



# International Press Service

Daily News and Press Summaries

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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)  
LATE NEWS ROUNDUP  
THURSDAY, OCTOBER 2, 1975

## I. INTERNATIONAL

### SCHLESINGER DECLARES FRANCE DE FACTO NATO MEMBER

OCT. 2 (IPS)--U.S. DEFENSE SECRETARY JAMES SCHLESINGER DECLARED IN PARIS YESTERDAY THAT, "THERE IS NO NEED FOR FRANCE TO BE IN THE NATO INTEGRATED COMMAND STRUCTURE IN ORDER TO PARTICIPATE FULLY WITH THE ALLIANCE," ACCORDING TO TODAY'S BALTIMORE SUN. SCHLESINGER--WHO ISSUED THE STATEMENT FOLLOWING MEETINGS WITH FRENCH PRESIDENT GISCARD D'ESTAING, FOREIGN MINISTER JEAN SAUVARNARGUES, AND DEFENSE MINISTER BOURGES--DESCRIBED FRANCE'S NUCLEAR FORCES AS "ESSENTIAL," TO THE ALLIANCE, AND PREDICTED THAT "THE PATTERN OF COOPERATION WILL BE REINFORCED." FRANCE'S NUCLEAR "FORCE DE FRAPPE" HAS A CLOSE, BUT UNOFFICIAL RELATIONSHIP TO THE NATO COMMANDERS.

IT IS KNOWN THAT PRESIDENT GISCARD WOULD LIKE TO FULLY REINTEGRATE THE FRENCH ARMED FORCES INTO THE NATO COMMAND BUT IS PREVENTED FROM DOING SO BY FRANCE'S GAULLISTS. THE LATE PRESIDENT CHARLES DE GAULLE WITHDREW FRENCH FORCES FROM THE NATO COMMAND STRUCTURE IN 1966, ALTHOUGH PRESERVING NOMINAL MEMBERSHIP IN THE ALLIANCE.

### ITALIAN SOCIALISTS MAP EXPANDED ARMS PRODUCTION

OCT. 2 (IPS)--ITALY'S NOMINALLY PACIFICIST SOCIALIST PARTY IS PREPARING A REPORT WHICH WILL CALL FOR EXPANDED PRODUCTION BY ITALY'S DEFENSE INDUSTRY, FOR BOTH DOMESTIC AND FOREIGN CONSUMPTION, REPORTS THE WEEKLY PANORAMA. THE REPORT WILL BE PREPARED UNDER THE DIRECTION OF SOCIALIST LEADER MARINO GUADALUPI, PRESIDENT OF THE CHAMBER OF DEPUTIES' DEFENSE COMMISSION.

THE AIM OF THE REPORT, GUADALUPI SAYS, WILL BE TO DIRECT EXPENDITURES OF THE "ENORMOUS" 4.5 TRILLION LIRA WHICH THE ITALIAN PARLIAMENT IS EXPECTED TO APPROVE DURING 1975 TO REHABILITATE THE ARMED FORCES. THE AIM OF THE EXPENDITURES IS FRANKLY ECONOMIC, GUADALUPI ADMITS, ADDING THAT IN A MOMENT OF ECONOMIC CRISIS, ONE CANNOT MAKE TOO MUCH OF "SUBTLE THINGS LIKE PACIFISM AND MORALITY.

GUADALUPI ALSO OBSERVES THAT THE OIL PRODUCERS HAVE A "MOUNTAIN OF MONEY" WHICH, IT SEEMS, THEY ONLY WANT TO USE TO BUY ARMS. OTHER COUNTRIES, SUCH AS WEST GERMANY, FRANCE, AND EVEN PEACEFUL SWEDEN HAVE BECOME ARMS DEALERS TO THE ARABS, HE SAYS, BUT ITALY HAS NOT. "AND THIS WOULD SAVE THOUSANDS OF WORKERS!"

OBSERVERS NOTE THAT, AT THE JUST-CONCLUDED NATO PARLIAMENT, U.S. SECRETARY OF DEFENSE SCHLESINGER LED A PUSH BY PRO-ROCKEFELLER FORCES TO HAVE WESTERN EUROPEAN COUNTRIES EXPAND THEIR ARMS

PRODUCTION TO BUY OFF INDUSTRIALISTS WHO ARE SEEKING EXPANDED ORDERS FROM THE SOVIET BLOC.

