



International Press Service

P.O. Box 1972, G.P.O.
New York, New York 10001
Editorial (212) 279-5950 TWX 581-5679
Customer Service (212) 564-8529

LATE EVENING NEWS ROUND-UP
MONDAY, JUNE 23, 1975 2000 HOURS EDT

I. INTERNATIONAL

AMENDOLA ATTRIBUTES COMMUNIST VOTE TO MIDDLE CLASS, ATTACKS CPGB

MILAN, JUNE 23 (IPS)—CIA AGENT GIORGIO AMENDOLA OF THE ITALIAN COMMUNIST PARTY (PCI) LEADERSHIP HAS ATTRIBUTED RECENT UNPRECEDENTED COMMUNIST GAINS IN ITALIAN REGIONAL AND LOCAL ELECTIONS TO THE MIDDLE CLASS. IN AN INTERVIEW IN THE RIGHT-WING MILAN TABLOID CORRIERE D'INFORMAZIONE, AMENDOLA LIED THAT WHILE THE WORKING CLASS HAD CONTRIBUTED TO THE UNEXPECTED PCI ELECTORAL SUCCESS, THE VOTE WAS LARGELY DUE TO THE MIDDLE CLASS—"IN PARTICULAR SMALL AND MEDIUM ENTERPRISERS AND MEN OF CULTURE." AMENDOLA PROPOSED THAT AS A RESULT OF THE VOTE CITIZENS OF ALL PARTIES SHOULD BE OFFERED "PERMANENT INSTRUMENTS OF DEMOCRATIC PARTICIPATION--NEIGHBORHOOD COMMITTEES, FACTORY COUNCILS, ELECTIVE ORGANS IN THE SCHOOLS."

AS THE COMPLEMENT TO THESE FASCIST LOCAL CONTROL SCHEMES, AMENDOLA PROPOSED THAT THE U.S.-RUN EUROPEAN ECONOMIC COMMUNITY "TAKE A POSITION WHICH IS NOT NECESSARILY ANTI-AMERICAN," BUT WOULD ALSO BE FREE OF SOVIET INFLUENCE. SINGLING OUT THE PRO-MOSCOW COMMUNIST PARTIES WHICH HAVE RECENTLY TAKEN A FIRM STANCE AGAINST THE SCHLESINGER TACTICAL NUCLEAR DOCTRINE, AMENDOLA CONTINUED: "WE KNOW THAT THIS POSITION ALSO DIFFERENTIATES US FROM OTHER EUROPEAN COMMUNIST PARTIES WHICH GIVE A DIFFERENT JUDGMENT OF THE EEC, SUCH AS THE ENGLISH COMMUNIST PARTY (CPGB)."

ITALIAN DC FACTIONS ATTACK FANFANI

JUNE 23 (IPS)—THE TURIN MUNICIPAL AND PROVINCIAL FEDERATIONS OF THE ITALIAN CHRISTIAN DEMOCRACY (DC) HAVE NOW JOINED THE ATTACK ON PARTY SECRETARY AMINTORE FANFANI FOLLOWING THE INITIAL THRUST IN THIS DIRECTION BY THE NATIONAL LEADERSHIP OF THE DC LEFT WING. IN A MEETING HELD YESTERDAY IN TURIN, THE LOCAL LEFT-WING FACTIONS, TOGETHER WITH THE ANDREOTTI AND RUMOR FACTIONS OF THE PARTY'S CENTRIST DOROTHEAN WING, CALLED FOR THE RESIGNATION OF THE DC DIREZIONE (NATIONAL LEADERSHIP BODY). THIS IS A DE FACTO DEMAND FOR THE OUSTING OF FANFANI. THE TURIN MEETING CALLED FOR THE URGENT CONVENING OF THE PARTY'S NATIONAL COUNCIL TO DECIDE ON "THE RENEWAL OF THE (DC'S) POLITICAL LINE AND THE ELECTION OF A NEW NATIONAL DIREZIONE."

