



# NEW SOLIDARITY International Press Service

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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)  
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## I. INTERNATIONAL

### CALLAGHAN TRYING TO WRECK PARIS CONFERENCE TO HEAD OFF DEBT MORATORIA

OCT. 13 (IPS) -- DEMANDS BY BRITISH FOREIGN SECRETARY JAMES CALLAGHAN FOR A SEPARATE BRITISH REPRESENTATIVE AT THE CURRENT PARIS PREPARATORY MEETING ON ENERGY AND DEVELOPMENT BETWEEN THIRD WORLD AND INDUSTRIALIZED COUNTRIES "WOULD ALMOST CERTAINLY WRECK THE CONFERENCE" AND HEAD OFF MOVES TOWARD THIRD WORLD DEBT MORATORIA, YESTERDAY'S SUNDAY TIMES OF LONDON CHARGES. CALLAGHAN HAS ALLEGED THAT EUROPEAN ECONOMIC COMMUNITY REPRESENTATIVES CANNOT BE TRUSTED TO SAFEGUARD BRITAIN'S INTERESTS.

NOTING THAT THE CONFERENCE AIMS TO ESTABLISH THE FIRST APPROXIMATIONS OF A "PERMANENT STRUCTURE WORKING TOWARDS THE SO-CALLED NEW INTERNATIONAL ORDER IN THE WORLD," THE TIMES STRESSES THAT "FAR-REACHING CHANGES IN WORLD COMMODITY AND FINANCIAL AND TRADING PATTERNS" WILL BE DISCUSSED, AMONG THEM "RELIEF OF THE THIRD WORLDS'S PRESENT CRIPPLING BURDEN OF COMMERCIAL DEBT" AND CREATION OF "A NEW OPEC-FUNDED FINANCIAL INSTITUTION TO LEND TO THEM IN THE FUTURE." FEARS OF THE EFFECTS THESE MOVES ON LONDON'S EURODOLLAR MARKETS ARE WHAT IS BEHIND CALLAGHAN'S SABOTAGE ACTS, THE TIMES CHARGES. CALLAGHAN'S GREATEST FEAR IS THAT THE CONFERENCE MIGHT NOT FAIL IN ITS AIMS, THE PAPER NOTES.

THE ARTICLE CONCLUDES BY DEFENDING THIRD WORLD ATTEMPTS TO WORK OUT "A HALT TO THE SLIDE IN THEIR TERMS OF TRADE WITH THE INDUSTRIALIZED COUNTRIES" WITH THE ASSISTANCE OF OPEC. IT WELCOMES THE PARIS MEETING AS A CONTINUATION OF THE "PROCESS OF RAPPROCHEMENT" WORKED OUT AT THE RECENTLY FINISHED UN SPECIAL SESSION AND LABELS CALLAGHAN'S DEMANDS "PERVERSE."

### NEW YORK TIMES REVEALS GROWTH OF TRIANGULAR TRADE DEALS

OCT. 13 (IPS) -- EAST-WEST TRADE EXPERTS IN WESTERN EUROPE NOW SEE AN INCREASING NUMBER OF ARAB OIL PRODUCER INVESTMENTS IN DEVELOPMENT PROJECTS IN "COMMUNIST COUNTRIES," ACCORDING TO TODAY'S NEW YORK TIMES.

ACCORDING TO THE TIMES, DR. WILHELM HENDRICKS, A VIENNA BASED FINANCIER, PREDICTS AN UPSWING IN TRIANGULAR TRADE DEALS BETWEEN THE ARABS AND THE ADVANCED SECTOR. "IT MAKES PERFECT BANKING AND FINANCIAL SENSE FOR THE OIL STATES TO PLACE SOME OF

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MONEY IN EASTERN EUROPEAN COUNTRIES, SINCE THERE IS LITTLE POLITICAL RISK," ADDS A PROMINENT PARISIAN LAWYER.

#### AXEN STRESSES "INTERNATIONALISM" OF CP MEETING

OCT. 13 (IPS)-- HERMANN AXEN, HEAD OF THE EAST GERMAN DELEGATION TO LAST WEEK'S MEETING OF EUROPEAN COMMUNIST PARTIES IN BERLIN, EMPHASIZED THE "INTERNATIONAL SPIRIT" WHICH HE SAID DOMINATED THE MEETING, IN AN INTERVIEW WITH THE EAST GERMAN PRESS AGENCY ADN TODAY. THE MEETING, HE SAID, WAS "AN EXCHANGE OF OPINION ABOUT THE PRESENT SITUATION IN EUROPE AND THE RESULTING INCREASED RESPONSIBILITY OF THE COMMUNIST AND WORKERS PARTIES."

