

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE
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INTERNATIONAL PRESS WRAP-UP

PORTUGUESE DEVELOPMENTS

PCF POLITBURO CALLS FOR INTERNATIONAL MOBILIZATION
TO DEFEAT FASCISTS IN PORTUGAL

PARIS, AUG. 11 (IPS)—THE FRENCH COMMUNIST PARTY (PCF) POLITBURO TODAY ISSUED AN UNPRECEDENTED EMERGENCY CALL TO THE INTERNATIONAL WORKING CLASS TO MOBILIZE AND DEFEAT THE FASCIST OFFENSIVE IN PORTUGAL.

"THE PCF POLITBURO LAUNCHES A SOLEMN APPEAL TO ALL WORKERS OF FRANCE AND THE OTHER COUNTRIES, TO ALL THE WORKING CLASS AND DEMOCRATIC FORCES. THE ARM OF THE ASSASSINS MUST BE STOPPED. BEYOND THE PORTUGUESE REACTION, IT IS THE REACTIONARY FORCES OF THE CAPITALIST POWERS WHICH ARE DEALING A BLOW TO THE WHOLE WEST EUROPEAN DEMOCRATIC MOVEMENT."

THE DECLARATION FINGERS THE LEADERS OF THE PORTUGUESE SOCIALIST PARTY AS "BEARING A HEAVY RESPONSIBILITY IN THE DEVELOPMENT OF THE FASCIST ACTIVITIES," AND REITERATES THE PCF SUPPORT FOR THE COURAGEOUS STRUGGLE OF THE PORTUGUESE COMMUNIST PARTY.

AT THE SAME TIME, THE PCF YOUTH ORGANIZATION LEADER JEAN-MICHEL CATALA SENT A MESSAGE OF SUPPORT TO THE PCP.

PCP COMMUNIQUE: "TAKE ACTION
AGAINST THE COUNTER-REVOLUTIONARIES"

AUG. 11 (IPS)—THE CENTRAL COMMITTEE OF THE PORTUGUESE COMMUNIST PARTY STATED IN A COMMUNIQUE AUG. 9 THAT IT IS "NECESSARY TO CONFRONT THE ACTIVITIES AND THREATS OF THE COUNTER-REVOLUTION... IT IS NECESSARY TO REINFORCE THE ARMED FORCES MOVEMENT (MFA) AS A PROGRESSIVE, REVOLUTIONARY MOVEMENT...IF THIS IS NOT DONE, THE MFA WILL BE DILUTED FOR THERE STILL EXISTS A STRONG CONSERVATIVE SECTION."

THE COMMUNIQUE ADDED THAT THE REACTIONARY OFFENSIVE CAME "THROUGH THE DOORS OF ANTI-COMMUNISM OPENED BY THE LEADERS OF THE PORTUGUESE SOCIALIST PARTY (PSP)." IF FIRM ACTION IS NOT TAKEN AGAINST THE FASCIST BANDS, "THE COUNTER-REVOLUTION WILL CREATE CONDITIONS FOR THE UNLEASHING OF A COUP THROUGH REACTIONARY ELEMENTS..."

THE COMMUNIQUE WAS PUBLISHED IN THE PORTUGUESE DAILY DIARIO DE NOTICIAS.

(MORE)

IPS 8.11/2

SOARES SUSPENDS THREE FOR CRITICIZING PSP LEADERSHIP

AUG. 11 (IPS)—MARIO SOARES, HEAD OF THE PORTUGUESE SOCIALIST PARTY (PSP), SUSPENDED THREE MEMBERS WHO HELD KEY POSITIONS BECAUSE THEY WROTE A DOCUMENT CRITICIZING THE PARTY'S POLICY, ACCORDING TO TODAY'S L'HUMANITE, THE NEWSPAPER OF THE FRENCH COMMUNIST PARTY. THE DISSIDENTS ARE JOAO GUETERRES, S. REGO, AND ANTONIO RODRIGUES.

