



NEW SOLIDARITY 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

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE
SUNDAY PRESS ROUND-UP
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I. INTERNATIONAL NEWS

SOARES ISSUES CALL TO ARMS IN LISBON

NOV. 23 (IPS)—MARIO SOARES, THE LEADER OF THE PORTUGUESE SOCIALIST PARTY (PSP), TOLD A CROWD OF SEVERAL THOUSAND PRO-GOVERNMENT DEMONSTRATORS IN LISBON TODAY TO "TAKE UP ARMS TO DEFEND THEMSELVES AGAINST THE LEFT," ACCORDING TO WCBS RADIO IN NEW YORK TODAY. SOARES ALSO ATTACKED THE PORTUGUESE COMMUNIST PARTY (PCP), TERMING THEM THE "VILLAINS OF THE GOVERNMENT."

AT THE SAME TIME IN OPORTO, PORTUGAL'S SECOND LARGEST CITY, ANTI-COMMUNIST GENERAL PIRES VELOSO, THE COMMANDER OF THE NORTHERN MILITARY REGION, SAID THAT HE AND HIS OFFICERS WOULD SUPPORT THE "GOVERNMENT AND THE MAJORITY OF PEOPLE WHO WANT PEACE AND DISCIPLINE."

WCBS RADIO INTERPRETED THESE DEVELOPMENTS AS "LAUNCHING A NATIONWIDE COUNTEROFFENSIVE AGAINST THE GROWING SUCCESS OF THE COMMUNISTS WHO WERE PARALYZING THE GOVERNMENT." WCBS SIMILARLY PORTRAYED THE SEATING OF THE NATO-LED SIXTH PROVISIONAL GOVERNMENT IN AUGUST AS "PERHAPS THE FINAL VICTORY" OF SO-CALLED "DEMOCRATIC FORCES" IN PORTUGAL OVER THE COMMUNISTS.

BRD PRESS PUMPS FOR U.S.-SOVIET CONFRONTATION

NOV. 23 (IPS)—PROVOCATIVE REPORTS HINTING AT AN IMMINENT U.S.-SOVIET CONFRONTATION CONTINUED TO DOMINATE LEADING WEST GERMAN PRESS ORGANS TODAY.

JAN REIFENBERGER, THE WASHINGTON, D.C. CORRESPONDENT OF THE WEST GERMAN FRANKFURTER ALLGEMEINE ZEITUNG, WRITES THAT UNLESS A SALT ARMS AGREEMENT IS REACHED BY FEBRUARY, THERE WILL BE A RE-NEWED OUTBREAK OF THE ARMS RACE, WITH "UNPREDICTABLE CONSEQUENCES." REIFENBERGER ALSO HAILS A "RISING ATTACK ON DETENTE BY INFLUENTIAL CIRCLES IN THE AMERICAN CONGRESS" AND ATTACKS THE INVESTIGATION OF THE CIA BY THE HOUSE SELECT COMMITTEE ON INTELLIGENCE.

ALSO TODAY, THE SUEDEDEUTSCHE ZEITUNG, KNOWN TO DIPLOMATIC INSIDERS AS THE "STATE DEPARTMENT ZEITUNG," PREDICTED A CHAIN REACTION OF EXPLOSIONS FROM PORTUGAL "BY WAY OF SPAIN, ITALY AND FRANCE TO THE BRD." WASHINGTON IS ESPECIALLY CONCERNED, THE ARTICLE CLAIMS, ABOUT UPCOMING "BLOODY BATTLES" IN SPAIN.

(MORE)

GANDHI WARNS CHINA AGAINST MILITARY ACTIONS

NOV. 23 (IPS)—IN A SPEECH IN THE CAPITAL OF SIKKIM ALONG THE SINO-INDIAN BORDER, INDIAN PRIME MINISTER INDIRA GANDHI ACCUSED CHINA OF CONTINUING TO EMBARK "ON INIMICAL ACTIVITIES ON OUR BORDERS."

