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# **NEW SOLIDARITY International Press Service**

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## **I. Priorities**

### **HAIG THREATENS "PERCEIVABLE APPLICATION" OF U.S. MIGHT**

March 6 (IPS) — Stating that the West's task in the coming period is "managing global Soviet power," NATO supreme commander General Alexander M. Haig went on to warn that events in the Third World could reach a point where "Western power must be applied and must be perceivably applied" in order to avert a larger conflict with the Soviets, in an interview on the Canadian Broadcasting Corporation's program "As It Happens."

Warning of a trend of Soviet arms build-up that he termed of "the utmost concern to the West," Haig also said that "to the degree we experience inadequate conventional military capabilities we then find ourselves lowering the so called nuclear threshold, which raises the risk of our reliance on nuclear weapons to defend our interests." Haig also spoke of a "dramatic increase" in Soviet nuclear capabilities, and claimed that in recent months the Soviet Air Force has become "increasingly offensive in character."

Haig's interview was reported in today's New York Times by the paper's military correspondent, Drew Middleton.

### **WEST GERMAN GENERAL PRESENTS SOVIET ATTACK PLANS**

March 6, 1976 (IPS) — Former West German General and member of NATO's Military Command Steinhoff today published the first of a twelve part series on the war intentions of the Soviet Union with analysis of five projected Soviet war options at the present time.

General Steinhoff's analysis, published in Die Welt, concludes that two options for conventional war are most probable. In particular, he said, a limited conventional Soviet attack in Central Europe "is very enticing for the Russians" because "the President of the U.S.A. who must give the go-ahead for the use of nuclear weapons would delay (in his decision)."

Although General Steinhoff writes that three remaining Soviet nuclear options are "too risky," one of NATO's major problems in making countermoves is that it will "be hindered by the lengthy and wearisome processes of democratic administration."

Steinhoff concludes with a discussion of the fifth option of a Soviet limited nuclear attack. "Nuclear blackmail (of this sort) would only succeed if the will to resistance and the resoluteness of the capitalists to defend their form of life" were lost, he concludes.

Steinhoff is the general who was primarily responsible for the deployment of the Lockheed F-104 Starfighter into the West German Air Force. The West German F-104s crashed at such prolific rates and with such heavy loss of life that the resultant scandal is still a sore point in West German politics.

### **DIE WELT KREMLINOLOGIST ISSUES WARNING OF SOVIET OFFENSIVE**

March 6, 1967 (IPS) — Writing on the Soviet Union's just concluded Party Congress Die Welt Sovietologist Carl-Gustav Strehem, said today that the "cautious pragmatists like Kosygin and Podgorny are practically silenced."

Strehem, editorialist and Soviet specialist for the prominent West German Atlanticist paper, further warns cryptically that "the dynamic group around (party leader) Brezhnev and (politburo member) Kirilenke,

allied with the military and the iron eaters like the exponents of the secret police around Andropov and Alijev however need more than an ideological foundation for their power dealings." Without specifying what that foundation might be, Strehem concludes that "this is a disappointment for all of those West European leftists and revisionists who had hoped for an ideological loosening in Moscow."

### **ARGENTINA'S FINANCE MINISTER UNVEILS IMF AUSTERITY PLAN**

March 6 (IPS) — In a televised speech to the nation yesterday, Argentine Economic Minister Emilio Mondelli introduced his "Emergency Economic Plan" drafted with the assistance of an IMF delegation now in Argentina.

Mondelli's 180-day program includes a 90 per cent devaluation of the Argentine peso, a 12 percent wage increase to make up for a 42 percent increase in prices since January first, simultaneous 60-150 percent increases on all public services and major price hikes for basic consumer goods. Both prices and wages will be frozen after this increase for a period of 180 days.

Mondelli said that his economic Plan is necessary to prevent the government of Isabel Peron from being taken over by the military. He also added that this was the only way Argentina could pay its foreign debt over 3 billion dollars and obtain credit abroad.

Mondelli's plan was reported by UPI and the New York Times today.

### **TITO CALLS FOR NEW INTERNATIONAL INSTITUTIONS AT THIRD WORLD MEETING**

March 6 (IPS) — Yugoslav President Tito called for the immediate creation of new international institutions which would accelerate the pace of

development and "stabilize the world economy," at a meeting of 34 developing countries in Ljubljana, Yugoslavia, which began March 3. The meeting is discussing the public sector and state enterprises.

The Yugoslav head of State called for a coordinated effort between the advanced sector and the developing countries to create a New World Economic Order.

Tito's remarks were carried in the Yugoslav newspaper, Politika.

### **POLISH FINANCE OFFICIAL CALLS FOR "NEW FORMS OF FINANCE"**

March 6, (IPS) — Polish Finance Ministry Official Kazimierz Zabielski yesterday called for "the creation of new forms of finance for the mobilization of funds for trade and industrial cooperation between the Eastern and Western Countries."