THE DOCUMENT CHARGED THE PSP LEADERSHIP WITH IGNORING THE "NECESSARY TASKS", CLOSELY PARALLELING THE COMMUNIST PARTY PROGRAM, TO FULFILL THE REVOLUTIONARY PROCESS. IT ALSO DENOUNCED THE "NEO-CAPITALIST SOCIAL DEMOCRACY," AND CALLED FOR EXPANDED EAST-WEST TRADE, ACCORDING TO THE LISBON DAILY O SEculo, AUG. 9.

PCP DEFENDS HEADQUARTERS IN BRAGA; ANTI-COMMUNIST BISHOP INCITES RIOT

AUG. 11 (IPS)—MEMBERS OF THE PORTUGUESE COMMUNIST PARTY (PCP) AND PORTUGUESE SOLDIERS FIRED ON ATTACKERS WHO TRIED TO SET FIRE TO THE PCP OFFICE IN BRAGA, NORTHERN PORTUGAL. TWENTY OUT OF APPROXIMATELY 500 PEOPLE WERE WOUNDED, ACCORDING TO THE BALTIMORE SUN, AFTER THE CROWD WAS ENCOURAGED TO RAVAGE THE PCP BUILDING BY ARCHBISHOP FRANCISCO MARIA DA SILVA.

"THE ARCHBISHOP WAS ONE OF THE MAIN DEFENDERS OF THE RIGHT-WING DICTATORSHIP OUSTED BY THE MILITARY REVOLUTIONARIES 15 MONTHS AGO," REPORTS TODAY'S WASHINGTON POST. THE POST SAYS THE "GATHERING IN BRAGA WAS TO BE A PRELUDE TO A MAMMOTH DEMONSTRATION IN FATIMA, AUG. 13 TO CELEBRATE THE APPARITION OF THE VIRGIN OF FATIMA, CONSIDERED AN ANTI-COMMUNIST SYMBOL IN PORTUGAL."

ECONOMIC SABOTAGE AGAINST PORTUGUESE SHIPYARDS

AUG. 11 (IPS)—THE INTERNATIONAL ECONOMIC GROUP THYSSEN PLANS TO CANCEL ITS CONTRACT TO BUILD TWO OIL TANKERS IN THE PORTUGUESE SETENAVE SHIPYARDS. THE CONTRACT WAS SIGNED IN AUGUST 1973. IN ADDITION, THE SWEDISH NAVAL CONSTRUCTION FIRM ERIKSBERG CANCELED AN ORDER TO SUPPLY THE PORTUGUESE LISNAVE SHIPYARDS WITH PARTS. BOTH REPORTS OF ECONOMIC SABOTAGE AGAINST THE PRO-COMMUNIST PORTUGUESE REGIME APPEARED IN THE PORTUGUESE WEEKLY EXPRESSO AUG. 9.

SHIPBUILDING AND REPAIR IS ONE OF PORTUGAL'S MAJOR INDUSTRIES.

PCP TO BE MASSACRED, SAYS FRENCH SOCIAL DEMOCRAT

AUG. 11 (IPS)—JEAN DANIEL, CHIEF EDITORIALIST FOR THE FRENCH SOCIAL-DEMOCRATIC MAGAZINE, LE NOUVEL OBSERVATEUR, THREATENED THE PORTUGUESE COMMUNIST PARTY WITH THE FATE OF THE INDONESIAN

(MORE)

IPS 8.11/3

COMMUNIST PARTY—ANNIHILATION. IN 1965, IN THE "GREAT MASSACRE" 500,000 MEMBERS OF THE INDONESIAN COMMUNIST PARTY WERE MURDERED.

THE ONLY WAY FOR THE PCP TO ESCAPE THIS FATE, DANIEL ARGUED, IS TO SEEK AN ALLIANCE WITH THE PORTUGUESE SOCIALIST PARTY AND ITS CIA -AGENT LEADER MARIO SOARES, ON THE BASIS OF THE SOCIALIST PARTY'S LIBERAL CAPITALIST PROGRAM.