ACCORDING TO THE PRESS TRUST OF INDIA AS REPORTED BY THE LONDON TIMES, SIKKIM IS POTENTIALLY THE FASTEST LAND ROUTE INTO INDIA FROM CHINESE-OCCUPIED TIBET, AND INDIA IS SAID TO HAVE HEAVY TROOP CONCENTRATIONS THERE. GANDHI'S WARNING COMES AT A MOMENT WHEN DESTABILIZATION OF BANGLADESH UNDERTAKEN JOINTLY BY THE CIA AND CHINA HAS TURNED THAT COUNTRY INTO A POTENTIAL FLASHPOINT FOR A GREAT POWER CONFRONTATION.

MAJOR STRIKE LIKELY IN JAPAN; GOVERNMENT HOPES TO SMASH IT

NOV. 23 (IPS)—860,000 PUBLIC WORKERS IN JAPAN ARE THREATENING A TEN-DAY "WORK STOPPAGE" BEGINNING NOV. 25 TO BACK UP THEIR DEMAND FOR THE LEGAL RIGHT TO STRIKE IF THE GOVERNMENT, AS IS EXPECTED, REJECTS THAT DEMAND, YESTERDAY'S PRENSA LATINA REPORTED. THE GOVERNMENT HAS ORDERED THE WORKERS TO CANCEL THEIR THREATENED STRIKE AND THE CABINET HAS WARNED THAT IT WILL BE DECLARED ILLEGAL.

THE PUBLIC WORKERS UNION FEDERATION (KOROKYO) IS STRONGLY SUPPORTED IN ITS STRIKE PLANS BY THE JAPANESE COMMUNIST PARTY. THE ISSUE CAN VERY LIKELY DESTABILIZE THE GOVERNMENT OF PRIME MINISTER MIKI, AS HE MAY LOSE THE CONFIDENCE OF THE OPPOSITION IN THE DIET IF HE HOLDS FIRM AGAINST THE STRIKE OR ELSE LOSE THE CONFIDENCE OF HIS OWN PARTY, THE LIBERAL-DEMOCRATIC PARTY, IF HE GIVES IN.

RIGGING IN BRITISH UNION VOTE?

NOV. 23 (IPS)—LOPSIDED AND UNEXPECTED LOSSES FOR POPULAR COMMUNIST PARTY CANDIDATES IN THE AMALGAMATED UNION OF ENGINEERING WORKERS (AUEW) ELECTION IN BRITAIN LAST WEEK RAISE THE POSSIBILITY OF BALLOT FRAUD, ACCORDING TO IPS ANALYSTS.

THE AUEW, BRITAIN'S SECOND LARGEST UNION, IS THE ONE MOST OPPOSED TO THE GOVERNMENT WAGE FREEZE WHICH IS NOW IN EFFECT.

IN ELECTIONS FOR THREE SEATS ON THE UNION'S EXECUTIVE BOARD, RIGHT-WINGERS DEFEATED WELL-KNOWN COMMUNIST CANDIDATES BY TWO-TO-ONE FOR TWO SEATS AND BY A SMALL MARGIN FOR THE THIRD. THE VOTE WAS ONE OF THE FIRST TO USE MAIL BALLOTS RATHER THAN POLLING PLACES. THE COMMUNISTS HAVE OPPOSED THE CHANGE. THE TURN-OUT REPORTEDLY ROSE FROM A USUAL 12 PER CENT TO 33 PER CENT.

COMMUNISTS, LED BY AUEW GENERAL SECRETARY HUGH SCANLON, HAVE ALWAYS BEEN VERY INFLUENTIAL IN THE UNION AND RETAIN THREE OF THE SEVEN SEATS ON THE EXECUTIVE BOARD.

(MORE)

MAOISTS MOURN DEATH OF FRANCO

NOV. 23 (IPS)—CHINESE PREMIER CHOU EN-LAI SENT A WREATH TO THE SPANISH EMBASSY IN PEKING, TO MARK THE DEATH OF SPANISH DICTATOR GENERAL FRANCISCO FRANCO.

ACCORDING TO TODAY'S NEW YORK TIMES, THE AILING CHINESE PREMIER SENT THE WREATH THROUGH A DELEGATION HEADED BY HSU HSANG-CHIEH, A LEADER IN THE COUNTRY'S NATIONAL ASSEMBLY.

