



NEW SOLIDARITY International Press Service

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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)
COMBINED NEWS ROUND-UP--PRIORITY ITEMS
SUNDAY, FEBRUARY 15, 1976 2030 HOURS EST

IL FIORINO STATES THAT ITALY'S FOREIGN DEBT IS MAIN PROBLEM

FEB. 15 (IPS)--IN A FEATURED FRONT-PAGE ARTICLE, TODAY'S ITALIAN FINANCIAL NEWSPAPER IL FIORINO STATES THAT ITALY'S MAJOR PROBLEM IS ITS MOUNTAIN OF ACCUMULATED FOREIGN DEBTS AND INTEREST AND ADDS THAT "TO GET OTHER LOANS, BEGGING RIGHT AND LEFT TO BE ABLE TO PAY THE INTEREST AND THE AMORTIZATION OF PREVIOUS LOANS, IS A PAINFUL AND HUMILIATING WAY OF FACING AGAIN THE SAME PROBLEM ONE YEAR LATER."

IL FIORINO SHOWS THAT THE ONLY WAY ITALY COULD MEET THIS YEAR'S BALANCE OF PAYMENTS DEFICIT WOULD BE FOR IT TO EXPORT ABOUT \$5 BILLION MORE THAN IMPORTS, MAINLY BECAUSE THE COUNTRY WILL HAVE TO PAY BACK \$3.5 BILLION ON PRINCIPAL AND INTEREST THIS YEAR. THIS LEVEL OF EXPORTS, ACCORDING TO AUTHORITATIVE SOURCES AT THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT CITED BY FIORINO, WILL BE IMPOSSIBLE FOR THE COUNTRY.

"WHEN THEY SPEAK ABOUT \$13 OR \$14 BILLION (IN FOREIGN DEBT) AS OFFICIAL SOURCES DO," THE PAPER CONTINUES, "THEY ARE TELLING ONLY PART OF THE TRUTH....IN FACT, THAT IS THE TOTAL DEBT ONLY AS REGARDS THE PRINCIPAL. THEN THERE IS ALSO THE INTEREST, WHICH AMOUNT TO NEARLY \$7 BILLION. THUS THE TOTAL INDEBTEDNESS AMOUNTS TO \$20 BILLION."

IMPLICITLY POSING THE NEED FOR A DEBT MORATORIA, THE ARTICLE ENDS BY QUESTIONING WHETHER "IT IS POSSIBLE TO THINK ABOUT AN ECONOMIC RECOVERY IN A SITUATION IN WHICH EVERY MINOR HARD-EARNED ADVANCE OF THE BALANCE OF PAYMENTS IS SWALLOWED BY THE COST OF DEBT REPAYMENT, IN WHICH THE LINK OF THE BALANCE OF PAYMENTS IS THUS BEING TRANSFORMED IN A NOOSE THAT DRAWS EVER TIGHTER."

OIL SUPPLY SABOTAGE AGAINST ITALY SPARKS CONCERN

FEB. 15 (IPS)--IL GIORNALE, AN ITALIAN NEWSPAPER WITH TIES TO THE OIL AND ENERGY SECTOR, CONFIRMED TODAY THAT ITALY IS REACHING "THE END OF ITS RESERVES OF GASOLINE, HEAVY AND BURNING OIL." THE STATEMENT COMES TWO DAYS AFTER THE FINANCIAL PAPER IL FIORINO PUBLICIZED THE FACT THAT MULTINATIONAL OIL COMPANIES ARE DELIBERATELY SLOWING DOWN THE SHIPMENT OF OIL TO ITALY TO BACK UP THEIR DEMAND FOR A MASSIVE PRICE INCREASE.

IN A RELATED DEVELOPMENT, SIGNOR MOLE, THE REPRESENTATIVE OF THE CHRISTIAN DEMOCRATIC PARTY (DC), AT A CONFERENCE YESTERDAY ON

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THE "RESTRUCTURING OF ENI (NATIONAL HYDROCARBONS AGENCY) AND INDUSTRIAL CONVERSION," STRESSED THE FACT THAT ACCEPTING THE CONDITIONS OF THE OIL COMPANIES WOULD HAVE SUICIDAL CONSEQUENCES FOR ITALY. MOLE STATED THAT AN INCREASE IN OIL PRICES WOULD "BRING ABOUT A DANGEROUS SLOWDOWN, IF NOT A COMPLETE HALT, TO OUR PRODUCTIVE ACTIVITY. RIGHT NOW WE CANNOT ALLOW THIS TO HAPPEN." MOLE'S REMARKS WERE QUOTED TODAY IN IL POPULO, THE DC DAILY.