#### PALME CALLS FOR ARMS BUILDUP WHILE US GENERAL VISITS

STOCKHOLM, OCT. 2 (IPS)—SWEDISH PRIME MINISTER OLAF PALME, IN AN ADDRESS BEFORE THE ONGOING CONGRESS OF HIS SOCIAL DEMOCRATIC PARTY, CALLED FOR A MAJOR INCREASE IN SWEDISH DEFENSE EXPENDITURE,

PALME'S PUSH FOR THE INCREASED DEFENSE OUTLAYS SO VICIOUSLY ATTACKED OPPOSITION WITHIN HIS PARTY, ACCORDING TO SWEDISH RADIO REPORTS, THAT A LEADING PARTY SPOKESWOMAN WHO HAD CALLED FOR A FREEZE ON DEFENSE EXPENDITURES, UNDERWENT AN EMOTIONAL BREAKDOWN AND, DURING THE COURSE OF THE ENSUING DEBATE, ENDED UP ATTACKING HER OWN POSITIONS.

AS PALME SPOKE, THE HEAD OF THE U.S. JOINT CHIEFS OF STAFF, GEN. GEORGE BROWN, ARRIVED IN SWEDEN FOR A TWO-DAY VISIT WITH SOCIAL DEMOCRATIC SWEDISH COMMANDER-IN-CHIEF, STIG SYNNERGREN.

#### RETIRED GENERAL SEEKS TO INCREASE ITALIAN FIGHTER PRODUCTION

OCT. 2 (IPS)—RETIRED GENERAL NINO PASTI HAS CALLED UPON THE ITALIAN GOVERNMENT TO STEP UP PRODUCTION OF THE FIAT G91 JET FIGHTER, IN AN INTERVIEW IN THE LATEST ISSUE OF PANARAMA, THE ITALIAN WEEKLY. THE G91 IS NEEDED TO REPLACE THE OBSOLETE US-BUILT STARFIGHTERS NOW FLOWN BY THE ITALIAN AIR FORCE, WHICH ARE UNSAFE, PASTI CLAIMS. PASTI ALSO CLAIMS THAT HE HAS BEEN FIGHTING FOR THE CHANGEOVER SINCE 1962.

OBSERVERS NOTE THAT THE G91, LIKE THE STARFIGHTER, IS AN OUTDATED JET WHOSE COMBAT USEFULNESS IS RESTRICTED TO GROUND SUPPORT OPERATIONS WHERE THE ENEMY HAS NO AIR COVER, SUCH AS DOMESTIC COUNTERINSURGENCY WARFARE. IT IS FELT THAT, IN ADDITION TO GIVING MORE ORDERS TO ROCKEFELLER-CONTROLLED FIAT, THE PROPOSED EXPANDED PRODUCTION OF THE G91 IS RELATED TO THE REDEPLOYMENT OF ITALIAN ARMY UNITS INTO THE NORTHERN "RED BELT," WHERE THE UNITS WILL BE POSITIONED TO INTERVENE TO QUELL WORKER UNREST.

#### PCP WARNS OF REACTIONARY OPERATION

OCT. 2 (IPS)—AN APPEAL BY THE POLITICAL COMMISSION OF THE PORTUGUESE COMMUNIST PARTY'S (PCP) CENTRAL COMMITTEE PUBLISHED TODAY IN AVANTE, THE PCP'S NEWSPAPER, CALLS FOR UTMOST VIGILANCE AGAINST REACTIONARY ATTEMPTS. POINTING TO EFFORTS BY THE SOCIALISTS LAST WEDNESDAY NIGHT TO MOBILIZE THE POPULATION MAINLY IN THE NORTH AND CENTRAL REGIONS OF THE COUNTRY AGAINST AN ALLEGED LEFTWING COUP, THE PARTY STRESSES: "ONE CAN CONCLUDE FROM THE EXPERIENCE GAINED IN THE PORTUGUESE REVOLUTION THAT PREPARATIONS FOR A RIGHTWING COUP ARE UNDERWAY WHEN CERTAIN FORCES ANNOUNCE A COUP BY THE LEFT." THE STATEMENT ALSO WARNED AGAINST "PREPARATIONS FOR A LARGE-SCALE OPERATION AGAINST THE DEMOCRATIC SITUATION AND THE REVOLUTIONARY FORCES," ACCORDING TO THE EAST GERMAN NEWS AGENCY.