DE MARTINO MEETS WITH MITTERRAND AND GIANNI AGNELLI

NOV. 23 (IPS)—ITALIAN SOCIALIST PARTY (PSI) GENERAL SECRETARY FRANCESCO DE MARTINO HAD A BUSY SCHEDULE NOV. 21. EARLIER IN THE DAY DE MARTINO, TOGETHER WITH TOP INSIDE NATO AGENT AND PSI MEMBER BETTINO CRAXI, HAD A SECRETIVE MEETING WITH GIANNI AGNELLI OF FIAT, WHOSE SUBSTANCE THEY HAVE SO FAR REFUSED TO DIVULGE. POLITICAL OBSERVERS NOTE THAT THE MEETING MOST LIKELY DEALT WITH PLANS FOR SABOTAGING THE PRESENT OFFENSIVE OF PRO-DEVELOPMENT INDUSTRIALIST CEFIS AND HIS ALLIED POLITICAL FACTIONS BOTH INSIDE AND OUTSIDE THE PSI. FOLLOWING THIS, DE MARTINO MET WITH FRANCOIS MITTERRAND, HEAD OF THE FRENCH SOCIALIST PARTY, WHO IS VISITING ITALY TO PARTICIPATE IN A EUROPEAN-WIDE CONFERENCE ON "THE FUTURE OF CAPITALISM." THE TWO MEN DISCUSSED ORGANIZING FOR A CONFERENCE OF SOUTHERN EUROPEAN SOCIALIST PARTIES TO BE HELD "AS SOON AS POSSIBLE." THEY ALSO EXAMINED THE PROBLEMS RELATIVE TO THE REORGANIZATION OF THE SOCIALIST INTERNATIONAL, ACCORDING TO TODAY'S EDITION OF THE PSI PRESS, AVANTI.

SOVIET UNION TO BUILD TWO POWER PLANTS IN INDONESIA

NOV. 23 (IPS)—INDONESIAN PRESIDENT SUHARTO HAS WELCOMED A SOVIET OFFER TO FINANCE TWO LARGE HYDROELECTRIC PLANTS, ONE OF 400-600 MEGAWATT CAPACITY, ONE OF 180 MEGAWATT CAPACITY, ON JAVA, INDONESIAN INFORMATION MINISTER SALEH MAHURI REPORTED AFTER LAST WEEK'S CABINET MEETING, ACCORDING TO THE KOREAN HERALD. THE SOVIET UNION AND INDONESIA HAVE BEEN STRENGTHENING THEIR ECONOMIC TIES FOR SEVERAL YEARS.

THAILAND ESCALATES LAOS BORDER CLASH, STRAFES PATHET LAO SOLDIERS

NOV. 23 (IPS)—TWO THAI T-28 FIGHTER BOMBERS STRAFED AND BOMBED PATHET LAO POSITIONS INSIDE LAOS IN THE MOST RECENT OF A SERIES OF INCIDENTS THIS WEEK, THAI SUPREME COMMAND CHAIRMAN ADMIRAL CHALORYU ADMITTED, ACCORDING TO UPI ACCOUNTS PUBLISHED IN SOUTH KOREA. UPI QUOTED CHALORYU AS SAYING THAT "DECISIVE MEASURES" BY THE THAIS WOULD CONTINUE, INDICATING THAT THE CIA-CONTROLLED THAI MILITARY INTENDS TO ESCALATE ITS BORDER PROVOCATIONS.

EARLIER IN THE WEEK, AFTER THE LAOTIANS SANK A THAI PATROL BOAT IN LAOTIAN TERRITORIAL WATERS, THAILAND CLOSED ITS BORDER TO LAOS, AN EXTREMELY PROVOCATIVE MOVE THAT DENIES LAND-LOCKED LAOS ACCESS TO ALL INCOMING SUPPLIES FROM THE COAST.

