



NEW SOLIDARITY International Press Service

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Combined News Summary
March 4, 1976 - 2030 Hrs.

LONDON TIMES EDITOR ASKS 'CENTRAL FACILITY' TO UNDERWRITE 25 - YEAR CREDITS FOR THIRD WORLD

March 4 (IPS)—The Economics Editor of the London Times, Peter Jay, in an article in today's Times proposed that the industrial countries "collectively" offer large long-term credits for economic development financed through a "central facility," and that the industrial countries guarantee a "minimum tolerable standard of existence" in the Third World as part of this development.

Jay presents the package as "the only way to prevent war, trade or otherwise." Last week Jay wrote in the London Times that Britain itself had a choice between "national bankruptcy" and "repudiation of its foreign debts."

The article is titled "An Offer the World Can't Refuse." Referring to the last 18 months of discussions on the New World Economic Order, it says, "The manner in which the discussions are being conducted is calculated to maximize conflict and minimize the common interest. The approach being used in countless different forums ... is essentially to bargain over a whole range of different schemes .. (which) cannot be examined purely on the basis of their own merits."

It continues: "Would it not be better to start from the other end?" Jay asks. "Let the developed countries together, excluding the communists if they will not participate, say as follows to the developing countries:"

A ten point negotiating program follows, of which the most important parts are: "We have an enlightened self-interest in your development, call it an insurance policy if you like... We will now collectively underwrite for the next 25 years the foreign exchange requirements of agreed development programs in return for certain freely accepted conditions," which he later describes as essentially the continuance of free trade on a capitalist basis within the development framework.

He proposes a "minimum tolerable standard of existence" for the Third World "and let us work out jointly the development programs needed to achieve it. From the already known capital and debt

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servicing obligations of the developing countries, let the net foreign exchange requirements of at least the minimum development program be deducted...through a central facility."

COALITION GROWING IN BRITAIN AGAINST HEALEY POLICIES

London, March 4 (IPS)--Leaders of the British Conservative Party who oppose the U.S.-dictated budget-cut programs of Chancellor of the Exchequer Denis Healey are negotiating with Third World spokesmen for the New World Economic Order in London, according to well-informed sources here. The sources said that the talks are considering a proposal for a "central facility to underwrite 25 - year credits to the third world" to guarantee a "minimum tolerable standard of existence" which was publicly put forward by London Times economics editor Peter Jay in a column in today's Times.

The discussions are taking place without the consent of the Conservative Party's leader, Margaret Thatcher, who is called the "Iron Lady" for her unwavering support of U.S. and NATO policies, and include Peter Walker, who is an anti-Thatcher Conservative and a former Minister of Industry.

CNPF DENOUNCES DOLLAR SYSTEM

March 4 (IPS)--Pierre Bernard-Danay, editor of France's major financial daily Les Echos, today criticized recent international monetary arrangements as being "at the total disposition and discretion, at each crucial phase, of the behavior of American monetary authorities."

Bernard-Danay said that a recent meeting between the French employers' association (CNPF) and American negotiator Walker at monetary talks held in Tokyo, "brought to light the objections of the French patronat with regard to the manner in which the United States conceive certain points of these great multilateral commercial negotiations."

He adds that the "vigilance" of French industrialist layers is directed not only at U.S. monetary maneuvering, but also the refusal of the atlanticist government of French President Giscard D'Estaing to "openly" counter U.S. proposals.

TETHER PREDICTS CHAIN REACTION OF THIRD WORLD DEBT MORATORIA --EURO MARKET COLLAPSE

March 4 (IPS)-- Economic writer C. Gordon Tether said in his Lombard column in the London Financial Times today that "it is as well to recognize that so many developing countries are coming near to convincing themselves that they are entitled to a moratorium on their international debts, that there is a very real possibility

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that, once set in motion, the default process would rapidly escalate."

In the column, titled "Ignoring All the Warnings," Tether further predicts a breakdown of the Eurocredit markets occurring around the end of March as a result of the Third World payments crisis. The Euromarkets are collapsing anyway, Tether adds, due to the defaults in the tanker sector.

BALL FLIES OFF TO LONDON, PARIS

New York, March 4, (IPS)-- The office of former Under Secretary of State George Ball said here today that Mr. Ball will leave tomorrow for meetings in London. Ball, who is now associated with Lehman Brothers investment house here and who is regarded as a leading Atlanticist policy spokesman, will then fly to Paris for a round of meetings. His office refused to disclose who Ball would be meeting with or how recently they had been scheduled.

PROMINENT MILANESE BUSINESSMAN CALLS FOR TWO-YEAR DEBT MORATORIUM

Milan, March 4 (IPS)--Italo Polimeni, a prominent advisor to the Milan stock exchange, said in an interview that he sent a long telegram to Italian Budget Minister and Christian Democratic Party leader Giulio Andreotti today calling on the government "to ask Italy's allies for a two-year debt moratorium." Stating that he had listed a series of concrete economic and monetary measures to accompany the moratorium and expand Italy's industry and trade, Polimeni said: "I told him (Andreotti) everything he should do, and he is certain to answer."

ITALIAN SOCIALIST PARTY GENERAL SECRETARY PROPOSES DC-PSI COALITION

Rome, March 4 (IPS)--Francesco De Martino, the General Secretary of the Italian Socialist Party, today called for the formation of a coalition government in Italy composed of the Socialists and the Christian Democracy which would tackle the planning of the Italian economy from the standpoint of a "centralized leadership model."