(MORE)

SOVIETS HIT AT SCHLESINGER DOCTRINE

JUNE 23 (IPS)—THE JUNE 20 ISSUE OF THE RUSSIAN NEWSPAPER SOVIET-SKAYA ROSSIYA EXPOSED U.S. DEFENSE MINISTER JAMES SCHLESINGER'S ATTEMPTS "TO LAY A BASIS FOR THE POSSIBLE USE OF TACTICAL NUCLEAR WEAPONS BY THE UNITED STATES" AND THE RECENT STEPS TAKEN BY NATO TO MAKE THIS STRATEGY OPERATIONAL. THE COMMENTARY BLASTS THE MEETING OF NATO'S NUCLEAR PLANNING GROUP IN MONTEREY, CALIFORNIA LAST WEEK, WHICH "STRESSED THE IMPORTANCE OF NATO'S OPERATIVE NUCLEAR FORCES, IN COMPARISON TO CONVENTIONAL FORCES." THE AUTHOR ALSO REPORTS THAT THE U.S. AIR FORCE HAS BEGUN TRAINING ITS MEN TO CONDUCT "LIMITED NUCLEAR WARFARE."

THE SAME DAY, A COMMENTATOR IN THE SOVIET ARMY NEWSPAPER RED STAR STATED THAT "THE WORLD PUBLIC FOLLOWS WITH ALARM THE DANGEROUS ACTIVITY OF THE ATLANTIC STRATEGISTS IN THE RECENT PERIOD." THE MONTEREY MEETING, THE PROPOSED REDEPLOYMENT OF FRENCH PLUTON MISSILES TO WEST GERMANY, THE PENTAGON'S DEVELOPMENT OF CRUISER ROCKETS, THE TRAINING OF U.S. SOLDIERS FOR LIMITED NUCLEAR WAR—ALL THESE DEVELOPMENTS THREATEN THE SECURITY OF THE HUMAN RACE, HE SAID.

A COMMENTARY IN PRAVDA THE FOLLOWING DAY STRESSED THAT IT IS THE SOVIET UNION WHICH MUST PLAY A MAJOR ROLE IN PREVENTING THESE MADMEN FROM CARRYING OUT THEIR PLANS: "SOCIALISM--IN WORD AND DEED--SHOWS THAT IT IS THE DECISIVE BULWARK OF PEACE AND PROGRESS ON OUR PLANET....THE SOVIET UNION AGAIN AND AGAIN HAS SHOWN THAT IT IS THE ONE WHICH HAS THE INITIATIVE IN THE BATTLE TO SPARE HUMANITY FROM THE HORRORS OF A NUCLEAR WAR."

NORTH KOREANS REPLY TO SCHLESINGER WAR CRIES

JUNE 23 (IPS)—THE OFFICIAL NORTH KOREAN CENTRAL NEWS AGENCY CALLED U.S. DEFENSE SECRETARY SCHLESINGER'S REMARKS SEVERAL DAYS AGO CONCERNING THE USE OF TACTICAL NUCLEAR WEAPONS IN KOREA A POLICY OF "NUCLEAR BLACKMAIL." THE NEWS AGENCY FURTHER STATED THAT SCHLESINGER'S REMARKS SHOWED THAT "THE WAR HYSTERIA OF THE UNITED STATES IMPERIALISTS HAS REACHED EXTREMITY."

IN SOUTH KOREA, THE FASCIST PARK REGIME HAS MAINTAINED A "THIRD DEGREE" STATE OF ALERT FOR THE SECOND DAY. A NORTH KOREAN RADIO BROADCAST MONITORED IN TOKYO SAID THAT REPORTS OF A POSSIBLE INVASION OF THE SOUTH WERE A "RIDICULOUS RUSE," ACCORDING TO TODAY'S WASHINGTON POST.