IN A MOVE WHICH WAS INTERPRETED AS A BLOW TO NATO AGENTS IN THE COMMUNIST MOVEMENT, NOTABLY THE LEADERS OF THE ITALIAN AND SPANISH COMMUNIST PARTIES, AXEN'S PARTY WAS DELEGATED TO PREPARE A DOCUMENT WHICH WILL FORM THE BASIS FOR THE UPCOMING EUROPEAN CP CONFERENCE.

THE EAST GERMAN COMMUNISTS ARE AMONG THE LEADING HARD-LINE PARTIES WHICH HAVE SUPPORTED THE SOVIET UNION'S DESIRE FOR A DOCUMENT WHICH IS BINDING ON ALL COMMUNISTS. TH AGENT PARTIES ARE RESISTING THIS DEMAND.

#### U.S. OFFICIAL SEES SYRIA-ISRAEL WAR IN LEBANON

OCT. 13 (IPS) -- A STATE DEPARTMENT MIDDLE EAST SPECIALIST WARNED YESTERDAY THAT THE CIVIL WAR IN LEBANON, UNLESS CONTAINED, COULD RAPIDLY INVOLVE SYRIA AND ISRAEL IN A NEW MIDDLE EAST WAR. THE OFFICIAL, ACCORDING TO TODAY'S BALTIMORE SUN, CALLED SUCH AN EVENTUALITY THE "ULTIMATE NIGHTMARE" FOR THE FORD ADMINISTRATION.

THE SUN REPORTS THAT THE STATE DEPARTMENT HAS GIVEN "GOOD MARKS" TO SYRIA AND YASSER ARAFAT'S PALESTINE LIBERATION ORGANIZATION FOR EXERCISING "RESTRAINT" IN THE LEBANESE CRISIS.

EXPERTS INTERPRET THE ARTICLE AS A STATE DEPARTMENT THREAT THAT UNLESS SYRIA AND THE PLO ARE ABLE TO POLICE LEBANON'S PALESTINIAN COMMUNITY, WHILE CIA-BACKED RIGHT-WING MILITIA ATTACK LEBANON'S LEFT-WING BA'ATHIST AND COMMUNIST FORCES, OUTSIDE INTERVENTION--BY SYRIA AND ISRAEL--WILL BE REQUIRED.

#### RECRUITMENT BEGINS FOR RIGHTWING SHOCK-POLICE IN PORTUGAL

OCT. 13 (IPS) -- THE PORTUGUESE ARMED FORCES RIGHTIST-DOMINATED REVOLUTIONARY COUNCIL ANNOUNCED YESTERDAY THAT IT IS BEGINNING A DRIVE TO RECRUIT A NEW SECURITY FORCE WHICH WILL SPECIALIZE IN REPRESSING CIVIL AND MILITARY DISORDERS. THE RECRUITMENT DRIVE WAS ANNOUNCED AFTER IT WAS REVEALED THAT "ONLY THE RIGHT-WING COMMANDOES" HAVE THUS FAR VOLUNTEERED TO FORM PART OF THIS NEW FORCE.

(MORE)

"THE NEW RECRUITING DRIVE WILL CONCENTRATE ON CAREFULLY TRAINED EX-SOLDIERS. A POLICY INDICATING THAT THE AUTHORITIES WILL TURN TO MEN WHO HAD SERVED WITH ELITE UNITS" REPORTS TODAY'S BALTIMORE SUN. THE PORTUGUESE COMMUNIST PARTY AND OTHER LEFTWING ORGANIZATIONS HAVE ALREADY CONDEMNED THE FORMATION OF THE NEW SECURITY FORCE AS AN ATTEMPT TO CREATE A RIGHTWING SHOCK-POLICE TO ENFORCE UNPOPULAR MEASURES OF THE PRESENT NATO-DOMINATED PORTUGUESE CABINET.

#### CIA-SOCIALIST FUNDING SCANDAL SPREADS TO INDIA

OCT. 13 (IPS) — GEORGE FERNANDEZ, THE SECOND (SOCIALIST) INTERNATIONAL-LINKED LEADER OF THE RAILWAY WORKERS UNION IN INDIA, HAS BEEN RECEIVING MONEY FROM WESTERN SOURCES CONDUITED THROUGH BANKS IN TOKYO AND AMSTERDAM, INDIAN PRIME MINISTER INDIRA GANDHI TOLD AN INTERVIEWER FROM THE LONDON DAILY TELEGRAPH. GANDHI ALSO SAID THAT FERNANDEZ IS SEEKING MONEY FROM MAOIST CHINA.

THE COMMUNIST PARTY OF INDIA (CPI) HAS PREVIOUSLY ATTACKED FERNANDEZ, A BITTER OPPONENT OF THE LEFT-LEANING GANDHI REGIME, AS A CIA AGENT FUNDED FROM THE U.S. THE CPI ALSO DENOUNCED FERNANDEZ' FERVENT ADMIRATION OF MAO TSE TUNG.