#### LISBON PRESS CITES SECRET PLAN TO OVERTHROW DEMOCRACY IN PORTUGAL

OCT. 2 (IPS)—LISBON'S PRO-COMMUNIST NEWSPAPERS DIARIO DE NOTI-

CIAS AND O SECULO YESTERDAY REVEALED THE CONTENTS OF A SECRET RIGHTWING PLAN TO "OVERTHROW THE DEMOCRATIC ORDER" IN PORTUGAL. ACCORDING TO THESE NEWSPAPERS, THE PLAN INCLUDES: TOP-DOWN RIGHT-IST CONTROL OF ALL SERVICES OF THE MILITARY INVOLVED WITH THE PUBLIC, THE CREATION OF AN ELITE RIGHTWING MILITARY ACTION GROUP AND A POLICE CORPS FOR FIGHTING UNREST, A GOVERNMENT POLICY OF OPPOSITION TO THE ANGOLAN LIBERATION MOVEMENT MPLA, THE MILITARY OCCUPATION OF RADIO AND TELEVISION STATIONS, THE DISSOLUTION OF ALL PROGRESSIVE MILITARY UNITS, THE PURGING OF CERTAIN MEMBERS OF THE REVOLUTIONARY COUNCIL, AND THE ISOLATION OF THE PRO-COMMUNIST NAVY. THE OBJECTIVE OF THIS PLAN WOULD BE "THE RE-ESTABLISHMENT OF THE DICTATORSHIP OF THE RIGHTWING FORCES AND THE RETURN TO FASCISM" STATED O SECULO. THE NEWS WAS CARRIED IN TODAY'S NEUES DEUTSCHLAND.

PCP DEFENDS FREEDOM OF THE PRESS:  
PREVENTS MILITARY TAKEOVER OF NEWS MEDIA

OCT. 2 (IPS)--THE MILITARY OCCUPATION OF PORTUGAL'S RADIO AND TELEVISION STATIONS ORDERED BY THE RIGHTWING AZEVEDO GOVERNMENT ENDED YESTERDAY AFTER THE PORTUGUESE COMMUNIST PARTY (PCP) MOBILIZED ITS MILITANTS TO DEFEND FREEDOM OF THE PRESS IN THAT COUNTRY. OCCUPYING SOLDIERS REPORTEDLY SIDED WITH NEWS MEDIA PERSONNEL, AND IN AT LEAST ONE CASE, WOULD NOT LEAVE UNTIL THE GOVERNMENT PROMISED THAT IT WOULD NOT INTERFERE WITH THE FREE EXPRESSION OF PORTUGAL'S INFORMATION ORGANS, ACCORDING TO SEVERAL PRESS SOURCES.

A PCP COMMUNIQUE ON THE ISSUE CONDEMNED THE ATTEMPTED MILITARY TAKEOVER OF THE NEWS MEDIA, WHICH WAS DONE AT THE URGING OF THE CIA-FUNDED PORTUGUESE SOCIALIST PARTY, STATING THAT "IT IS UNACCEPTABLE THAT ANY PARTY OR GROUP SHOULD SEIZE THE MEDIA, ESPECIALLY WITH THE APPLICATION OF FORCE AND COERCION, AND PUT THEM IN THE SERVICE OF THEIR PARTY ORIENTATION AND THEIR OWN POLITICAL ACTIVITY." THE COMMUNIQUE WAS PUBLISHED IN YESTERDAY'S NEUES DEUTSCHLAND.

PORTUGUESE MILITARY MOBILIZES  
AGAINST 'SOCIAL DEMOCRATIC FORCES' IN PORTUGAL

OCT. 2 (IPS)--"DELEGATES FROM UNITS OF THE THREE BRANCHES OF THE PORTUGUESE ARMED FORCES AGREED ON A COORDINATION OF EFFORTS TO CONFRONT THE 'SOCIAL DEMOCRATIC OFFENSIVE' AND TO DEFEND THE CONQUESTS OF THE WORKERS," ACCORDING TO THE CUBAN PRESS AGENCY PRENSA LATINA TODAY. THE MOVE WAS UNDERTAKEN IN RESPONSE TO AN ARMED MOBILIZATION OF MEMBERS OF THE RIGHTWING PORTUGUESE DEMOCRATIC PARTY (PPD) AND THE CIA-FUNDED PORTUGUESE SOCIALIST PARTY (PSP). THE TWO RIGHTWING PARTIES CLAIM THEY ARE ATTEMPTING TO "THWART" AN ALLEGED COUP BY THE COMMUNIST PARTY.

PCI COUNTERORGANIZING AGAINST BERLIN CONFERENCE

OCT. 2 (IPS)--THE CIA-LED ITALIAN COMMUNIST PARTY (PCI)--IN MOVES TO SABOTAGE AN UPCOMING MEETING OF THE EDITORIAL COMMISSION WHICH IS PREPARING FOR A EUROPE-WIDE CONFERENCE OF COMMUNIST PARTIES

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IN BERLIN—HAS HELD A SERIES OF MEETINGS WITH OTHER CIA-INFLUENCED COMMUNIST PARTIES IN AN ATTEMPT TO LINE UP OPPOSITION TO SOVIET AND EAST GERMAN PROPOSALS TO FREE WESTERN EUROPEAN AND OTHER ADVANCED SECTOR ECONOMIES FROM THE BANKRUPT U.S. DOLLAR.