ITALIAN CHRISTIAN DEMOCRATIC TRADE MISSION IN MEXICO
SEEKS OIL DEALS

FEB. 15 (IPS)—PAOLO BARBI, THE VICE PRESIDENT OF THE ITALIAN CHRISTIAN DEMOCRATIC PARTY WHO IS PRESENTLY HEADING A TRADE MISSION TO MEXICO, TOLD THE PROGRESSIVE MEXICAN DAILY EL SOL YESTERDAY THAT "WE HAVE GREAT INTEREST IN ACQUIRING MEXICAN OIL." BARBI EMPHASIZED THAT ITALY IMPORTS \$6 BILLION WORTH OF OIL ANNUALLY, AND THAT THE CONSTANT INCREASES IN THE PRICE OF OIL ARE "ONE OF THE DETERMINING FACTORS IN THE FALL OF THE LIRA."

THE SOL REPORT STATED THAT AT THIS MOMENT THE PRINCIPLE OBSTACLE TO MEXICAN EXPORTS OF OIL TO ITALY IS "LACK OF AN ADEQUATE TRANSPORTATION SYSTEM."

BARBI ALSO CALLED FOR DIRECT TRADE RELATIONS BETWEEN MEXICO AND ITALY TO AVOID "THE BLOCS IN NEW YORK AND OTHER U.S. CITIES WHICH HAVE SLOWED DOWN THE DEVELOPMENT OF RELATIONS" BETWEEN THE TWO COUNTRIES.

SWEDISH FINANCIAL PAPER PROPOSES IDE-STYLED SOLUTION

FEB. 15 (IPS)—THE LEADING SWEDISH CONSERVATIVE DAILY, SVENSKA DAGBLADET TODAY CALLS FOR A "NEW MARSHALL PLAN" TO SOLVE THE CURRENT COLLAPSE OF INTERNATIONAL PRODUCTION.

THE FEATURE, BY FINANCIAL SPECIALIST LENNART ANDERSON, SUGGESTS THAT DEVELOPING COUNTRIES REPRESENT THE MARKET THAT CAN GIVE THE WORLD ECONOMY THE "PUSH OF GROWTH," BUT THAT "SOME OF THESE COUNTRIES ARE SO BAD OFF THAT THEY CANNOT PAY INTEREST AND MORTGAGES ON THEIR EARLIER LOANS."

TO GET BEYOND THIS DEBT CRISIS, SVENSKA DAGBLADET, WHICH IS BACKED BY SWEDISH INDUSTRIALIST INTERESTS, SUGGESTS THAT INDUSTRIAL COUNTRIES ARRANGE "PLENTIFUL SUPPORT OVER, SAY, FIVE YEARS, TIED TO DETERMINATE PLANNING OF DEVELOPMENT" AS THE "LEVERAGE TO GET THE DEVELOPING COUNTRIES OUT OF THEIR PRESENT SWAMP."

ON THE CRUCIAL DEBT MORATORIUM ISSUE, SVENSKA DAGBLADET STATES: "A FIRST STEP MIGHT BE TO REDUCE OUTSTANDING LOANS FROM THE INTERNATIONAL FINANCE MARKETS." FURTHER, ANDERSEN SUGGESTS THAT ONCE THEY HAVE BEEN EXTENDED, DEVELOPMENT CONTRIBUTIONS FOR "THE MAIN PART TO BE PAID BACK MUST BE GIVEN AT LOW INTEREST RATES AND AT LONG-TERM."