GANDHI'S EXPOSE OF FERNANDEZ FOLLOWS WIDESPREAD REPORTS THAT THE CIA HAS CONDUITED MONEY TO FASCIST ORGANIZATIONS IN PORTUGAL AND RIGHT WING TRADE UNIONS THROUGHOUT EUROPE THROUGH THE SOCIALIST PARTIES IN WEST GERMANY AND SWEDEN.

#### II. CONTINENTAL

##### SCHLESINGER URGES HIGHER DEFENSE BUDGET; CONGRESSIONAL DEMS MOBILIZE OPPOSITION

OCT. 13 (IPS) — DEFENSE SECRETARY JAMES R. SCHLESINGER'S CONTINUING PUSH FOR A HIGHER DEFENSE BUDGET IS MEETING WITH SIGNIFICANT RESISTANCE FROM DEMOCRATS IN CONGRESS, ACCORDING TO TODAY'S NEW YORK TIMES. SCHLESINGER, WHO IS VICE-PRESIDENT ROCKEFELLER'S KEY MOUTHPIECE FOR HIS ANTI-DETENTE POLICY, HAS URGED THE SENATE TO APPROVE A DEFENSE BUDGET \$2.6-BILLION HIGHER THAN THE \$90.2-BILLION MEASURE APPROVED BY THE HOUSE.

THE TIMES SEES THE "IMPENDING BATTLE" AS A "POLITICAL TEST BETWEEN SENATE DEMOCRATS AND PRESIDENT FORD OVER WHERE FEDERAL SPENDING SHOULD BE CUT." CITING LEADERS OF THE OPPOSITION AS SENATORS MUSKIE, EAGLETON AND MATHIAS, THESE AND OTHER SENATE DEMOCRATIC LEADERSHIP ARE CIRCULATING THE FINDINGS OF A PUBLIC OPINION POLL WHICH SHOWS THAT DEFENSE SPENDING IS THE NUMBER ONE CONCERN AMONG VOTERS.

##### RUMORS FLY THAT CALLOWAY WILL BE REPLACED

OCT. 13 (IPS) — SOURCES CLOSE TO VICE-PRESIDENT ROCKEFELLER REPORT THAT HOWARD "BO" CALLOWAY WILL SOON BE REPLACED AS PRESIDENT FORD'S CAMPAIGN COMMITTEE CHAIRMAN, ACCORDING TO YESTERDAY'S

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WASHINGTON STAR. CALLOWAY, SCION OF A WEALTHY CONSERVATIVE SOUTHERN FAMILY AND FORMER SECRETARY OF THE ARMY, HAS BEEN AN OUTSPOKEN CRITIC OF ROCKEFELLER SINCE TAKING OVER THE FORD CAMPAIGN.

THE STAR IDENTIFIED CALLOWAY'S LEADING CRITICS AS TWO ROCKEFELLER ALLIES: DAVID PACKARD, FINANCE CHAIRMAN OF FORD'S CAMPAIGN, AND FORMER SECRETARY OF DEFENSE MELVIN LAIRD.

SECRETARY OF TRASURY MADE NATIONAL SECURITY COUNCIL  
MEMBER IMPLEMENTING MURPHY COMMISSION REPORT

OCT. 13 (IPS) — IN AN ATMOSPHERE OF SECRECY, THE SENATE LAST WEEK PASSED A BILL MAKING THE SECRETARY OF THE TREASURY A MEMBER OF THE NATIONAL SECURITY COUNCIL. THE BILL HAD BEEN SWIFTLY PASSED OUT OF COMMITTEE, AFTER ONE UNANNOUNCED DAY OF HEARING ATTENDED ONLY BY THE BILL'S AUTHOR SENATOR STUART SYMINGTON (D-MISS) AND AN IPS REPORTER.

THE BILL IS A STEP TOWARD IMPLEMENTATION OF THE MURPHY COMMISSION REPORT, DRAFTED ON BEHALF OF VICE-PRESIDENT NELSON ROCKEFELLER, WHICH SEEKS TO GIVE THE NATIONAL SECURITY COUNCIL DICTATORIAL CONTROL OVER ALL ECONOMIC POLICY. THE MURPHY COMMISSION DEMANDED THAT THE SECRETARY OF THE TREASURY, AND LATER THE SCRETARIES OF AGRICULTURE AND COMMERCE BE MADE PART OF THE NSC, CREATING A TOP-LEVEL CONTROL APPARATUS. THE HOUSE WILL NOW CONSIDER THE SYMINGTON BILL. THE NEW YORK TIMES OF OCT. 11 REPORTED THE SENATE ACTION IN A ONE-SENTENCE BLURB ON THE SPORTS PAGE.

END OF NEW SOLIDARITY INTERNATIONAL PRESS SERVICE  
EARLY EVENING NEWS.