(MORE)

THE LARGE U.S. UDORN ARMY BASE IS ONLY 40 MILES FROM THE LOCATION OF THE PATROL BOAT INCIDENT, AND THE U.S. MAINTAINS EXTENSIVE COMMUNICATIONS NETWORKS THROUGHOUT THE AREA.

II. CONTINENTAL NEWS

NEW YORK TIMES BLAMES ROCKY FOR STATE FISCAL WOES

NOV. 23 (IPS)--AN ARTICLE IN TODAY'S NEW YORK TIMES' "WEEK IN REVIEW" SECTION SINGLES OUT VICE PRESIDENT NELSON ROCKEFELLER AS THE PERSON RESPONSIBLE FOR THE STATE'S FISCAL TROUBLES. DURING ROCKEFELLER'S GOVERNORSHIP, THE ARTICLE CHARGES, NEW YORK STATE DEBT GREW AT NEARLY TWICE THE NATIONAL AVERAGE, WITH STATE DEBT SKYROCKETING FROM \$4 BILLION TO \$13.4 BILLION SINCE 1964--TWICE THE RATE OF THE NEW YORK CITY DEBT.

ACCORDING TO THE TIMES, STATE COMPTROLLER ARTHUR LEVITT BLAMES THIS INCREASE ON ROCKEFELLER'S "MORAL OBLIGATION" BORROWING GIMMICK, WHICH WAS DEVELOPED TO CIRCUMVENT THE STATE CONSTITUTION'S REQUIREMENT THAT THE LEGISLATURE AND THE VOTERS APPROVE ALL BOND ISSUES BY THE STATE. LEVITT CHARGED THAT THE "MORAL OBLIGATION" BORROWING BY ROCKEFELLER-CREATED INDEPENDENT AGENCIES "GLUTTED AND LED TO A CLOSING OF THE (BOND) MARKET." "ROCKEFELLER USED TO TELL ME," LEVITT SAID, "I CREATED A VAST STATE UNIVERSITY SYSTEM. PEOPLE SPEND THEIR WHOLE LIFE DOING WHAT I DID IN JUST A FEW YEARS. ARTHUR, YOU'RE A GUY CONCERNED WITH INTEREST RATES, COSTS, AUDITS. I'M A DOER."

III. ORGANIZING AND INTELLIGENCE REPORTS

UAW CONTRACT PROTECTS DRUG PUSHERS

NOV. 23 (IPS)--SOURCES WITHIN THE DETROIT POLICE DEPARTMENT TOLD IPS THIS WEEK THAT THEY ARE BEING BARRED FROM MOVING ON DRUG PUSHERS IN THE AREA AUTO PLANTS BY A CLAUSE IN THE CURRENT UNITED AUTOWORKERS (UAW) CONTRACT.

ACCORDING TO THESE SOURCES, THE CLAUSE STATES THAT THE UAW MUST GIVE ITS PERMISSION BEFORE ANY DRUG RAID IS MADE. THE UNION HAS REPORTEDLY REFUSED TO DO SO ON A NUMBER OF OCCASIONS.

THESE SAME SOURCES HAVE CONFIRMED THAT BOTH THE UAW AND THE FBI ARE THEMSELVES INVOLVED IN THIS DRUG TRAFFIC.

REACHED FOR COMMENT YESTERDAY, SOLIDARITY HOUSE, UAW HEAD-QUARTERS HERE, CONFIRMED THE EXISTENCE OF THE CONTRACT CLAUSE. UAW SPOKESMEN HAVE DECLINED TO COMMENT ON UNION INVOLVEMENT IN ILLICIT DRUG TRAFFIC.

UAW PRESIDENT LEONARD WOODCOCK COULD NOT BE REACHED FOR COMMENT.

(MORE)

CONN. "LABOR LEADER": THERE'S NO ECONOMIC CRISIS

NOV. 23 (IPS)—DOMINIC BODALATO, THE HEAD OF THE NEW BRITAIN, CONN. AREA AFSCME, LAST WEEK DENIED THE EXISTENCE OF AN INTERNATIONAL ECONOMIC CRISIS.