MCNAMARA, BRZEZINSKI BEHIND REUSS' ATTACK
ON KISSINGER ECONOMIC POLICIES

JUNE 23 (IPS)—IN A MARYLAND SPEECH THIS WEEKEND, REP. HENRY REUSS, CHAIRMAN OF THE HOUSE BANKING COMMITTEE AND A LONG-TIME ROCKEFELLER OPERATIVE, BLASTED EVERY SINGLE ONE OF SECRETARY OF STATE KISSINGER'S INITIATIVES IN THE FIELD OF INTERNATIONAL ECONOMIC POLICY--WITHOUT NAMING THE SECRETARY. TODAY'S JOURNAL OF COMMERCE REPORTED REUSS' SPEECH AS AN UNMISTAKEABLE CRITICISM OF KISSINGER AND HIS RECENTLY ADVANCED THIRD WORLD POLICIES. "ONCE

(MORE)

YOU ENCOURAGE A NEW REGIME OR A NEW INTERNATIONAL ASSOCIATION," REUSS SAID, "YOU CAN'T CONTROL IT OR EXPECT TO CONTROL IT." THE EDITORS OF THE WALL STREET JOURNAL TODAY SECONDED REUSS' ATTACK ON KISSINGER.

THE CABAL ATTACK ON KISSINGER'S SO-CALLED SOFT LINE TOWARD THE LESSER DEVELOPED COUNTRIES IS BOUND TO BACKFIRE, MAKING ROCKEFELLER'S THIRD WORLD PSYWAR TACTICS AS PLAIN AS DAY FOR THE VERY NATIONS INTENDED AS VICTIMS. A HIGHLY PLACED CONGRESSIONAL SOURCE TOLD THIS NEWS AGENCY TODAY THAT BEFORE HIS SPEECH, REUSS WAS BRIEFED PERSONALLY BY WORLD BANK HEAD ROBERT MCNAMARA AND CIA OPERATIVE AND TRILATERAL COMMISSION DIRECTOR ZBIGNIEW BRZEZINSKI. AS MOST THIRD WORLD DIPLOMATS KNOW, MCNAMARA AND BRZEZINSKI WERE THE ARCHITECTS OF THE "NEW WORLD ECONOMIC ORDER," THE VERY SAME THIRD WORLD INTERNATIONAL POLICY REUSS CRITICIZED. FURTHERMORE, MCNAMARA AND BRZEZINSKI WERE THE ARCHITECTS OF THE LABOR INTENSIVE FARMING, COMMODITY INDEXATION AND WORLD FOOD BANK POLICIES PUBLICLY PUSHED BY KISSINGER.

'NO ONE REALLY SUPPORTS KISSINGER'

UNITED NATIONS, N.Y., JUNE 23 (IPS)—A PAGE FOUR ARTICLE IN TODAY'S NEW YORK TIMES QUOTES THE TOP ALGERIAN DELEGATE ABDELLATIF RAHAL AS SAYING THAT "SECRETARY OF STATE HENRY KISSINGER HAS MADE A WELCOME GESTURE TOWARDS THE THIRD WORLD BY AGREEING RECENTLY TO CONSIDER MEASURES TO STABILIZE THE PRICE OF RAW MATERIALS." A MEMBER OF THE YUGOSLAVIAN MISSION WAS QUOTED MAKING SIMILAR STATEMENTS ABOUT THE "NEW KISSINGER."

THE TIMES GOES ON TO POINT OUT THAT SUCH PROPOSALS WILL BE COMING UP AT THIS SEPTEMBER'S SPECIAL SESSION OF THE GENERAL ASSEMBLY AND THAT IF THE U.S. CONTINUES TO PURSUE THIS NEW "COOPERATIVE" LINE, IT CAN EXPECT WIDESPREAD SUPPORT. AN AGENDA FOR THE SESSION IS NOW BEING WORKED OUT.