ANGOLA DEVELOPMENTS

U.S. PLANES AIDING ZAIRE ARMY AGAINST ANGOLA

AUG. 11 (IPS)—AMERICAN PLANES ARE TRANSPORTING MEN AND ARMS TO ANGOLA, ACCORDING TO INFORMATION SUPPLIED BY A SPECIAL CORRESPONDENT FOR THE FRENCH WEEKLY L'EXPRESS, AND TRANSMITTED BY THE MEXICAN DAILY, EL DIA. THE L'EXPRESS CORRESPONDENT ACCOMPANYING PRESIDENT GISCARD D'ESTAING OF FRANCE ON HIS RECENT VISIT TO ZAIRE, REVEALED THAT THE TWO 4-PROPELLER PLANES OF THE U.S. AIR FORCE WERE STATIONED AT THE KINSHASA AIRPORT IN ZAIRE, READY TO "RETURN TROOPS OF THE ZAIRE ARMY FROM ANGOLA."

L'EXPRESS AND SEVERAL OTHER FRENCH PUBLICATIONS ARE CHARGING THAT THE GISCARD TRIP WAS LINKED TO THE SITUATION IN ANGOLA AND THAT ZAIRE'S PRESIDENT, MOBUTU SESE SEKO, HAS BEEN SEEKING FRENCH SUPPORT FOR HIS PLANS TO PROVOKE THE DISMEMBERMENT OF ANGOLA.

THE L'EXPRESS CORRESPONDENT ALSO REPORTS, MOBUTU'S BROTHER-IN-LAW AND HEAD OF THE CIA-CHINESE-RUN ANGOLAN NATIONAL LIBERATION FRONT (FNLA), HOLDEN ROBERTO, HAS SIGNED A SECRET PACT WITH MOBUTU UNDER WHICH FNLA AGREES TO ACCEPT THE INDEPENDENCE OF THE OIL-RICH ANGOLAN ENCLAVE OF CABINDA AND CLEAR THIS PROVINCE OF THE PRO-SOVIET MPLA IN EXCHANGE FOR SUBSTANTIAL SUPPORT IN ARMS AND MEN FROM ZAIRE. THE MEXICAN DAILY, EL DIA, WHICH CARRIED THE REPORT ADDED THAT U.S. PETROLEUM COMPANIES OPERATE EXTENSIVELY IN CABINDA.

UNITA DEPARTS ANGOLAN CAPITAL

AUG. 11 (IPS)—THE SOUTH AFRICAN-CONTROLLED NATIONAL UNION FOR THE TOTAL INDEPENDENCE OF ANGOLA (UNITA) TODAY ANNOUNCED THEIR DEPARTURE FROM ANGOLA'S CAPITAL CITY OF LUANDA, ACCORDING TO UPI. THIS LEAVES PRO-SOCIALIST POPULAR MOVEMENT FOR THE LIBERATION OF ANGOLA (MPLA) AS THE ONLY ORGANIZATION IN THE CITY.

UPI ALSO REPORTS THE EVACUATION OF THE REMAINING 500 SOLDIERS OF THE CIA-RUN NATIONAL FRONT FOR THE LIBERATION OF ANGOLA (FNLA) FROM LUANDA TO THEIR BASES IN THE NORTH.

MPLA CONTROLS CABINDA

AUG. 11 (IPS)—TODAY'S FRANKFURTER RUNDSCHAU REPORTS THAT UNITS IN THE OIL-PRODUCING ENCLAVE OF CABINDA HAVE FLED FROM THE POPULAR MOVEMENT (MPLA) AND ARE HIDING OUT IN ABANDONED PORTUGUESE ARMY POSTIONS. "THIS LEAVES THE MPLA IN CONTROL OF CABINDA," THE RUNDSCHAU REPORTS.