In an address that reflects the views of party faction leader Giacomo Mancini, De Martino told the national congress of the Socialist Party that "the problems to be resolved have ceased to be national and have become continental . . . The capitalist system is in crisis," De Martino said, adding that "in the course of the fight for a unified Europe, new social and economic structures must be introduced."

MOZAMBIQUE TAKES PRECAUTIONARY ACTION AGAINST RHODESIAN AGGRESSION

March 4 (IPS)-- Samora Machel, the President of Mozambique, announced

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yesterday that his government has sealed its border with neighboring Rhodesia and suspended all traffic between the two countries. Machel also called upon the population to install and man defenses against further land and air border incursions from Rhodesia, according to German Democratic Republic newspaper Neues Deutschland today. Mozambiquan soil by Rhodesian firms," Neues Deutschland reports.

According to today's New York Times, a Mozambique government official today denied reports widely circulated in the West European and U.S. press which claimed that Machel had declared war against Rhodesia. In one such report, today's Baltimore Sun covered the border closing under the headline "U.S. Fears Race War Leading to Red Africa." The article began: "The nightmare of the U.S. diplomacy in southern Africa is this: a horrifying war between the races that ends in Marxist domination while Washington, in effect looks on helplessly."

KISSINGER THREATENS "GREAT CRISIS"; WARNS CUBA TO STAY OUT OF MOZAMBIQUE-RHODESIA DISPUTE

Mar. 4 (IPS)--In testimony before the House International Relations Committee today, Secretary of State Henry Kissinger threatened that any Cuban "interference" in the dispute between Mozambique and Rhodesia would provoke a "great crisis." According to the Associated Press, Mr. Kissinger repeated previous warnings that the United States would not tolerate further interference in Africa by Cuba. Kissinger advised the Cubans to act with "great circumspection, because our (the U.S.) actions cannot be deduced from what we did in Angola." The Secretary declined to speculate on what type of action the U.S. might take against Cuba.

Kissinger made his remarks during a report on his recent Latin American tour.

MEXICO'S NEXT PRESIDENT REITERATES SUPPORT FOR NEW WORLD ECONOMIC ORDER

Mar. 4 (IPS)--The presidential candidate of Mexico's ruling PRI party, Jose Lopez Portillo reiterated his commitment to President Echeverria's foreign policy in favor of development and the creation of a New World Economic Order, in an interview with U.S. newsman Carl Rowan. Asked by Rowan whether Mexico would continue its vanguard role in demanding the New Order, Portillo answered "definitely yes," adding that "the destiny and development of the poor countries cannot be left to the free will...of the powerful nations."

Commenting on U.S. Secretary of State Henry Kissinger's policy toward Latin America, Portillo commented on "how grave it is when the destiny of millions of human beings depends on whether an important gentleman (Kissinger) has time or not to think about them; whether he has digested well or not last night's supper with his wife." Portillo added that "I think the U.S. has not had time to seriously think about a policy for Latin America."

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On the question of the Cuban intervention in Angola, Portillo stated that "I respect the Cubans' reasons, this is a problem of solidarity which only the Cubans can qualify."

ECHEVERRIA CALLS FOR THE IMMEDIATE CREATION OF THE NEW WORLD ECONOMIC ORDER

Mar. 4 (IPS)--Mexican President Luis Echeverria issued a call for the urgent establishment of a New International Order in a message sent to the Conference of Public Enterprises of Developing Countries being held in Ljubljana, Yugoslavia. In his message Echeverria calls for "decisive efforts such as the one this meeting entails, in order to implement with concrete actions our determination to jointly take on the task of our development."

Echeverria also stated that the Center for Public Enterprises of Developing Countries which is being established at the conference, "will create new conditions for the implementation of the new international economic order, allowing for the definition of priorities in accord with the true needs of our people, so that they can be posed against the production and consumption guidelines which have been imposed from the outside."

In his letter to the conference, Echeverria praised Yugoslavian President Josip Broz Tito, and said he will receive a warm welcome when he arrives in Mexico for a visit late this month.

Echeverria's statements were reported yesterday in the official Mexican daily El Nacional.

PAKISTAN OFFERS FULL NORMALIZATION OF RELATIONS WITH INDIA

Mar. 4 (IPS)--Pakistani Minister for Defense and Foreign Affairs Aziz Ahmed called for total normalization of relations with India and negotiations between the two countries to bring this about immediately, reports today's West German daily *Suddeutsche Zeitung*. Ahmed indicated that Pakistan is willing to reopen diplomatic relations as well as reinstitute trade talks and transport, activities have been interrupted numerous times since relations were broken off in 1971 following the war for the liberation of Bangladesh. Pakistan last made a similar offer to normalize relations in early 1975.

CIA DOCUMENTS DISAPPEAR FROM PIKE COMMITTEE

Mar. 4 (IPS)--George Bush, new director of the CIA, has been informed that about 230 documents which the agency had temporarily loaned to the House Select Committee on Intelligence "have mysteriously disappeared," Committee chairman Rep. Otis Pike (D-NY) reported today. According to a wire service dispatch Pike sent a letter to Bush promising his full cooperation in trying to locate the missing documents, some of which were classified. Pike's committee which dissolved last month, is currently the target of a Congressional investigation -- aimed at finding out who leaked the final report on CIA activities to the press.