



## NEW SOLIDARITY International Press Service

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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)  
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CURRENCY SPECULATION THREATENS DOLLAR EMPIRE BUST;  
WALL STREET WAITS FOR DEUTSCHEMARK UPVALUATION

NEW YORK, March 22 (IPS)--International speculation in currencies by the U.S. dollar-based international banking system has brought the system days away from a chain-reaction bust, according to Wall Street traders.

A foreign exchange trader at one of New York's major banks explained today that "The New York banks are losing at least 10 million dollars per day in interest charges on currencies they are speculating against. If the damn Germans resist a revaluation of their D-mark (deutschemark) and keep supporting the weaker European currencies for one more week, then we've all had it. ...The whole thing will come down."

Warning that the speculators may not be able to "go the course," today's Journal of Commerce noted that "Those who are staking borrowed Belgian funds on a forthcoming devaluation of the Belgian franc, able to take such positions only with Belgian francs, now pay call money (annual) rates of 250 per cent. It is an operation which will pay only in case of quick decisions."

But speculation against the weaker European currencies ground to a halt today, traders explained, because speculators--notably the dollar-sector banking community--have already bought up every French franc, Belgian franc, and Danish kroner available to "cover" their positions.

The fear is beginning to grow, they indicated, that the West Germans, under pressure from West German industrialists, may not revalue after all, and that the illiquid dollar-sector banks will take a beating on these speculative efforts. Further complicating the dollar-sector banks' position, sources indicated, is that Europeans have flooded the markets with unwanted dollars to protect their own currencies. This is driving down dollar interest rates and further threatening dollar-based financial institutions' profit margins.

Holders of IOUs of these banks have already begun dumping this paper. One New York trader, who received a 10 million dollar sell order on a New York bank's IOUs at rock bottom prices today, said his reaction was, "My God, it's here!"

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### WEST GERMAN COMMERCIAL INTERESTS STRONGLY OPPOSE REVALUATION

WIESBADEN, W. Germany, March 22 (IPS)—West German industrialists' strong opposition to a revaluation of the West German mark was further confirmed today by Rolf Stoedter, Vice President of the International Chamber of Commerce (German Group). "It would be a great error to follow those countries who want to have the D-mark revalued," Stoedter commented. "Why shouldn't we follow our own interests?" He further described the pro-revaluation pressure from U.S. circles as "blackmail," in view of the disastrous inflation which would inevitably result from such a move. Stoedter is a member of the Overseas Club, whose members also include Chancellor Helmut Schmidt and other economic leaders.

### WEST GERMAN PRESS REJECTS REVALUATION

March 22 (IPS)—West Germany's leading Atlanticist daily newspaper, the Frankfurter Allgemeine Zeitung, today published a detailed critique of proposals for a revaluation of the West German deutschemark. For the first time in any West German journal, the Allgemeine admitted that the proposed revaluation, pushed fervently for several months by New York-based banking houses, would not only endanger West Germany's exports by raising foreign prices, but would severely undermine demand for industrial goods from domestic purchasers.

The Frankfurter Allgemeine Zeitung also warned of the "serious inflationary potential" which revaluation would entail. Such a development would also injure the weaker economies of Europe, for example the Italian and British, the Allgemeine states, by lowering the value of their currencies and making it absolutely impossible for them to meet their international payments requirements. The Allgemeine further admitted that the recently decided European Economic Community loan to Italy will do nothing to improve Italy's payments situation.

### HUMPHREY-HAWKINS BACKERS IN HOUSE STAY HIDDEN

WASHINGTON, D.C., March 22 (IPS)—Contrary to normal House practice on major legislation, only two Congressmen, Rep. Henry Reuss (D-Wisc) and Rep. August Hawkins (D-Cal) have signed on as official sponsors of the Humphrey-Hawkins slave labor bill in the House. A year ago, an earlier version of the Humphrey-Hawkins bill was introduced with around 100 sponsors. Backers of the bill are claiming similar House support this year.