IPS 8.11/4

CIA ATTEMPTS STRANGULATION OF LUANDA

AUG. 11 (IPS)—LUANDA, THE CAPITAL OF ANGOLA, IS WITHOUT BREAD, VEGETABLES AND MEAT, AND MANIOC ROOT, THE DAILY STAPLE OF THE AFRICAN POPULATION, ACCORDING TO A UPI DISPATCH TODAY. MANY GAS STATIONS WERE CLOSED TODAY AND HAD NO MEANS OF BEING RESUPPLIED, ACCORDING TO THE DISPATCH. THIS CIA STRATEGY IS OUTLINED IN FULL BY A SPOKEMAN FOR CIA-CONTROLLED NATIONAL FRONT FOR THE LIBERATION OF ANGOLA (FNLA) N'GOLA KABANGU IN LE FIGARO JULY 29: "OUR FIGHT CONSISTS OF TOTALLY LIBERATING ANGOLA. SO LONG AS THERE IS ONE COMMUNIST AGENT IN THE COUNTRY, WE WILL CONTINUE THE BATTLE. WE REGRET DESTROYING A BEAUTIFUL CITY LIKE LUANDA, BUT WE'LL DO IT IF NECESSARY."

GISCARD, MOBUTU AGREE ON ANGOLA

AUG. 11 (IPS)—IN A FINAL COMMUNIQUE ISSUED AT THE END OF THEIR RECENT MEETING, FRENCH PRESIDENT GISCARD D'ESTAING AND ZAIREAN PRESIDENT MOBUTU SESE SEKO EXPRESSED "SATISFACTION AT THE CONVERGENCE OF THEIR PONTS OF VIEW ON THE PRINCIPAL INTERNATIONAL PROBLEMS," ACCORDING TO UPI.

ZAIRE'S MAJOR NEWSPAPERS INDICATE THAT ANGOLA WAS THE FIRST ITEM ON THE AGENDA AND THAT THE TWO LEADERS EXPRESSED "CONCERN OVER THE AGGRAVATION OF THE SITUATION," UPI REPORTS.

AFRIQUE-ASIE SUPPORTS THE MPLA

AUG. 11 (IPS)—"ANGOLA IS THE VIETNAM OF AFRICA," ASSERTED SIMON MALLEY IN A STRONGLY WORDED EDITORIAL IN THE AUG. 11 ISSUE OF THE PRO-ALGERIAN MAGAZINE, AFRIQUE-ASIE.

MALLEY DISTINGUISHED THE PRO-SOCIALIST POPULAR MOVEMENT FOR THE LIBERATION OF ANGOLA (MPLA) FROM THE PUPPET LIBERATION GROUPS CURRENTLY FIGHTING AGAINST IT. HE NOTED THAT THE MPLA IS THE ONLY ORGANIZATION FIGHTING FOR REAL LIBERATION.

MALLEY ALSO RIDICULED THOSE WHO WERE SHEDDING CROCADILE TEARS OVER THE VICTIMS IN ANGOLA, AND ADVOCATING UN INTERVENTION TO SETTLE THE CRISIS. HE CALLED THIS A RUSE DESIGNED TO INDUCE THE MPLA TO LAY DOWN THEIR ARMS AND PUT THEIR CONFIDENCE IN WESTERN LEADERS AND THEIR COHORTS TO SETTLE THE SITUATION.

OTHER NEWS

U.S. VETOES ADMISSION OF VIETNAMS TO UNITED NATIONS

UNITED NATIONS, N.Y., AUG. 11 (IPS)—IN A VOTE TODAY IN THE UNITED NATIONS SECURITY COUNCIL, THE PROPOSED ADMISSION OF NORTH AND SOUTH VIETNAM TO THE UNITED NATIONS WAS VETOED BY THE UNITED STATES.

THE U.S. WAS THE ONLY MEMBER OF THE SECURITY COUNCIL TO VOTE

(MORE)

IPS 8.11/5

AGAINST THE ADMISSION. THE ACTION WHICH BLOCKS THE MEMBERSHIP OF THE VIETNAMS IN THE U.N. FOR THE PRESENT SESSION.