ELC DRIVE TO SELL OUT BRANDT INTERNATIONAL BULLETIN IN TWO WEEKS

WIESBADEN, W. GERMANY FEB. 15 (IPS)—THE EUROPEAN LABOR COMMITTEE YESTERDAY ANNOUNCED A DRIVE TO SELL OUT ALL 2,000 COPIES OF THE JUST

PRINTED GERMAN LANGUAGE INTERNATIONAL BULLETIN WHICH EXPOSES SOCIAL DEMOCRATIC PARTY CHAIRMAN WILLY BRANDT'S CAREER AS A CIA AGENT, WITHIN THE NEXT TWO WEEKS.

THE DRIVE IS AIMED AT PREVENTING BRANDT FROM MAKING GOOD HIS INTENTION TO RECONFISCATE THE ISSUE. WHEN THE BULLETINS WERE SHIPPED TO WEST GERMANY FROM AN ITALIAN PRINTER, WEST GERMAN BORDER AUTHORITIES SEIZED THEM FOR A WEEK. AFTER THE SHIPMENT WAS RELEASED BY THE POLICE TWO DAYS AGO, THE CHIEF STATE ATTORNEY IN WIESBADEN THREATENED THE ELC THAT HE WOULD PERSONALLY PROVIDE A COPY TO BRANDT, SO THAT BRANDT COULD PRESS CHARGES AGAINST THE ELC FOR "DISTRIBUTING FACTS THAT DAMAGE HIS CAREER." THE RAPID SELLING OUT OF THE 2,000 COPIES OF THE ISSUE WILL FORCE BRANDT TO BRING A 'CLASS SUIT' AGAINST THE BULLETIN'S 2,000 PURCHASERS, IF HE WANTS TO RECONFISCATE THE ISSUE.

COUNTERGANG DEMO FLOPS IN LUANDA

FEB. 15 (IPS)--A DEMONSTRATION OF MAOIST "DIVISIONISTS" IN LUANDA, ANGOLA, TIMED TO COINCIDE WITH A VISIT OF A NUMBER OF FOREIGN DELEGATES TO THAT CITY AND OBVIOUSLY DESIGNED TO EMBARRASS THE MPLA GOVERNMENT, ENDED "WITHOUT A CONFRONTATION WITH POLICE" WHEN ONLY 600 SHOWED UP, ACCORDINT TO TODAY'S WASHINGTON POST.

THE DEMONSTRATION, COMPOSED OF "STUDENTS" AND "UNSKILLED WORKERS," ACCORDING TO THE POST, DEMANDED TO KNOW WHY THE GOVERNMENT HAD CLOSED DOWN A RADIO STATION WHICH HAD RECENTLY BEGUN DENOUNCING WHAT IT CALLED "NEW BOURGEOISIE" RUNNING THE GOVERNMENT, AND CALLING FOR DIRECT RULE BY WORKERS AND PEASANTS.

PRESIDENT AGOSTINHO NETO CHARGED THAT THESE "DIVISIONISTS," BY PUTTING MINOR PROBLEMS AHEAD OF MAJOR ONES WERE GIVING "IMPERIALISTS" A CHANCE TO DISRUPT THE MOVEMENT. ANOTHER MPLA OFFICIAL SAID, "WE WERE WORRIED ABOUT THE EXTREME LEFTISTS, THE MAOISTS AND THE RACISTS IN OUR MIDST, NOW WE SEE THEY ARE NOT ALL THAT NUMEROUS."

YONKERS IN STATE OF DEFAULT

FEB. 15 (IPS)--ON MIDNIGHT FRIDAY, FEBRUARY 13, YONKERS, THE FOURTH LARGEST CITY IN NEW YORK STATE, TECHNICALLY DEFAULTED ON PAYMENT OF 12.5 MILLION DOLLARS IN SHORT TERM NOTES, ACCORDING TO YESTERDAY'S NEW YORK TIMES. AS A RESULT OF THE REFUSAL OF BANKS--PARTICULARLY CHASE MANHATTAN, CITIBANK, AND CHEMICAL--TO BUY ANY YONKERS PAPER, THE CITY WAS UNABLE TO ROLL OVER THE DEBT.