IN A JOINT DECLARATION ISSUED BY THE PCI AND THE COMMUNIST PARTY OF JAPAN (JCP), ACCORDING TO YESTERDAY'S UNITA, NEWSPAPER OF THE PCI, BOTH PARTIES PLEDGED TO "ESTABLISH A RELATIONSHIP OF CO-EXISTENCE WITH THE USA THAT GUARANTEES ANY COUNTRY THE POSSIBILITY OF CHOOSING IN FULL FREEDOM AND AUTONOMY ITS OWN FORM OF SOCIAL AND POLITICAL ORGANIZATION." THE DECLARATION ALSO OPPOSES ANY ATTEMPT TO UNITE THE WORLD COMMUNIST MOVEMENT BEHIND A COMMON STRATEGIC AND TACTICAL ORIENTATION, STATING THAT "THE PRESENT INTERNATIONAL SITUATION AND THAT OF THE INTERNATIONAL WORKERS AND COMMUNIST MOVEMENTS REQUIRE THAT THE PRINCIPLE OF AUTONOMY AND EQUALITY OF EVERY PARTY BE COHERENTLY AFFIRMED."

AT THE SAME TIME, A JOINT DECLARATION ISSUED BY THE PCI AND THE CIA-LED COMMUNIST PARTY OF SPAIN (PCE) PROPOSES TO SUBSTITUTE FOR THE STRUGGLE AGAINST THE WORLDWIDE DEPRESSION, THE STRUGGLE FOR LIBERALIZATION OF FASCIST SPAIN. THE DECLARATION CITES "IN PARTICULAR" THE OPPOSITION TO SPAIN'S FRANCO GOVERNMENT VOICED BY WESTERN EUROPE'S SOCIAL DEMOCRACIES AND THE U.S.-ORIENTED EUROPEAN COMMON MARKET AS EXEMPLARY OF THE STRUGGLE REQUIRED.

PCF DECLARES COMMITMENT  
FOR CONVENING OF WEST BERLIN CP CONFERENCE

OCT. 2 (IPS)—THE POLITBURO OF THE FRENCH COMMUNIST PARTY (PCF) YESTERDAY ISSUED A THREE-PART DECLARATION IN WHICH THEY FULLY ENDORSED THE RAPID CONVENING OF THE WEST BERLIN CONFERENCE OF EUROPEAN CP'S. THE STATEMENT REPORTED THAT A DELEGATION APPOINTED BY THE POLITBURO WOULD ATTEND PREPARATORY MEETINGS IN WEST BERLIN OCT. 8— "TO CONTINUE TO BRING THE CONSTRUCTIVE CONTRIBUTION OF THE PCF TO THE ELABORATION OF A DRAFT COMMON DECLARATION, IN THE SPIRIT DEFINED BY THE APRIL 1975 SESSION OF THE CENTRAL COMMITTEE," REPORTS YESTERDAY'S L'HUMANITE.

THAT THE APRIL 1975 CENTRAL COMMITTEE SESSION EXPRESSLY ATTACKED THE POLICIES OF THE ITALIAN COMMUNIST PARTY, WHICH HAS OPPOSED THE CONFERENCE ON THE GROUNDS THAT IT WILL VIOLATE THE SO-CALLED DOCTRINE OF "POLYCENTRISM"—THE PURPORTED RIGHT OF ANY NATIONAL COMMUNIST PARTY TO SELECT ITS OWN "AUTONOMOUS" POLITICAL AND ECONOMIC POLICIES WITHOUT REGARD FOR THE INTERNATIONAL TASKS FACING THE WORLD COMMUNIST MOVEMENT.

STOP "POOR-MOUTHING" THE "BOSS" ROCKY WARNS;  
DEMANDS RESIGNATION OF ADMINISTRATION CRITICS  
OF ENERGY BOONDOGGLE

OCT. 2 (IPS)—VICE PRESIDENT ROCKEFELLER WARNED ADMINISTRATION CRITICS OF HIS PROPOSED \$100 BILLION ENERGY BOONDOGGLE—THE ENERGY INDEPENDENCE AUTHORITY (EIA)—TO EITHER "RESIGN OR SUPPORT IT." IN AN INTERVIEW WITH THE CHRISTIAN SCIENCE MONITOR REPORTED IN TODAY'S NEW YORK POST, ROCKY SAID THAT THE WAY TO

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HAVE A "STRONG, HARD-HITTING ADMINISTRATION" IS NOT TO "POOR-MOUTH WHAT YOUR BOSS HAS DECIDED."