THE NEXT STEP OPEN FOR VIETNAMESE ADMISSION WILL BE A VOTE OF THE FULL GENERAL ASSEMBLY TO SEND THE MATTER BACK TO THE SECURITY COUNCIL FOR RECONSIDERATION.

PHILIPPINES PROMISES TO FORBID
U.S. USE OF BASES AGAINST INDOCHINA

AUG. 11 (IPS)—IN A JOINT COMMUNIQUE ISSUED IN HANOI LAST THURSDAY, THE PHILIPPINES GOVERNMENT PROMISED NORTH VIETNAM THAT IT WOULD NOT PERMIT THE UNITED STATES TO USE ITS BASES IN THE PHILIPPINES FOR ACTION AGAINST INDOCHINA.

THE PLEDGE WAS REPORTED IN A RADIO BROADCAST OF THE NORTH VIETNAMESE NEWS AGENCY MONITORED IN HONG KONG.

INDIA, PAKISTAN TO BEGIN TALKS ON IRRIGATION VENTURE

AUG. 11 (IPS)—TALKS BETWEEN INDIAN AND PAKISTANI GOVERNMENT OFFICIALS ARE SCHEDULED TO BEGIN AUG. 17 ON A JOINT VENTURE TO BUILD THE SALAL DAM PROJECT IN THE KASHMIR REGION, ACCORDING TO FOREIGN BROADCASTING INFORMATION SERVICE (FBIS) JULY 29. THE TWO GOVERNMENTS EXPECT TO RESOLVE VARIOUS TECHNICAL DIFFICULTIES CONNECTED WITH WATER CONTROL OF THE BORDER REGION.

IN AN OBVIOUS ATTEMPT TO FOIL THESE TALKS THE NEW YORK TIMES PUBLISHED AN UNSUBSTANTIATED ARTICLE TODAY STATING THAT "HIGH PAKISTANI" OFFICIALS FEAR INDIAN AGRESSION AS A "CRUDE DIVERSIONARY MANEUVER" TO EASE INTERNAL INDIAN POLITICAL STRAINS.

CHINESE LABOR UNREST MOUNTS

AUG. 11 (IPS)—AN EMERGENCY WORK CONFERENCE, HELD TO DISCUSS THE DIFFICULTIES IN CONTROLLING WORKERS' UNREST IN HANGCHOW, RELEASED A STATEMENT YESTERDAY INDICATING THAT "THE SITUATION IN SOME FACTORIES HAS DETERIORATED TO A POINT WHERE IT WILL BE VERY DIFFICULT TO RESOLVE."

ACCORDING TO RADIO CHEKIANG BROADCASTS MONITORED IN HONG KONG, CHINESE COMMUNIST PARTY LEADERS FROM THE PROVINCE OF CHEKIANG ANNOUNCED THAT "IT WILL BE NECESSARY TO DEAL AGGRESSIVE, SHARPLY AIMED BLOWS AT THE HANDFUL OF CLASS ENEMIES," FOMENTING "SABOTAGE OF PRODUCTION."

OVER THE PAST TWO MONTHS, WORKERS IN FACTORIES IN THE INDUSTRIAL CITY OF HANGCHOW HAVE BEEN PROTESTING SPEED-UP AND HAVE BEEN DEMANDING SALARY INCREASES. AIR FORCE UNITS AND OVER 10,000 SOLDIERS HAVE ALREADY BEEN MOVED INTO HANGCHOW TO QUELL WORKER UNREST.