IN AN INTERVIEW WITH IPS, BODALATO, A FORMER MEMBER OF THE COMMUNIST PARTY WHO IN RECENT YEARS HAS COLLABORATED WITH THE FBI IN HARASSING COMMUNISTS, DECLARED, "CRISIS? WHAT CRISIS?...WHAT MAKES YOU THINK THERE IS A CRISIS?"

WHEN INFORMED THAT FEW LABOR LEADERS IN THE COUNTRY WOULD EVEN DARE TO MAKE SUCH A PREPOSTEROUS STATEMENT, BODALATO RESPONDED, "WHAT MAKES YOU THINK I'M A REPRESENTATIVE OF LABOR?...THERE ARE LOTS OF PEOPLE REPRESENTING LABOR—SALESMEN, INSURANCE MEN, OFFICE WORKERS...."

BODALATO HAS REPEATEDLY REPRESENTED HIMSELF TO MEMBERS OF THE STATE LEGISLATURE IN HARTFORD AS "MR. LABOR," THE MAN THEY MUST RECKON WITH IF THEY WANT AUSTERITY PACKAGES SOLD TO THE STATE'S WORKING CLASS.

BODALATO DECLINED TO COMMENT ON WHO PRECISELY HE DOES REPRESENT, IF HE DOES NOT REPRESENT LABOR.

ANDERSON CONDUITS STATE DEPT. LIES ABOUT SOVIET CORRESPONDENT

NOV. 23 (IPS)—SYNDICATED COLUMNIST JACK ANDERSON, CONDUITING LIES FROM THE STATE DEPARTMENT, REPORTED ON NOV. 20 THAT "SENIOR U.S. INTELLIGENCE SOURCES" HAVE IDENTIFIED NEW YORK-BASED SOVIET CORRESPONDENT IONA ANDRONOV AS "A DEDICATED KGB AGENT WHO POSES AS A NEWSMAN." THE ANDERSON COLUMN, OMINOUSLY TITLED "RED SKIES," IS INTERPRETED BY SEASONED WASHINGTON REPORTERS AS SIGNALLING THE START OF A WITCH HUNT OF "KGB AGENTS" IN THE WASHINGTON PRESS AND ON THE HILL ITSELF.

ANDRONOV, WHO RECENTLY ROASTED THE "LIBERAL" ANDERSON IN AN ARTICLE IN THE SOVIET MAGAZINE NEW TIMES, LAUGHED OFF ANDERSON'S FLIMSY, UNSUBSTANTIATED CHARGES. IN AN INTERVIEW WITH IPS, THE SOVIET NEWSMAN SAID THAT THE ATTACK ON HIM FITS INTO AN HISTORIC PATTERN—ANY JOURNALIST WHO WRITES THE TRUTH ABOUT U.S. POLICY IS SINGLED OUT FOR A MCCARTHYITE ATTACK.

DALEY LOSES OVERRIDE IN SENATE, 32-26;
USLP OPENS DEBT MORATORIUM CAMPAIGN

NOV. 23 (IPS)—CHICAGO MAYOR RICHARD DALEY'S HARD-FOUGHT EFFORT TO OVERRIDE ILLINOIS GOVERNOR DAN WALKER'S VETO OF \$81 MILLION IN STATEWIDE EDUCATION MONEY FAILED TO PASS THE STATE SENATE NOV. 22 BY A 32-26 MARGIN. A SECOND DALEY-BACKED BILL CALLING ON THE STATE TO APPROPRIATE \$33 BILLION FOR SPECIAL EDUCATION IN CHICAGO SCHOOLS ALSO FAILED. BOTH BILLS WERE PASSED IN THE STATE HOUSE OF REPRESENTATIVES OVER ROCKEFELLER-ENDORSED GOVERNOR WALKER'S VETO THREE WEEKS AGO.