YESTERDAY, GOVERNOR CAREY ASSURED THE CITY THAT STATE COMPTROLLER ARTHUR LEVITT WOULD MAKE UP THE DEFICIT, AND THE STATE THEN PLEDGED TO BUY 5.4 MILLION DOLLARS IN NOTES, WITH MANUFACTURERS HANOVER AND NATIONAL BANK OF WESTCHESTER BUYING A TOTAL OF 3.5 MILLION DOLLARS, LEAVING A SHORTFALL OF 3.5 MILLION DOLLARS WHICH MUST BE RAISED BY TUESDAY.

LOCAL BANKS, WORRIED ABOUT A POSSIBLE DEFAULT, HESITATED TO CASH CITY PAYROLL CHECKS ON FRIDAY. ACCORDING TO THE TIMES, IF THE CITY

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IS ABLE TO RAISE THE FINAL 3.5 MILLION DOLLARS IN SHORT TERM NOTES. IT MUST BORROW ANOTHER 1.3-2.5 MILLION DOLLARS TO MEET ANOTHER PAY-ROLL AT THE END OF NEXT WEEK.

FORD TO CALL FOR TIGHTER WHITE HOUSE CONTROL OF INTELLIGENCE COMMUNITY: INSTITUTES SECRETS ACT

FEB. 15 (IPS)—THE WASHINGTON POST TODAY REPORTS THE BASIC FEATURES OF PRESIDENT FORD'S PLAN TO REORGANIZE THE INTELLIGENCE COMMUNITY WHICH WILL BE UNVEILED LATER IN THE WEEK. ACCORDING TO THE POST, FORD WILL ESTABLISH AN "INDEPENDENT" WHITE HOUSE BOARD TO MONITOR INTELLIGENCE AGENCIES' ADHERENCE TO NEW PRESIDENTIAL DIRECTIVES WHICH WILL BE EMBODIED IN REVISED AGENCY CHARTERS IN SOME CASES, AND CLASSIFIED IN OTHERS. THE NEW PLAN MAKES THE CIA DIRECTOR THE CHIEF WHITE HOUSE ASSISTANT ON INTELLIGENCE WITH BUDGETARY CONTROL OVER ALL THE AGENCIES GATHERING FOREIGN INTELLIGENCE. UNDER THIS PLAN THE FBI REMAINS UNDER THE ATTORNEY GENERAL'S OVERSIGHT WITH PRESIDENTIAL DIRECTIVES SERVING AS POLICY GUIDELINES.

IN GENERAL, THE PLAN CALLS FOR A TIGHTER WHITE HOUSE CONTROL AND DIRECTION OF ALL INTELLIGENCE OPERATIONS, INCLUDING COVERT ACTIONS. IT SETS UP A SECRETS LAW APPLYING TO ACTIVE AND RETIRED CIA AND OTHER GOVERNMENT EMPLOYEES, BUT NOT TO CONGRESS AND CONGRESSIONAL AIDES, THAT MAKES IT A CRIME TO DISCLOSE CLASSIFIED INTELLIGENCE INFORMATION.

FORD EXPLICITLY LEAVES THE MATTER OF CONGRESSIONAL OVERSIGHT AS WELL AS IMPOSITION OF A CONGRESSIONAL OFFICIAL SECRETS ACT TO CONGRESS ITSELF.

TIMES CALLS FOR BIG CORPORATIONS TO REGULATE SELVES

FEB. 15 (IPS)—IN ITS LEAD EDITORIAL TODAY, THE NEW YORK TIMES LAYS THE TASK OF CORPORATE REORGANIZATION AT THE FEET OF THE CORPORATIONS THEMSELVES. "THE RESPONSIBILITY FOR REFORM LIES PRIMARILY WITH THE BUSINESS COMMUNITY ITSELF," STATED THE TIMES IN AN EDITION THAT INCLUDED SOME SIX ARTICLES ON CORPORATE BRIBERY ABROAD.

ACCOMPANYING ONE ARTICLE WAS A LIST OF CORPORATIONS GUILTY OF BRIBERY BUT NOT YET CHARGED. INCLUDED ON THE LIST WERE EXXON, MOBIL, GULF, FORD, GRUMMAN, GENERAL MOTORS, AND UNITED BRANDS.

END OF COMBINED IPS FOR SUNDAY FEBRUARY 15, 1976