IPS LEARNED TODAY FROM UN SOURCES, HOWEVER, THAT NO SUCH WIDESPREAD SUPPORT FOR KISSINGER OR HIS POLICY EXISTS OR IS LIKELY TO EXIST. ACCORDING TO THE SOURCE, ONE OF THE "LEAKERS" OF INFORMATION IN THE TIMES ARTICLE, "ALL THAT IS OPEN TO THE U.S. MISSION HERE IS A SERIES OF PRIVATE ARM-TWISTING SESSIONS TO PREVENT AN OPEN CONFRONTATION" BREAKING OUT AT THE SPECIAL SESSION. "I'M NOT VERY SANGUINE ABOUT THE CHANCE OF THOSE SESSIONS SUCCEEDING," THE SOURCE STATED. HE WENT ON TO INDICATE THAT NO ONE REALLY SUPPORTS KISSINGER OR HIS POLICIES--OLD OR NEW.

LAIRD ATTACKS DETENTE

JUNE 23 (IPS)—FORMER DEFENSE SECRETARY MELVIN LAIRD, A PROMINENT SPOKESMAN FOR THE ROCKEFELLER CABAL, HAS MADE A FURTHER ATTACK ON DETENTE IN THE JULY ISSUE OF READER'S DIGEST. LAIRD CHARGES IN THE WIDELY CIRCULATED MAGAZINE THAT THE SOVIETS HAVE CHEATED ON THE 1972 SALT AGREEMENT AND HAVE ENGAGED IN OTHER ACTIONS THAT "MOCK DETENTE" AND "THREATEN THE FREE WORLD," INCLUDING THE FOMENTING OF TERRORISM IN THE MIDDLE EAST. LAIRD DIRECTLY ATTACKED LONG-RANGE, LOW-INTEREST CREDIT ARRANGEMENTS WITH THE SOVIETS AS

(MORE)

IPS 06.23.2000/4

SUBSIDIZATION OF THEIR ECONOMY AND CALLED FOR A U.S. ARMS BUILD-UP TO DOOM THEM TO "PERMANENT MILITARY INFERIORITY." LAIRD'S STATEMENTS, REPORTED IN THE BALTIMORE SUN TODAY, PARALLEL STATEMENTS MADE LAST WEEK BY DEFENSE SECRETARY JAMES SCHLESINGER.

FIDEL REITERATES CONDEMNATION OF CHINESE

JUNE 23 (IPS)—IN AN INTERVIEW WITH WESTERN NEWSMEN IN TRINIDAD, FIDEL CASTRO REITERATED THE CONDEMNATION OF "COMMUNIST" CHINA MADE BY 24 LATIN AMERICAN AND CARIBBEAN COMMUNIST PARTIES LAST WEEK. THE INTERVIEW WAS SUPPLIED TO YESTERDAY'S EL PUEBLO OF CALI, COLOMBIA BY AGENCE FRANCE PRESS.

THE CUBAN PREMIER SAID HE COULD NOT HIDE THE DISGUST HE FELT ON READING THAT THE CHINESE AMBASSADOR AND BRUTAL CHILEAN PRESIDENT PINOCHET HAD LUNCHEDED TOGETHER THE DAY BEFORE. TODAY'S EL DIA OF MEXICO REPORTS THAT THE TWO ROCKEFELLER AGENTS HAD "DISCUSSED THE CORDIAL AND PROPER TIES WHICH UNITE THE TWO COUNTRIES, AND THE POSSIBILITY OF FURTHER INCREASING THEM."