(MORE)

DREGGER TAKES ANOTHER STEP AWAY FROM NEO-NAZI STRAUSS

WIESBADEN, BRD, AUG. 11 (IPS)—ALFRED DREGGER, WEST GERMAN CHRISTIAN DEMOCRATIC PARTY (CDU) CHAIRMAN IN THE STATE OF HESSEN, TODAY ASSERTED THAT THERE IS NO NEED FOR ANOTHER PARTY IN HESSEN IN ADDITION TO THE SOCIAL DEMOCRATIC PARTY, THE FREE DEMOCRATIC PARTY AND THE CHRISTIAN DEMOCRATIC UNION. HIS REMARKS WERE DIRECTED AT BAVARIAN FRANZ-JOSEF STRAUSS, THE NEO-NAZI CHAIRMAN OF THE CHRISTIAN SOCIAL UNION (CSU). STRAUSS HAD THREATENED TO SPLIT THE CDU/CSU ALLIANCE AND ESTABLISH A NATIONAL CSU.

FRANKFURTER ALLGEMEINE ZEITUNG BOLSTERS PCI AGENTS

WIESBADEN, PRD, AUG. 11 (IPS)—THE CONSERVATIVE WEST GERMAN DAILY FRANKFURTER ALLGEMEINE ZEITUNG TODAY TRIES TO BOLSTER THE CIA POLICIES OF THE ITALIAN COMMUNIST PARTY (PCI) LEADERSHIP. ALTHOUGH THE ALLGEMEINE NOTES THAT "PRAVDA (THE OFFICIAL SOVIET PAPER) HAS ADMONISHED THE ITALIAN COMMUNISTS," THE ARTICLE PLAYS UP THE REASSERTION OF POLYCENTRISM BY UNITA, THE PCI NEWSPAPER. DOWNPLAYING THE COMMUNIQUE OF PCI POLITBURO MEMBER PAJETTA IN HIS TRIP TO MOSCOW WHICH SUPPORTS THE PORTUGUESE COMMUNIST PARTY, THE ALLGEMEINE FEATURES UNITA'S ASSERTION THAT THE PCI "HAS ITS OWN POLICY AND ITS OWN EXPERIENCES."

CONTINENTAL NEWS

SEC THROWS ITS WEIGHT BEHIND MUNICIPAL BUDGET REFORMS

AUG. 11 (IPS)—IN A MAJOR POLICY STATEMENT, THE SECURITIES AND EXCHANGE COMMISSION WARNED THAT IT WILL FILE SUIT AGAINST MUNICIPALITIES WHICH DO NOT MAKE KNOWN SUCH FISCAL IRREGULARITIES AS "HIDDEN DEFICITS" IN ADVANCE OF BOND SALES, ACCORDING TO TODAY'S NEW YORK TIMES.

THE SEC'S ACTION COMES IN WAKE OF DISCLOSURES LAST WEEK OF A NEARLY \$500 MILLION "HIDDEN DEFICIT IN THE NEW YORK CITY BUDGET AND CALLS BY THE MUNICIPAL ASSISTANCE CORPORATION (BIG MAC) FOR STRINGENT AUDITING PROCEDURES FOR THE CITY.

BIG MAC SEPTEMBER ISSUE TERMED UNMARKETABLE

AUG. 11 (IPS)—A BOARD MEMBER OF NEW YORK CITY'S MUNICIPAL ASSISTANCE CORPORATION (BIG MAC) TOLD THE NEW YORK TIMES YESTERDAY THAT UNLESS THE FEDERAL GOVERNMENT FURNISHES "LEGAL GUARANTEE OR BACKING" FOR \$1 BILLION IN BIG MAC BONDS SCHEDULED TO GO ON SALE IN SEPTEMBER, THE BONDS WILL BE UNMARKETABLE. FELIX ROHATYN, A MEMBER OF THE BOARD, PLEDGED TO GO TO WASHINGTON "EVERY HOUR ON THE HOUR" TO SEEK THE GUARANTEES IF U.S. OFFICIALS CONTINUE TO REFUSE THE GUARANTEE AND BANKS OUTSIDE OF NEW YORK CITY CONTINUE TO REFUSE TO PURCHASE THE BONDS.