"NOW I HAPPEN TO BE OF THE SCHOOL," ROCKEFELLER, WHO HAS ARM-TWISTED PRESIDENT FORD TO SUPPORT EIA DESPITE THE OBJECTIONS OF FORD'S SENIOR ECONOMICS ADVISORS, SAID, "THAT WHEN THE PRESIDENT MAKES A DECISION, YOU EITHER SUPPORT IT, OR IF YOU DON'T AGREE WITH IT AND FEEL STRONGLY, YOU RESIGN."

MEANWHILE, SYNDICATED COLUMNISTS EVANS AND NOVAK, ALSO WRITING IN TODAY'S POST, LABEL EIA A "FAR-FLUNG SCHEME DEVELOPED BY THE ROCKEFELLER "BRAIN TRUST," AND CHARGED THAT THE BOONDOGGLE USES THE SAME TYPE OF "OFF-BUDGET" SPENDING WHICH BANKRUPTED NEW YORK CITY. CITING THE UNPRECEDENTED NUMBER OF "BIG GUNS" WHO HAVE DENOUNCED THE SCHEME, EVANS AND NOVAK POINT OUT ITS POTENTIAL USE AS A "SHARP WEAPON" FOR REPUBLICAN CONSERVATIVES WHO WANT TO OUST ROCKEFELLER FROM THE PRESIDENTIAL TICKET NEXT YEAR.

TIMES CHARGES STATE DEPARTMENT  
ALTERED TEXTS OF SINAI ACCORDS

OCT. 2 (IPS)—THE NEW YORK TIMES REPORTER LESLIE GELB CHARGED TODAY THAT THE FORD ADMINISTRATION HAD DELIBERATELY ALTERED TEXTS OF "SECRET" PROTOCOLS OF THE RECENTLY NEGOTIATED SINAI ACCORDS WHICH WERE LEAKED TO THE TIMES AND OTHER NEWSPAPERS, IN ORDER TO TRACE THE LEAKS. ADMINISTRATION OFFICIALS SAY THAT, BASED ON THE ALTERATIONS, THE TEXTS PUBLISHED IN THE TIMES WERE LEAKED THROUGH CONGRESS, AND NOT FROM STATE DEPARTMENT SOURCES, THE TIMES FURTHER ALLEGED.

BUT COLUMNIST JACK ANDERSON, WHO FIRST LEAKED THE TEXTS, TOLD GELB THAT THEY CAME FROM THE STATE DEPARTMENT, NOT CONGRESS. AND SENATOR DICK CLARK (D-IOWA) COMMENTED, "IF IT IS TRUE THAT THE DOCUMENTS WERE INTENTIONALLY ALTERED, I CAN'T IMAGINE THAT IT WILL DO MUCH TO RESTORE A COOPERATIVE SPIRIT BETWEEN THE TWO BRANCHES."

THE APPARENTLY INTENDED EFFECT OF THE CONTROVERSY IS TO IMPEACH CONGRESS' TRUSTWORTHINESS TO RECEIVE CLASSIFIED DOCUMENTS. SECRETARY OF STATE HENRY KISSINGER HAS, ON THESE GROUNDS, RESISTED CONGRESS' REQUEST TO SEE THE PROVISIONS OF THE SINAI ACCORDS BEFORE IT APPROVES THEM.

ILLINOIS GOVERNOR DECLARES WAR ON CHICAGO MAYOR

OCT. 2 (IPS)—ILLINOIS GOVERNOR DANIEL WALKER PLEDGED OPEN-WARFARE AGAINST CHICAGO MAYOR RICHARD DALEY'S PRO-WEST/WEAT TRADE DEMOCRATIC ORGANIZATION, AT A PRESS CONFERENCE YESTERDAY HELD TO ANNOUNCE HIS CANDIDACY FOR REELECTION, TODAY'S CHICAGO TRIBUNE REPORTS. AS PART OF HIS CONTINUING EFFORTS TO SPLINTER THE PRO-PRODUCTION, PRO-DEVELOPMENT MIDWESTERN DEMOCRATIC MACHINE, SAYS THE TRIBUNE, WALKER DECLARED THAT HE WOULD CHALLENGE DALEY'S SLATES OF DELEGATES FOR NEXT YEAR'S DEMOCRATIC NATIONAL CONVENTION.