During a lecture in Vienna, Zabielski noted that because of the large volume of payment flow between East and West, the Communist countries "would not be indifferent towards the fate of the individual western currencies, their fluctuations and a change of the international monetary system."

Zabielski linked the possibilities for such "new forms of finance" to "large investment projects in the Comecon" for which "bilateral, regional or international banks with capital participation of Western as well as Eastern banking institutions should be created."

Excerpts from the lecture were carried by the Austrian daily, Die Presse.

### **SWEDISH FOREIGN MINISTER REAFFIRMS DETENTE, INDIA TIES**

March 6 (IPS) — Swedish Foreign Minister Sven Andersson, meeting with Indian Foreign Minister Chavan, stated the ministers had discussed a broad Swedish-Indian agreement on technology and economic cooperation. According to the Stockholm liberal paper, Dagens Nyheter and Agence France Presse, Andersson further stated agreement that "detente is important and must be supported."

The Andersson remarks come as a major factional shakeup is occurring within the Swedish Foreign Ministry and Cabinet of Prime Minister Olof Palme around the issue of development and international debt moratorium. Kaj Bjoerk, currently Swedish Ambassador to China and formerly Special Advisor to Palme, is under sharp attack in the Liberal Swedish press. Expressen, largest circulation daily in Sweden, printed a copy of an internal memo written by Bjorek containing sharply anti-Soviet remarks. Commenting on Bjoerk's undiplomatic attitude, Expressen, in its editorial of March 4, remarks that fortunately, Bjoerk will never become Ambassador to Moscow. "There, Sweden must be represented by its best forces."

### **RHODESIAN MINISTER THANKS KISSINGER FOR WARNING TO CUBA**

March 6 (IPS) — Rhodesian Foreign Minister and Defense Minister Pieter K. van der Byl yesterday expressed his "appreciation" for U.S. Secretary of State Henry Kissinger's warning to Cuba not to intervene in the conflict between the minority white government of Rhodesian Prime Minister Ian Smith and African revolutionaries. Van der Byl said that reports that Cuban troops and Soviet tanks have arrived in neighboring Mozambique for use against Rhodesia were "scaremongering," but charged that the Soviet Union was directing guerrilla opposition to his government with the aim of seizing all of Southern Africa.

Claiming that the West was unwilling to resist this takeover, Van der Byl added, "But I would like to take this opportunity of expressing my appreciation of what the American Secretary of State said. One could only be thankful that at least somebody in the Western world is beginning to realize the menace that threatens the West to the extent of being able to take a positive line on it."

Van der Byl was sharply critical of Great Britain, which has been pressing the Rhodesian government to grant representation to the nation's black majority. According to the New York Times, which reported his comments, van der Byl arrived in Johannesburg, South Africa following his statements in Salisbury, the Rhodesian capital, reportedly to meet with South African government officials.

### **PCF MASQUERADING AS GISCARDIAN CANDIDATE**

March 6 (IPS) — Charles Pasqua, a National Delegate of France's Gaullist (UDR) Party, has charged that members of the French Communist Party are "posing as Giscardians" and running in upcoming cantonal elections as candidates of President Giscard d'Estaing's Independent Republican Party. His accusation was printed in yesterday's issue of Le Quotidien de Paris.

### **SENATOR CALLS FOR INVESTIGATION OF US 1975 TRADE SURPLUS STATISTICS**

WASHINGTON, D.C., March 6 (IPS) — Senator Russell Long (D-La), chairman of the Senate Finance Committee, yesterday charged that Commerce Department figures which showed an \$11 billion dollar U.S. trade surplus in 1975 had been obtained by fraudulently distorting statistics. Long asked the International Trade Commission to conduct a thorough investigation of the Commerce figures.

The Senator, a prominent advocate of increased protectionist measures against foreign imports, is assumed to believe that the Commerce Dept. inflated the amount of the U.S. trade surplus — a key factor in maintaining the value of the dollar during 1975 — thus downplaying the impact of foreign imports on the U.S. economy.

### **CHARLOTTE OBSERVER: "UNEMPLOYMENT FIGURES ARE A FRAUD"**

March 6 (IPS) — The Charlotte Observer has charged that official unemployment figures are a hoax in an editorial entitled "Out of Work: The South Is Hit Hardest." Citing a report by the Southern Regional Council (SRC), the Observer stresses that the real state of unemployment in the South is much worse than official figures describe. The report states that the official figures have been doctored in an attempt to justify reductions in Federal funds to reimburse southern states for unemployment payments.

The report states that unemployment and underemployment in the South is

about twice as high as official figures state, with actual underemployment ranging from 48 per cent for white males to 100 per cent for black males. Due to the manipulation of official figures by the U.S. Government, North Carolina is scheduled to lose Federal funds for extended benefits by April 1st, the editorial charges. It concludes warning the South's Congressmen, who "have done nothing to help the situation" that "all this should be remembered as elections approach."