II. CONTINENTAL

PRESIDENTIAL SPOKESMAN DECLARES "RECESSION OVER," UNEMPLOYMENT TO RISE

JUNE 23 (IPS)—ALAN GREENSPAN, THE CHAIRMAN OF PRESIDENT FORD'S COUNCIL OF ECONOMIC ADVISORS, DECLARED YESTERDAY THAT "THE RECESSION IS OVER FOR ALL PRACTICAL PURPOSES"—BUT, HE ADDED, UNEMPLOYMENT "MAY EVEN RISE." GREENSPAN EFFECTIVELY ENDORSED AN UNEMPLOYMENT RATE OF 10 PER CENT. ACCORDING TO TODAY'S NEW YORK TIMES, GREENSPAN SAID THAT "THE RECESSIONARY FORCES ARE PRETTY WELL SPENT...AND THE NEXT PHASE OF ECONOMIC ACTIVITY...PRETTY WELL ON THE UP SIDE." HE THEN FORECAST THAT UNEMPLOYMENT, NOW OFFICIALLY 9.2 PER CENT, WOULD STILL BE AT LEAST 8.5 PER CENT NEXT JANUARY AND POSSIBLY RISE HIGHER. APART FROM HIGH UNEMPLOYMENT, GREENSPAN GAVE NO EVIDENCE FOR "RECOVERY."

THE SAME TIMES ARTICLE REPORTS THAT DR. FRIEDRICH VON HAYEK, CO-WINNER OF THE 1974 NOBEL PRIZE FOR ECONOMICS, SAID ON NBC'S MEET THE PRESS THAT HE "WOULD NOT EXCLUDE A TEMPORARY RISE TO 13 OR 14 PER CENT OR SOMETHING OF THIS SORT."

WALLACE WHEELS AND DEALS WITH ROCKEFELLER

JUNE 23 (IPS)—WILLIAM RUSHER, AN EDITOR OF WILLIAM BUCKLEY'S NATIONAL REVIEW, OUTLINED A STRATEGY FOR GOV. GEORGE WALLACE'S POLITICAL SUICIDE IN YESTERDAY'S NEW YORK TIMES. RUSHER DEFINED "THE TASK OF AMERICA'S CONSERVATIVES," WITH WHOM HE LUMPS THE WALLACE DEMOCRATS, AS "TO GET, SOMEHOW, INTO A SINGLE PARTY."

WALLACE APPEARS READY TO TAKE THIS BAIT AND SCUTTLE HIS POPULIST IMAGE. THE RUSHER ARTICLE REPORTED THAT A TOP WALLACE AIDE SAID THAT THE GOVERNOR WILL NOT RUN ON THE AMERICAN PARTY TICKET UNDER ANY CIRCUMSTANCES BECAUSE IT HAS ACQUIRED "TOO MANY KOOKS."

(MORE)

OVER THE LAST FEW WEEKS, WALLACE AIDES HAVE ALSO OPENED NEGOTIATIONS FOR A WALLACE/RONALD REAGAN TICKET WITH THE CONFERENCE OF CONSERVATIVE ALTERNATIVES. THE CONFERENCE IS CONTROLLED BY WILLIAM AND JAMES BUCKLEY, BOTH ROCKEFELLER MEN AND KNOWN CIA AGENTS.

WHEN IPS QUESTIONED AN AMERICAN PARTY SPOKESMAN ON THE WALLACE AIDE'S STATEMENT TODAY, THE SPOKESMAN WAS INCREDULOUS: "GOV. WALLACE JUST CALLED TOM ANDERSON (NATIONAL CHAIRMAN OF THE AMERICAN PARTY) LAST WEEK TO TELL HIM WHAT A GOOD JOB HE'S BEEN DOING," SHE SAID. AS A RESULT OF THIS STATEMENT, THE AMERICAN PARTY DECIDED AT ITS NATIONAL CONVENTION YESTERDAY TO "KEEP THE DOOR OPEN FOR ANYBODY UNTIL WINTER."