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III. ORGANIZING AND INTELLIGENCE

SCHMIDT REJECTS NATO BARRIERS TO EAST/WEST TRADE;  
SHUNS COMMENT ON PORTUGAL

NEW YORK, OCT. 2 (IPS)--WEST GERMAN CHANCELLOR HELMUT SCHMIDT TODAY REJECTED "OUT OF HAND" ANY SUPPORT BY HIS GOVERNMENT FOR ROCKEFELLER'S NATO POLICY OF STOPPING EAST/WEST TRADE BECAUSE IT WILL ALLEGEDLY RESULT IN SOVIET SUBVERSION OF NATO. THAT POLICY --MAKING THE QUESTION OF EAST/WEST TRADE A MILITARY QUESTION-- WAS OUTLINED BY U.S. SECRETARY OF DEFENSE JAMES SCHLESINGER, NATO COMMANDER ALEXANDER HAIG AND BRITISH THINK-TANKER JOHN ERICKSON AT THE RECENTLY CONCLUDED NATO PARLIAMENTARIAN'S CONFERENCE IN COPENHAGEN.

SPEAKING AT A PRESS CONFERENCE FOLLOWING HIS ARRIVAL IN THE UNITED STATES YESTERDAY, SCHMIDT SAID, "I THINK THE INCLINE OF EAST/WEST TRADE IS ADVANTAGEOUS FROM TWO POINTS OF VIEW. FIRST, STRATEGICALLY, COOPERATION BETWEEN THE TWO SECTORS GREATLY ENHANCES THE PROSPECTS OF PEACE AND SECONDLY, FROM THE ECONOMIC POINT OF VIEW, EAST/WEST TRADE IS ADVANTAGEOUS TO OUR COUNTRY." HOWEVER, SCHMIDT REFUSED TO ADDRESS THE QUESTION OF HIS COUNTRY BREAKING FROM THE DOLLAR, AND, IN RESPONSE TO THE QUESTION OF USING THE TRANSFERABLE RUBLE AS A BASIS FOR EXPANDING TRADE, SCHMIDT REPLIED THAT HE HAS ALWAYS ENCOURAGED THE SOVIETS TO MAKE THEIR RUBLE CONVERTABLE, "BUT THAT IS THEIR BUSINESS."

SCHMIDT BECAME FLUSTERED AT ONE POINT DURING THE PRESS CONFERENCE WHEN SEVERAL REPORTERS ASKED HIM ABOUT REVELATIONS IN THE NEW YORK TIMES THAT HIS WEST GERMAN SOCIAL DEMOCRATIC PARTY (SPD) HAD CONDUITED CIA MONEY TO THE PORTUGUESE SOCIALIST PARTY. DECLINING TO REITERATE DENIALS OF THE CHARGES BY OTHER SPD SPOKESMEN, SCHMIDT SAID TERSELY: "I CANNOT COMMENT ABOUT THAT AT THIS TIME," AND "THESE REVELATIONS ALWAYS AROUSE A LOT OF PUBLICITY."

SCHMIDT ALSO EXPRESSED "CAUTIOUS OPTIMISM" ABOUT THE PROSPECTS FOR ECONOMIC RECOVERY IN THE BRD AND THE UNITED STATES, AND INSISTED THAT HE HAD NO PRESSING BUSINESS WITH PRESIDENT FORD TO DISCUSS AT THEIR MEETING TOMORROW.

SCHMIDT IS IN THE UNITED STATES TO ADDRESS THE ANNUAL MEETING OF THE INTERNATIONAL CHAMBER OF COMMERCE AND TO SPEAK WITH NUMEROUS AMERICANS "WHOSE VIEWS I RESPECT."

KISSINGER SABOTAGES  
SENATE FOREIGN RELATIONS COMMITTEE HEARINGS ON SINAI PACT

OCT. 2 (IPS)--SECRETARY OF STATE HENRY KISSINGER FORCED THE CANCELLATION OF SENATE FOREIGN RELATIONS COMMITTEE HEARINGS TODAY WHICH WOULD HAVE PROVIDED A FORUM FOR A BROAD SPECTRUM OF HIS POLITICAL OPPOSITION TO VOICE THEIR OBJECTIONS TO THE RECENTLY NEGOTIATED SINAI PACT. SCHEDULED WITNESSES INCLUDED: MR. ROBERT DREYFUSS OF THE U.S. LABOR PARTY, WHO WOULD HAVE TESTIFIED THAT HENRY KISSINGER AND THE NATIONAL SECURITY COUNCIL, IN COL-