## CONGRESSIONAL BLACK CAUCUS LINING UP BEHIND HUMPHREY-HAWKINS

WASHINGTON, D.C., March 6 (IPS) — All but a few members of the Congressional Black Caucus will support a forthcoming compromise version of the Full Employment and Balanced National Growth Act or Humphrey-Hawkins Bill, an informed Capitol Hill source disclosed today. Black Caucus support for the legislation, which in its present form authorizes below minimum wage jobs in the public services, became known on March 4 when the Black Caucus met with House minority leader John Rhodes (R-Ariz.).

Rhodes, who is opposed to the bill, warned the Black Caucus members that the bill is hyper-inflationary. Rhodes contended that the public works legislation will further erode the already weakened international monetary system. But, according to the source, Rep. Augustus Hawkins (D.-Calif), spokesman for the Caucus and co-author of the bill along with Senator Hubert Humphrey (D.-Minn), pushed Rhodes' objections aside, stating that the International Monetary Fund would be healthier in an environment of economic growth even if it's hyper-inflationary.

The compromised version of the Humphrey-Hawkins bill — which is not expected to delete the below minimum wage provisions — will be disclosed on Monday, March 8.

## CHINESE WALL POSTERS ATTACK MAO'S WIFE

March 6 — (IPS) Large wall posters have appeared in the Chinese city of Canton denouncing Chiang Ching, Communist Party Chairman Mao Tse-

tung's wife and a key leader of China's "radicals" who are trying to restore the policies of the 1960's "Cultural Revolution" according to reports by United Press International. The attacks on Chiang are a direct counterattack by moderate forces aligned with deputy premier Teng Hsiao-ping who has been the major target of radical criticism for allegedly being China's leading "capitalist roader." The Canton attack on Chiang significantly comes just after the radical-controlled Peoples Daily newspaper launched a major attack on Teng for disliking China's "revolutionary operas" which are under Chiang's direct supervision.

## BRD PRESS REPORTS PROJECT WAR IN EUROPE

March 6 (IPS) — A Norwegian "Peace Research" Institute has released a study purportedly showing that "two million would die in the first 48 hours" of a war on West German territory. The study is extensively reported on page three of today's Frankfurter Rundschau.

## II. International

### LE MONDE ECONOMIST SKEPTICAL OF 'UPSWING'

March 6 (IPS) — Paul Fabra, the economic expert of the French daily Le Monde, expresses strong doubts about the U.S. economic "recovery" in an article March 4. After noting that the U.S. "conjuncturists" who presently all agree that "the upswing" is underway, have all regularly failed in their past predictions, Fabra points instead to the danger of a "grave relapse" of the recession.

Despite the "upswing," Fabra argues, banking credit has not been increasing, but rather is decreasing every week. Moreover, he states corporate financial structures are "very fragile;" banks are "still in a difficult situation;" and the 35 billion dollar deficit accumulated by the Third World over 1975, and financed for the major part by the New York banks represents "another factor which increases the vulnerability of the American banking system."

Fabra is a well-known advocate of a return to an international gold standard.

## BRITISH CONSERVATIVES PUSH LEFT TOWARDS DEBT MORATORIUM

March 6 (IPS) — British Conservative member of Parliament Nicholas Davenport, writing in the current Feb. 28 issue of the right-wing weekly Spectator, complains that London Times columnist Peter Jay made the economic choices facing Britain too painfully explicit in a recent column. Jay, who called for a new central facility to grant 25 year credits to the Third World in his column March 5, had the previous week, described the current British economic situation as "a classic profile of national bankruptcy ... the slippery slope which leads ineluctably to the repudiation of debt and political collapse."

Now, Davenport retorts: "I wish he (Jay) had not used such alarmist words, Miss Joan Lestor, Mrs. Judith Hart and Eric Heffer (all leading members of the left-wing Tribune Group) might take him seriously and start calling for the repudiation of debt."

## OECD PUSHES CANADIAN CORPORATIST SCHEME

March 6 (IPS) — Labor Ministers from 24 countries belonging to the Organization for Economic Cooperation and Development (OECD) concluded an unprecedented meeting in Paris yesterday which was called to "harmonize employment policies" in the capitalist sector. According to yesterday's issue of the French daily Le Monde, one of the major themes of the meeting was the "implementation of employment projects financed by local communities," on the model of the Canadian "Local Initiative Programs" (LIP), under which unemployed are encouraged to set up and run their own local slave labor projects.

Admittedly drawing its inspiration from the Canadian corporatist program, the French government has simultaneously announced the creation of "Committees for the Promotion of Employment" in each department, which will possibly examine "projects" submitted by local communities.

Senator Hubert Humphrey, a leading U.S. corporatist, introduced a proposal modelled on "LIP" for consideration by the Congressional Joint Economic Committee last week.