(MORE)

IPS 8.11/7

KHEEL ANNOUNCES CAMPAIGN AGAINST FARE HIKE

AUG. 11 (IPS)—FORD FOUNDATION AGENT THEODORE KHEEL STATED YESTERDAY THAT THE 15 CENT SUBWAY AND BUS FARE HIKE IMPOSED ON NEW YORK CITY BY BIG MAC WOULD BE "INFLATIONARY, WASTEFUL AND COUNTERPRODUCTIVE." ACCORDING TO THE NEW YORK DAILY NEWS, KHEEL CHARGED THAT THE INCREASE, WHICH WAS DEMANDED BY BIG MAC AS A "SYMBOL OF THE CITY'S WILLINGNESS TO CHANGE ITS LIFESTYLE," WOULD TRIGGER COST-OF-LIVING INCREASES IN UNION CONTRACTS ACROSS THE COUNTRY.

FEARING A PUBLIC REBELLION AGAINST THE 50 CENT FARE, WHICH IS SCHEDULED TO GO INTO EFFECT SEPTEMBER 1, KHEEL ANNOUNCED THAT HE WOULD ATTEMPT TO CHANNEL OPPOSITION INTO LAWSUITS AGAINST THE INCREASE BEING UNDERTAKEN BY THE U.S. ENVIRONMENTAL PROTECTION ADMINISTRATION AND OTHERS. KHEEL IS KNOWN TO FAVOR INCREASED TAXES ON MOTORISTS INSTEAD OF A FARE HIKE.

ILA BEGINS ANTI-SOVIET BOYCOTT

AUG. 11 (IPS)—INTERNATIONAL LONGSHOREMEN'S ASSOCIATION OFFICIALS ANNOUNCED THEY WOULD REFUSE TO HANDLE U.S. GRAIN SHIPMENTS BOUND FOR THE SOVIET UNION ACCORDING TO THE WALL STREET JOURNAL AND JOURNAL OF COMMERCE.

LAST THURSDAY, AN ILA WORK GANG AT BEAUMONT, TEXAS, JUMPED THE GUN, REFUSING TO LOAD GRAIN ON A YUGOSLAV SHIP DESTINED FOR THE USSR. ILA OFFICIALS LATER CALLED OFF THEIR ACTION WHEN THEY DISCOVERED THE SHIPMENT WAS "OLD GRAIN", PART OF THE REMAINING SHIPMENTS OF LAST YEAR'S CROP NOT SUBJECT TO THE ILA BOYCOTT.

U.S. TREASURY OPTS FOR TRADE WAR

AUG. 11 (IPS)—THE U.S. TREASURY HAS ANNOUNCED ITS DECISION TO INVESTIGATE AUTO DUMPING CHARGES FILED BY THE UNITED AUTOWORKERS UNION AND REP. JOHN DENT AGAINST EUROPEAN AND JAPANESE AUTOMAKERS.

ACCORDING TO TODAY'S WALL STREET JOURNAL, THE COMMON MARKET HAS WARNED THE U.S. THAT IT WILL RETALIATE IN CASE ANY CURBS ARE PLACED ON MEMBER NATION'S AUTO EXPORTS TO THE U.S. RESULTING FROM THE TREASURY'S INVESTIGATIONS. AN EDITORIAL IN THE HANDELSBLATT, A LEADING WEST GERMAN FINANCIAL DAILY, REFLECTS THE ALARM AND "SHOCK WAVES" THE TREASURY DECISION HAS CAUSED AMONG EUROPEAN CIRCLES.

A TREASURY OFFICIAL QUERIED ABOUT THE ADVERSE CLIMATE CREATED BY ITS ACTIONS STATED BLUNTLY: "WE DON'T CARE WHAT IT DOES TO GATT. (A REFERENCE TO THE TRADE NEGOTIATIONS NOW GOING ON IN GENEVA WHERE THE U.S. IS SEEKING EUROPEAN COOPERATION.) WE WILL GO AHEAD WITH THE INVESTIGATIONS. ...IF THE EUROPEANS RETALIATE, THEN WE WILL IMPOSE VERY HARSH IMPORT CURBS. THE EUROPEANS WILL LOSE MORE IF IT CAME TO THAT."