(MORE)

THE LEGISLATURE'S FAILURE TO PASS THE EDUCATION APPROPRIATION IS EXPECTED TO SPUR SENTIMENT FOR THE PASSAGE OF THE U.S. LABOR PARTY'S DEBT MORATORIUM AND EMERGENCY EMPLOYMENT ACT (EEA) PROGRAM. MAYOR DALEY IS STILL COMMITTED TO PROVIDE THE APPROXIMATELY \$50 MILLION IN AID TO CHICAGO SCHOOLS VETOED BY WALKER, BUT NOW PLANS TO DO IT BY ABANDONING HIS PREVIOUSLY ANNOUNCED ELECTION YEAR STRATEGY OF A SIXTH STRAIGHT YEAR WITHOUT A PROPERTY TAX INCREASE IN CHICAGO. WITH THE QUESTION OF WHERE THE EDUCATION MONEY WILL COME FROM PUSHED TO THE POLITICAL FOREFRONT, USLP CANDIDATE FOR GOVERNOR OF ILLINOIS ED WAFFLE WILL PRESENT THE DEBT MORATORIUM AND EEA AT CHICAGO CITY COUNCIL HEARINGS ON THE FISCAL 1976-77 BUDGET NOV. 26. THE PROPOSED CITY BUDGET ALLOTS 7 PER CENT OF THE CITY'S REVENUE TO DEBT REPAYMENT.

THE LEGISLATURE'S FAILURE TO OVERRIDE WALKER'S VETO WAS ACHIEVED THROUGH A SOLID PRO-AUSTERITY VOTE BY THE ENTIRE REPUBLICAN CAUCUS, COMBINED WITH ANTI-EDUCATION VOTES BY SEVEN PRO-WALKER "REFORM" DEMOCRATS FROM NORTHWEST CHICAGO.

UAW REGIONAL REPRESENTATIVE ROBERT JOHNSTON, WHO MOBILIZED INTENSELY LAST WEEK IN SUPPORT OF DALEY'S ATTEMPT TO OVERRIDE THE VETO, TERMED THE VOTE "THE MOST IMPORTANT VOTE OF THE DECADE" AND WARNED LEGISLATORS THAT UAW ENDORSEMENTS IN THE 1976 ELECTIONS WOULD DEPEND ON THIS VOTE.

IV. IPS ANALYSIS

DURYEA BLOCKS ACTION ON NEW YORK CITY TAXES

NOV. 23 (IPS)—NEW YORK STATE ASSEMBLYMAN PERRY DURYEA (R-MONTAUK), THE MINORITY LEADER OF THE ASSEMBLY, YESTERDAY BLOCKED PASSAGE OF \$205 MILLION IN NEW CITY TAXES BY PROPOSING THAT THE LEGISLATURE PASS A BILL WHICH WOULD "AUTHORIZE" THE NEW YORK CITY COUNCIL TO HIKE ITS OWN TAXES—IF THE COUNCIL SO DESIRED.

FOLLOWING A RAUCOUS DEBATE, THE LEGISLATURE RECESSED UNTIL MONDAY, WITH THE TAX INCREASES AND BUDGET CUTS SOUGHT BY THE ROCKEFELLER BANKS AND THEIR SPOKESMAN, GOV. HUGH CAREY, STILL LOG-JAMMED.

THE VOTES OF DURYEA AND HIS ASSEMBLY REPUBLICAN MINORITY WERE NEEDED TO PASS THE CITY TAX INCREASE BECAUSE THE ASSEMBLY'S BLACK AND PUERTO RICAN CAUCUS, SUPPORTED BY SEVERAL ANTI-AUSTERITY WHITE LEGISLATORS, IS AT THIS POINT FIRMLY OPPOSED TO THE LEGISLATION. A CAUCUS SPOKESMAN, ASSEMBLYMAN ARTHUR EVE (D-BUFFALO), BLASTED THE TAXES AND AUSTERITY PLANS DRAWN UP BY CAREY AND HIS EMERGENCY FINANCIAL CONTROL BOARD BECAUSE THEY FALL TOO HEAVILY ON THE CITY'S MINORITY POOR. MOREOVER, MANY MEMBERS OF THE CAUCUS ARE KNOWN TO BE LEANING TOWARD OPEN SUPPORT OF THE U.S. LABOR PARTY'S DEBT MORATORIUM PROGRAM, WHICH CALLS FOR EXTENDING THE DEBT MORATORIUM ALREADY PASSED ON OUTSTANDING PRINCIPAL ON CITY NOTES TO COVER INTEREST AND PRINCIPAL PAYMENTS ON ALL CITY AND STATE DEBT.