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LABORATION WITH SYRIA AND POSSIBLY EGYPT AND ISRAEL, ARE CO-ORDINATING—AS PART OF THE SINAI PACT—THE CURRENT CIVIL WAR IN LEBANON WHICH COULD EASILY LEAD TO A THERMONUCLEAR CONFRONTATION BETWEEN THE U.S. AND THE USSR. MR. CHARLES YOST, WHO HAS PUBLICLY CRITICIZED THE ACCORD FOR ITS PROVISION TO GRANT PERSHING MISSILES TO ISRAEL ON THE BASIS THAT IT INCREASED THE NUCLEAR POTENTIAL; GEORGE BALL, FORMER U.S. UNDERSECRETARY OF STATE, WHO HAS SAID THAT THE PACT COULD NOT LEAD TO PEACE IN THE LONG TERM, AND HAS CALLED FOR A RECONVENING OF THE GENEVA TALKS, WITH SOVIET PARTICIPATION, AS THE ONLY MEANS OF ACHIEVING LASTING PEACE IN THE MIDEAST; SEN. ABOUREZK (D-IND) AND PAUL WARNKE, FORMER UNDERSECRETARY OF DEFENSE WERE ALSO INCLUDED.

A SPOKESMAN FOR THE SENATE FOREIGN RELATIONS COMMITTEE SAID LATE THIS AFTERNOON THAT THE HEARINGS HAD BEEN CANCELLED BECAUSE THE COMMITTEE HAD FAILED THUS FAR TO REACH AN AGREEMENT WITH HENRY KISSINGER OVER MAKING THE SECRET SECTIONS OF THE PACT PUBLIC, AND THEREFORE THERE WAS "NO SENSE" IN HOLDING THE HEARINGS SINCE TESTIMONY AND QUESTIONS WOULD HAVE TO BE RESTRICTED TO THE OFFICIALLY RELEASED ASPECTS OF THE PACT. THE COMMITTEE IS SEEKING FULL PUBLIC DISCLOSURE. KISSINGER MET WITH THE COMMITTEE MEMBERS IN EXECUTIVE SESSION YESTERDAY, AGAIN AT 8:00 THIS MORNING, AND LATE THIS AFTERNOON IN EFFORTS TO REACH AN AGREEMENT. THE COMMITTEE SPOKESMAN SAID THAT THE HEARINGS WOULD NOT BE HELD UNTIL AN AGREEMENT IS WORKED OUT.

IN A RELATED DEVELOPMENT, NEW YORK TIMES COLUMNIST LESLIE GELB REPORTS TODAY THAT THE STATE DEPARTMENT MADE STYLISTIC CHANGES IN THE DOCUMENTS ON THE PACT WHICH IT GAVE TO CONGRESS PURPORTEDLY TO BE ABLE TO TRACE WHETHER FUTURE LEAKS CAME FROM STATE OR CONGRESS. REACHED FOR COMMENT BY GELB, SYNDICATED COLUMNIST JACK ANDERSON, WHO HAD PUBLISHED THE FIRST LEAKED COMMENTS, SAID TODAY "THE DOCUMENTS DID NOT COME FROM CAPITOL HILL. THEY CAME FROM THE STATE DEPARTMENT." SUPPORTING ANDERSON'S CONTINITION, A SENATE AIDE SAID, ACCORDING TO GELB, THE STATE DEPARTMENT "COULD HAVE LEAKED THEIR OWN DOCTORED VERSION." AND SEN. DICK CLARK (D-IOWA) COMMENTED, "IF IT IS TRUE THAT THE DOCUMENTS WERE INTENTIONALLY ALTERED, I CAN'T IMAGINE THAT IT WILL DO TOO MUCH TO RESTORE A COOPERATIVE SPIRIT BETWEEN THE TWO BRANCHES."

#### ROCKEFELLER PUSHES FOR HIS ENERGY SCHEME WITH NEW PRICE TAG

WASHINGTON, D.C., OCT. 2 (IPS)—VICE-PRESIDENT NELSON ROCKEFELLER TOLD DELEGATES AT THE AMERICAN ENTERPRISE INSTITUTE CONFERENCE ON ENERGY POLICY HERE TODAY THAT HIS PROPOSAL FOR A PUBLIC CORPORATION FOR ENERGY DEVELOPMENT WOULD REQUIRE AT LEAST \$600 TO \$800 BILLION IN CAPITAL INVESTMENT TO MAKE AMERICAN ENERGY INDEPENDENT. THE PLAN WHICH WOULD CREATE AN ENERGY INDEPENDENCE AUTHORITY AND LAST WEEK RECEIVED THE ENDORSEMENT OF PRESIDENT FORD, PREVIOUSLY HAD A \$100 BILLION PRICE TAG.