(MORE)

IPS 8.11/8

BEAME WAGE FREEZE DOES NOT COVER TEACHERS

AUG. 11 (IPS)—MAYOR BEAME SIGNED LEGISLATION TODAY WHICH ORDERS A WAGE FREEZE FOR ALL CITY EMPLOYEES, A SPOKESMAN FOR THE MAYOR'S OFFICE SAID TODAY. SPOKESMAN SAID THAT THE FREEZE APPLIES TO ALL UNIONS WHICH HAVE NOT REACHED A "VOLUNTARY" WAGE FREEZE AGREEMENT WITH THE CITY BY SEPTEMBER 1.

THE MAYOR'S OFFICE SAID THAT THE FREEZE DOES APPLY TO THE TRANSPORT WORKERS UNION, WHICH NEGOTIATES CONTRACTS WITH THE METROPOLITAN TRANSPORTATION ADMINISTRATION, A STATE AGENCY, BUT PROBABLY DOES NOT APPLY TO THE UNITED FEDERATION OF TEACHERS, WHOSE CONTRACT WITH THE CITY HAS EXPIRED.

THE SPOKESMAN ADMITTED THAT HE WAS CONFUSED BY THE EXCLUSION OF THE TEACHERS FROM THE LAW, BUT SAID THAT BECAUSE THE UNION, WHICH HAS REJECTED A VOLUNTARY FREEZE, WAS IN THE MIDDLE OF CONTRACT NEGOTIATIONS, THE MAYOR'S OFFICE HAD ORDERED "NO COMMENT" ON THE MATTER.

ORGANIZING AND INTELLIGENCE REPORT

USLP TESTIFIES FOR NYC DEBT MORATORIUM DENOUNCES WAGE FREEZE

NEW YORK, AUG. 11 (IPS)—U.S. LABOR PARTY SPOKESWOMAN ROBIN TAUB TODAY TESTIFIED AT THE "LOCAL LAW" HEARINGS ON MAYOR BEAME'S WAGE FREEZE.

ACCORDING TO TAUB, "THE WORKING CLASS OF THIS CITY ARE TARGETS OF A RAND CORP. WAR GAME. LOUIS WEIN FROM THE DOMESTIC COUNCIL WAS HANDPICKED BY NELSON ROCKEFELLER AS MAYOR BEAME'S CONTROL AGENT (AS THEY SAY IN CIA JARGON) TO DETERMINE FISCAL POLICY FOR N.Y. N.Y.'S BUDGET 'SPECIALIST' IS ROBERT BOTT RAND—CIA AGENT WHO WAS DEPLOYED BY THE CIA TO BRAZIL TO CUT WORKERS WAGES BY 45 PER CENT."

TAUB WENT ON TO CITE THE DEBT SERVICE DEMANDS STRANGLING THE CITY WHICH WOULD BE HALTED BY CITY COUNCILMAN LOUIS OLMEDO'S DEBT MORATORIUM RESOLUTION NOW TIED UP IN THE COUNCIL'S FINANCE COMMITTEE. "\$1.8 BILLION OF THE CITY BUDGET CURRENTLY EARMARKED BY INTEREST AND AMORTIZATION PAYMENTS WOULD IMMEDIATELY BE FREED," SHE CHARGED. "WHILE PAYROLL EXPENSES ACCOUNT FOR \$4,269.9 MILLION FOR THE REST OF THE FISCAL YEAR, DEBT SERVICE PAYMENTS TOTAL \$5,969.2 MILLION. THE OLMEDO RESOLUTION CALLS FOR SUSPENSION OF DEBT PAYMENTS FOR A MINIMUM OF 18 MONTHS PLUS A TAX ON THE INCOME OF COMMERCIAL BANKS, THUS FREEING SUFFICIENT REVENUE TO MAINTAIN SERVICES AND PREVENT LAYOFFS."

END OF IPS 8.11/COMBINED