### CHICAGO BANKER ATTACKS HUMPHREY-HAWKINS BILL

CHICAGO, March 22 (IPS)—Beryl Sprinkle, a spokesman for the Chicago banking community, attacked the Humphrey-Hawkins Full Employment Act today, calling it the "most potentially dangerous piece of legislation in 20 years." Mr. Sprinkle, Vice President of the Chicago-based Harris Bank and Trust, made the charges at a press conference attended by all the major news media including Reuters, NBC, ABC, and CBS.

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In his attack, which is being widely interpreted as a policy statement for the entire Chicago banking and industrial directorate, Mr. Sprinkle said the bill was "reckless and a threat to free enterprise."

WALL STREET BANKER ADMITS: WORKERS WILL NOT TOLERATE HUMPHREY-HAWKINS SLAVE-LABOR LEGISLATION

NEW YORK, March 22 (IPS)--U.S. workers will not tolerate the implementation of the slave-labor "full-employment" Humphrey-Hawkins bill now being readied for railroading through Congress, according to a source close to "Big MAC" chairman Felix Rohatyn.

"It's true that the danger of a social revolution will be far greater if the bill is implemented rather than the other way around," said the source, in a comment on the fact that Sen. Hubert Humphrey (D-Minn), the co-sponsor of the fascist legislation, threatened a "social revolution" if his bill were not passed immediately in a speech at a Full Employment Conference in Washington, D.C. last week. "I'm not even sure if the trade unions will go along with it," he added.

IL TEMPO REVEALS AGNELLI'S FIAT SPY NETWORK

March 22 (IPS)--The current issue of the Italian weekly Tempo Illustrato continued a series of revelations on the arraignment of top Atlanticist, FIAT owner Gianni Agnelli, for the funding of coup plots dating back to 1964. Tempo reports that it received a note from the Prosecuting Magistrate Violante, which "implicitly confirms" all the charges made against Gianni Agnelli but denies that Gianni or his brother Umberto have actually been arraigned on the charges. As a courtesy the Agnellis were not officially arraigned at the Rome Tribunal but were questioned in the privacy of their own homes, the weekly explains.

Tempo also details the funding and deployment of fascist goons and thugs to police the FIAT plants: "Another Turin magistrate, the relations between FIAT and the famous agent provocateur, Luigi Cavallo."

Tempo reprints a letter sent from the agent Cavallo to Agnelli. "Most gentle advocate," Cavallo writes, informing Agnelli that he has set up and furnished weapons to three fascist squads. A fourth squad is made of professionals to "carry out the more difficult tasks." Cavallo mentions that his squads were responsible for press attacks on pro-development political figures, including Mayor of Milan Aniasi and Italian Socialist Party leader Giacomo Mancini and for arm-twisting politicians into opposing the policies of public sector industrialist Eugenio Cefis.

Cavallo proudly announces in the letter to Agnelli: "We are in a position now to provoke a series of scandals, which will stall the investigations into the death of Rocca," the coup plotter who was found dead in the FIAT administrative offices late last year.

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MEXICAN DELEGATION DEBUNKS UPSWING TALK  
AT NORTH-SOUTH CONFERENCE

March 22 (IPS)--The Mexican delegation to the current North-South negotiations in Paris has challenged the "exaggerated optimism" of the International Monetary Fund (IMF) and the Organization for Economic Cooperation and Development (OECD--the industrialized capitalist nations' organization) in claiming that the world is on the road to economic recovery. According to the Mexico City daily Excelsior yesterday, the Mexican delegation told the talks: "The inflationary tendencies that are appearing throughout the world would advise a moderation of the optimism of certain forecasts." The Mexicans were particularly critical of the "experts of UNCTAD (United Nations Conference on Trade and Development)" who "consider 'credible' the possibility that the necessary compensatory financing, especially to the Third World," would make an upswing possible.

The elaborate statistical studies prepared by the IMF and the OECD on the world balance of payments situation and presented at the talks were also questioned by other Third World delegations, according to Excelsior. The oil-producing nations, in particular, rejected the extensive statistics presented by the International Energy Agency and called into question "the true value of statistics presented by the organization made up of the great oil-consuming nations."