APART FROM WALLACE, THE ONLY POTENTIAL AMERICAN PARTY CANDIDATES WHOM THE SPOKESMAN NAMED WERE DR. JOHN GRADY, FORMER MAYOR OF BELL GLADE, FLORIDA (DESCRIBED AS "A REAL VOTE GETTER"), AND JOHN RARICK, A FORMER CONGRESSMAN, WHO HAS SETTLED INTO POLITICAL OBLIVION AS THE PATRIARCH OF THE RIGHT WING. WALLACE USED PRECISELY THE SAME TACTIC WITH THE RIVAL, CALIFORNIA-BASED AMERICAN INDEPENDENT PARTY JUST BEFORE THEIR SEPTEMBER 1974 NATIONAL CONVENTION. HE CONVINCED CHAIRMAN WILLIAM K. SHEARER TO STATE THAT "CHANCES ARE BEST EVER THAT GOV. WALLACE WILL ULTIMATELY RUN IN 1976 ON THE AMERICAN INDEPENDENT PARTY TICKET."

TIMES, POST BOOST HUMPHREY, NOW THAT JACKSON'S FLOPPED

JUNE 23 (IPS)—ARTICLES IN THE NEW YORK TIMES AND WASHINGTON POST YESTERDAY AND TODAY FULFILL THE U.S. LABOR PARTY'S MONTH-OLD PREDICTION THAT AS SOON AS THE USLP BURIED MAOIST SEN. SCOOP JACKSON (D-WASH) AS A PRESIDENTIAL HOPEFUL, OTHER ROCKEFELLER POLITICAL WHORES WOULD BE IN THE MARKETPLACE. IN YESTERDAY'S TIMES, OP ED COLUMNIST TOM WICKER WAXES SO EFFUSIVELY OVER HUBERT HORATIO HUMPHREY--EXPOSED TWO MONTHS AGO AS AN EVER-READY MOUTHPIECE-- THAT HE COMES CLOSE TO ENDORSING THE FATUOUS WINDBAG.

IN A FRONT-PAGE ARTICLE TODAY, ENTITLED "HUMPHREY BOUNCES BACK," WASHINGTON POST STAFF WRITER SPENCER RICH HEAPS ON MORE PRAISE. RICH LAUDS "TAKE CHARGE-TYPE" HUMPHREY IN A HEAVY-HANDED ATTEMPT TO SPRUCE UP THE AGING POLITICAL WHORE AND MAKE HIM PRESENTABLE AS A DEMOCRATIC PRESIDENTIAL CANDIDATE.

ALWAYS A BUTT OF RIDICULE--EVEN AMONG HIS COLLEAGUES IN CONGRESS--THE VOLUBLE HUMPHREY JOINED "SCOOP-TSE-DUNG" JACKSON RECENTLY AS AN ADMIRER OF MAOIST CHINA.

BEAME: DEBT MORATORIUM'S UNCONSTITUTIONAL

WASHINGTON, D.C., JUNE 23 (IPS)—NEW YORK CITY'S MAYOR ABRAHAM BEAME RAN OUT OF HIS PRESS CONFERENCE HELD HERE TODAY, FOLLOWING AN EXCHANGE WITH IPS REPORTERS ON THE ISSUE OF DECLARING A DEBT MORATORIUM IN NEW YORK. WHEN ASKED IF HE WOULD CONSIDER THE DEBT MORATORIUM RESOLUTION INTRODUCED BY COUNCILMAN LUIS OLMEDO IN THE NEW YORK CITY COUNCIL, BEAME HYSTERICALLY REPLIED, "IT'S UNCONSTITUTIONAL!" WHEN IPS ADVISED HIM TO SEEK LEGAL COUNSEL REGARDING THE BANKRUPTCY ACT OF 1938, THE NEW YORK MAYOR PULLED AT HIS

(MORE)

IPS 06.23.2000/6

HAIR, SCREAMING, "NEW YORK'S NOT BANKRUPT" AND RAN OUT OF THE ROOM.