ROCKEFELLER INDICATED THAT THERE WOULD BE NUMEROUS CHANGES IN LAWS ALONG THE WAY TO IMPLEMENTING HIS SCHEME. FOR EXAMPLE, THE

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VICE-PRESIDENT STATED, EIA'S DECISIONS AND AGREEMENTS MUST NOT BE MADE SUBJECT TO ANY STATE OR LOCAL AGENCIES OR AUTHORITIES REQUIREMENTS.

THE LABOR MOVEMENT WAS ALREADY BEHIND EIA, THE VICE-PRESIDENT ASSERTED. HE DID NOT ELABORATE ON WHO SPECIFICALLY ITS SUPPORTERS WERE. INDUSTRY WAS A BIT MORE DIFFICULT, ROCKEFELLER SAID, BUT THEY COULD BE MADE TO LISTEN TO REASON. HE SAID THAT HE WAS SURE THAT THEY WOULD "COME AROUND WHEN THEY STARTED GETTING MORE DESPERATE FOR ENERGY."

AFTER 10 YEARS OF DOLING OUT ITS BILLIONS, ROCKEFELLER TOLD THE DELEGATES, THE EIA COULD BE AUCTIONED OFF TO THE HIGHEST BIDDER. HE DID NOT SAY WHO WOULD BUY IT.

#### FLOAT NEW PLAN TO LOOT \$4 BILLION FROM NYC WORKERS

NEW YORK, OCT. 2 (IPS)--UNIDENTIFIED "TOP FINANCIAL" ADVISORS TO NEW YORK GOVERNOR HUGH CAREY HAVE FLOATED A PROPOSAL TO ROB AN ADDITIONAL \$4 BILLION FROM NEW YORK CITY'S PUBLIC EMPLOYEES' PENSION FUNDS THROUGH THE PURCHASE OF CITY SECURITIES AND USE THE MONEY TO GUARANTEE THE CITY'S OBLIGATIONS TO ITS BONDHOLDERS. ACCORDING TO TODAY'S NEW YORK TIMES, THE PROPOSAL WOULD GO INTO EFFECT WHEN THE SO-CALLED BIG MAC II \$2.3 BILLION "RESCUE PLAN" EXPIRES THIS DECEMBER.

THE CITY PENSION SYSTEMS HAVE ALREADY INVESTED MORE THAN \$1 BILLION IN MAC AND CITY SECURITIES. IF THE PLAN IS SUCCESSFUL, THE ADDITIONAL \$4 BILLION LOOTED FROM CITY PENSION FUNDS, WOULD EXCEED THE TOTAL LOOTED BY THE NAZIS AND FINANCE MINISTER HJALMAR SCHACHT FROM PENSION FUNDS OF THE ENTIRE GERMAN WORKING CLASS DURING THE 1930'S.

OVER THE LAST WEEK HOWEVER, THE PIECES OF THE MAC RESCUE PACKAGE HAVE BEGUN TO FALL APART, PUTTING THE CITY ONCE AGAIN ON THE BRINK OF DEFAULT. THE DECEMBER TIMETABLE FOR THE PENSION FUND LOOTING WILL THEREFORE LIKELY BE MOVED UP. DAVID ROCKEFELLER, CHAIRMAN OF THE BOARD OF CHASE MANHATTAN BANK AND A MAN WHO ALWAYS SEEMS TO HAVE THE GOVERNOR'S EAR ON FINANCIAL MATTERS, IS KNOWN TO LOOK FAVORABLY ON SUCH UNION "DONATIONS."

VICTOR GOTBAUM, HEAD OF AFSCME DISTRICT COUNCIL 37 AND ONE OF THE THREE TRUSTEES FOR THE LARGEST PENSION FUND, THE CITY EMPLOYEES RETIREMENT SYSTEM, SAID THAT HIS UNION IS STUDYING THE PLAN. GOTBAUM HAS BEEN TERMED AS MOST RESPONSIBLE FOR ENGINEERING THE UNIONS' PREVIOUS DONATIONS.

SANITATION UNION HEAD AND PENSION TRUSTEE JOHN DELURY EXPRESSED THE FEELING OF CITY WORKERS WHEN HE EXPRESSED HIS OPPOSITION TO THE RIDICULOUS NEW PROPOSAL: "ALL I CAN SAY IS THEY WILL GET IT OVER MY DEAD BODY."

#### KISSINGER BUGS ENDERS?

WASHINGTON, D.C., OCT. 2 (IPS)--SECRETARY OF STATE HENRY KISSINGER IS TAPPING THE TELEPHONE LINES OF KEY STATE DEPARTMENT AIDES, ACCORDING TO AN UNIMPEACHABLE SOURCE HERE.

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