(MORE)

DURYEA EMPHASIZED THAT "WE COULD HAVE PASSED EVERYTHING" IF CAREY AND ASSEMBLY SPEAKER STANLEY STEINGUT HAD ONLY AGREED TO CHANGE THE WORDING OF THE TAX BILLS TO READ "AUTHORIZING" INSTEAD OF "IMPOSING" ("I REFUSE TO IMPOSE TAXES ON ANYONE THAT DOESN'T WANT THEM," DURYEA SAID COYLY). HOWEVER, IT IS WELL KNOWN IN ALBANY--ESPECIALLY BY CAREY FORCES--THAT THE NEW YORK CITY COUNCIL WOULD REFUSE TO USE THE "AUTHORIZATION" AND PASS THE TAXES ON ITS OWN.

IN FACT, THE "HOME RULE" MEASURE PASSED BY THE COUNCIL "AUTHORIZING" THE STATE TO IMPOSE THE \$205 MILLION TAX PACKAGE ON THE CITY HAD SQUEAKED THROUGH BY ONE VOTE, ONLY AFTER DEPUTY MAYOR FOR FINANCE KENNETH AXELSON, ON LOAN TO THE CITY FROM THE J.C. PENNEY CORPORATION, TOLD THE COUNCILMEN THAT PRESIDENT FORD HAD "DEMANDED" THE TAXES AS A PRECONDITION FOR FEDERAL LOAN GUARANTEES.

REPUBLICAN COUNCILMAN FRANK BIONDOLILLO NEARLY BROKE UP THAT COUNCIL MEETING BY ACCUSING AXELSON AND CAREY OF "LYING" ABOUT PRESIDENT FORD'S ALLEGED DEMAND, AND THE COUNCIL AS A WHOLE SERVED NOTICE THAT IT WOULD ONLY APPROVE THE TAXES IF IT HAD PRESIDENT FORD OR THE STATE LEGISLATURE TO BLAME THEM ON.

WITH DURYEA, ONE OF THE STATE'S MOST INFLUENTIAL REPUBLICANS, REFUSING TO LET PRESIDENT FORD BE BLAMED FOR CAREY'S UNPOPULAR, ROCKEFELLER-ORDERED AUSTERITY PACKAGE, THE DESPERATE GOVERNOR ISSUED A STATEMENT LAST NIGHT PLEDGING THAT "I'LL TAKE THE HEAT. THE BUCK STOPS HERE. I AM PREPARED TO TAKE THE HEAT FOR THE TAXES. IT DOESN'T MAKE ANY DIFFERENCE TO ME IF THE TAXES ARE IMPOSED BY THE CITY COUNCIL OR THE LEGISLATURE."

"WE MUST HAVE THESE TAXES," THE GOVERNOR PLEADED, ACCORDING TO TODAY'S NEW YORK DAILY NEWS. "THE ENTIRE AGREEMENT (TO MAINTAIN PAYMENTS ON THE CITY'S OUTSTANDING DEBT) IS BASED ON COOPERATION FROM ALL PARTIES."

EVEN AS CAREY WAS SPEAKING, ANOTHER PART OF HIS "AGREEMENT" CAME UNRAVELED. IN A MOVE TO FORCE THE LEGISLATURE TO PASS THE WHOLE AUSTERITY PACKAGE, THE NEW YORK CITY BANKS ANNOUNCED THAT THEY WOULD NOT COMMIT THEMSELVES TO THE PROPOSED THREE-YEAR CITY FINANCING PACKAGE UNTIL AN AUSTERITY PROGRAM WAS ALSO IMPOSED ON THE STATE.

LAST WEEK, CAREY HAD BEEN FORCED TO SEPARATE THE QUESTIONS OF CITY AND STATE AUSTERITY IN ORDER TO WIN THE BACKING OF SENATE MAJORITY LEADER WARREN ANDERSON (R-BINGHAMTON) FOR HIS CITY TAX PLAN.