BEAME WAS IN WASHINGTON TO TESTIFY BEFORE THE HOUSE GOVERNMENT OPERATIONS SUBCOMMITTEE ON COMMERCE, CONSUMER, AND MONETARY AFFAIRS, COMMONLY CALLED THE ROSENTHAL COMMITTEE AFTER ITS CHAIRMAN REP. ROSENTHAL (D-NY), WHICH IS CONDUCTING A SHAM INVESTIGATION OF THE BANK'S ROLE IN THE NEW YORK CITY FINANCIAL CRISIS. THE ROSENTHAL COMMITTEE DENIED ITSELF ACCESS TO THE U.S. LABOR PARTY TESTIMONY.

QUEENS COUNTY NEW DEMOCRATIC COALITION
ENDORSES OLMEDO DEBT MORATORIUM RESOLUTION

JUNE 23 (IPS)—THE QUEENS COUNTY NEW DEMOCRATIC COALITION VOTED AT ITS LATEST DELEGATE MEETING TO SUPPORT THE OLMEDO RESOLUTION FOR AN 18-MONTH DEBT MORATORIUM. THE RESOLUTION TO SUSPEND THE CITY'S PAYMENT OF DEBTS TO THE BANKS WAS INTRODUCED IN THE NEW YORK CITY COUNCIL BY COUNCILMAN LUIS OLMEDO (D-BROOKLYN) JUNE 16. IDENTICAL MORATORIUM RESOLUTIONS WERE SUBMITTED TO BOTH THE BUFFALO AND BOSTON CITY COUNCILS, BY COUNCILMEN HORACE JOHNSON AND ALBERT O'NEILL, RESPECTIVELY.

OTHER ENDORSERS OF OLMEDO'S RESOLUTION, NOW UNDER CONSIDERATION IN THE CITY COUNCIL FINANCE COMMITTEE, INCLUDE THE QUEENS INDEPENDENT DEMOCRATS; THE LOWER EAST SIDE COMMUNITY CORPORATION; THE PATROLMEN'S BENEVOLENT ASSOCIATION OF NEW YORK; UNITED FIRE-FIGHTERS ASSOCIATION OF NEW YORK; SIDNEY VON LUTHER, CO-CHAIRMAN, NEW YORK COMMITTEE TO FIGHT INFLATION; HAL SHAPIRO, INTERNATIONAL VICE-PRESIDENT, AMALGAMATED MEATCUTTERS AND FURRIERS; ED CROSS, COMPRESSED AIR AND TUNNEL WORKERS UNION NO. 147.

NEW JERSEY'S STATE DEFICIT
TO FORCE MUNICIPAL LAYOFFS AND CUTS

NEWARK, JUNE 23 (IPS)—THE NEWARK STAR LEDGER YESTERDAY CONFIRMED THAT NEW JERSEY'S \$422 MILLION DEFICIT FOR THE FISCAL YEAR BEGINNING JULY 1 WILL BE BALANCED THROUGH CUTS IN THE STATE'S AID TO DEPRESSED CITIES, FORCING LAYOFFS OF STATE-PAID MUNICIPAL OFFICIALS.

THESE CUTS ARE EXPECTED TO PRODUCE AN EXPLOSIVE SITUATION IN CITIES SUCH AS PATERSON AND PASSAIC. MANY NEW JERSEY MUNICIPALITIES ARE ALREADY HIT WITH AN OFFICIAL RATE OF 15 PER CENT UNEMPLOYMENT, AND, DUE TO DECLINING TAX BASES, CITY SERVICES ARE ENTIRELY FINANCED BY STATE AND FEDERAL MONEY.

LAST MARCH IPS LEARNED THAT A PLAN WAS UNDER CONSIDERATION TO CANCEL SUMMER TRAINING SESSIONS FOR THE NATIONAL GUARD IN ORDER TO KEEP UNITS ON HAND IN NEW JERSEY CITIES IN ANTICIPATION OF "TENSION."

END IPS MONDAY, JUNE 23, 1975 2000 HOURS EDT