FROM THE FEDERAL BUREAU OF INVESTIGATION AND THE ALCOHOL, TOBACCO AND FIRE-ARMS DIVISION OF THE TREASURY DEPARTMENT HAS BEEN SENT IN TO READING, PA. TO ILLEGALLY SABOTAGE INVESTIGATIONS AND PROSECUTIONS OF INDIVIDUALS INVOLVED IN THE NSC DIRECTED INTERNATIONAL GUN RUNNING, DRUG RUNNING AND TERRORIST OPERATIONS EMANATING FROM THAT AREA.

(MORE)

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SOURCES IN READING, INCLUDING ROY FRANKHOUSER WHOSE JULY 28, CBS TELEVISION INTERVIEW GAVE NATIONAL EXPOSURE TO THE READING TERROR OPERATIONS, HAVE PROVIDED INFORMATION THAT THE SPECIAL FBI/ATF TEAM ACTIVITIES HAVE INCLUDED:

--INTERFERING WITH INVESTIGATIONS BY LOCAL POLICE OFFICIALS INTO A RECENT BOMBING IN POTTSTOWN, PA.

--WORKING IN COORDINATION WITH THE LOCAL PRESS IN ATTEMPTING A WATERGATE CAMPAIGN AGAINST READING DISTRICT ATTORNEY ROBERT VAN HOOVE. EVIDENCE POINTS TOWARDS THE RUSSELL SAGE FOUNDATION --WHICH SPECIALIZES IN CHARACTER ASSASSINATIONS OF ANTI-LEAA POLITICAL FIGURES AND WHICH ALSO HAS CLOSE TIES TO READING AREA LEAA AND DEMOCRATIC PARTY OPERATIVE CHARLES RAITH--AS PLAYING A KEY ROLE IN THE CAMPAIGN.

--COVERING UP THE INVOLVEMENT OF LT. PAUL GOLDBERG OF THE READING POLICE DEPARTMENT IN THE MURDER OF NORMAN DEBOOTH. DEBOOTH, WHO WAS KILLED IN MARCH 1975, WAS A MEMBER OF THE NSC-CREATED REVOLUTIONARY UNION MAOIST GANG AND WAS DIRECTLY INVOLVED IN THE CONDUITING OF GUNS AND EXPLOSIVES TO TERRORIST GROUPS THROUGHOUT NORTH AMERICA. THE READING POLICE DEPARTMENT HAS BEEN ORDERED BY MAYOR SHIRK TO INVESTIGATE GOLDBERG'S ROLE IN THE DEBOOTH KILLING; AND SOURCES IN READING REPORT THAT THE SOON-TO-BE-RELEASED REPORT WILL BE A WHITEWASH.

--COVERING UP THE SALE AND SHIPMENT OF LARGE QUANTITIES OF DRUGS TO HARTFORD, CONN. IN EXCHANGE FOR UNMARKED GUNS. THE DRUGS WERE PROVIDED BY DR. STEVEN LEVIN, RU AGENT FROM POTTSTOWN, PA.

THE ATTACK ON VAN HOOVE COMES ON THE EVE OF THE TRIAL OF BERTRAM JONES, FBI AGENT, LEADER OF THE LOCAL RU GUNRUNNING NETWORK AND VICE-PRESIDENT OF THE UNITED RUBBERWORKERS LOCAL AT FIRESTONE RUBBER. JONES IS CHARGED WITH ROBBERY OF A WAREHOUSE. A CONVICTION AGAINST JONES, COMBINED WITH THE ALREADY SUCCESSFUL PROSECUTION OF LOCAL MAFIA LEADER JOE BIANCONE, WOULD EFFECTIVELY DESTROY THE NSC'S READING OPERATION.

A CONFIDENTIAL STATEMENT BY ROY FRANKHOUSER WILL BE MADE AVAILABLE CONCERNING THE ABOVE MENTIONED.

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END OF NEW SOLIDARITY INTERNATIONAL PRESS SERVICE
LATE EVENING NEWS (PRIORITIES)
SEPTEMBER 8, 1975