100,000 MARCH FOR NEW WORLD ECONOMIC ORDER IN MEXICO

MEXICO CITY, March 22 (IPS)--Over 100,000 workers, students, and peasants rallied here two nights ago to show support for the New World Economic Order. The demonstration, led by the leftist Democratic Tendency of the electrical workers union (SUTERM) under the leadership of Rafael Galvan, marched behind banners reading "Against imperialism, impose the New World Economic Order" and "No to austerity." In the official declaration of the demonstration, the Democratic Tendency called for alliances with the progressive wing of the ruling Institutional Revolutionary Party (PRI) and with "other democratic forces" around a common program of support for the pro-development foreign policy of President Luis Echeverria. The declaration also demanded measures to defeat right-wing forces within the PRI and emphasized that at this time there are only two alternatives for popular forces: "fascism or revolution, bourgeois program or proletarian program."

The Mexican Labor Party distributed 25,000 leaflets entitled "Debt Moratorium and New World Economic Order: The Only Alternative for Workers" at the rally. The U.S. Labor Party and the Eu-

Throughout the demonstration, which took place at the Monument of the Revolution in a central area of the city, under intense police surveillance, members of the Communist Party of Mexico and other police-controlled countergang groups tried unsuccessfully to provoke disturbances with security forces.

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A demonstration called by right-wing trade union elements in the PRI for the same time as the Galvan rally which was held in another downtown plaza did not interfere with the Democratic Tendency assembly.

#### ARAB PRESS ATTACKS SADAT ANTI-SOVIET MOVES

March 22 (IPS)--Egyptian President Anwar Sadat's economic policies and his repudiation last week of the Egyptian-Soviet friendship treaty amount to a "call to all parasitic layers and a demand that the working class be shut up," Iraq's Al-Gumhurriyya newspaper charged yesterday. "Under these conditions," Al-Gumhurriyya charged, "no social peace can be secured. The main task of the Egyptian revolution since 1952 was social justice; Sadat is now destroying this. Nobody can ignore the laws of class struggle and the open door policy won't lead to a productive society but only serves for speculation and subversion of the social system."

The Al-Gumhurriyya attack is carried on today's German Democratic Republic radio, Stimme der DDR.

The German Democratic Republic's Neues Deutschland magazine and the Soviet press agency Tass also report today growing attacks on Sadat from the Syrian, Iraqi, Palestinian, and Libyan press, which accuse Sadat of open collaboration with imperialism and renouncing the Arab liberation struggle. The Tass report concludes: "The break of the Soviet-Egyptian treaty is a break with all the principles of struggle against imperialism, colonialism, and for freedom, independence, and social progress, that is, a break with Egypt's leading position in national liberation movements."

#### LAROCHE DECLARES: "I WILL PARDON PATTY HEARST"

PARIS, March 22 (IPS)--In an interview here today, U.S. Labor Party candidate for President Lyndon LaRouche declared that he would pardon Patricia Hearst as soon as he is inaugurated President next January.

"There never was any doubt of the facts of the case. She was kidnapped, in the most violent manner, at gunpoint. The group that kidnapped her was led by a notorious police agent, Donald DeFreeze, and was partly composed of brainwashed graduates of the Vacaville behavior modification facility," LaRouche stated.

"Under the most aversive conditions," LaRouche continued, "subjected to terror by a band of homicidal psychotics, who had themselves been subjected to brainwashing, the captive Miss Hearst underwent a personality change of exactly the form any qualified specialist would immediately recognize as either circumstantially induced psychosis or deliberate brainwashing."

LaRouche charged that Miss Hearst had been railroaded despite the evidence, to protect "Henry Kissinger, Attorney general Edward Levi," and other leading figures internationally who are invol-

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ved in international terrorist operations including the Italian Red Army, the Weathermen, the Black Liberation Army, the Baader-Meinhof and the January 1974 London Heathrow Airport affair. He stated that "any competent investigation of the National Security Council and Department of Justice connections to the Symbionese Liberation Army CIA-type operation would have inevitably uncovered the biggest and most hideous scandal yet exposed which would bring down not only Kissinger and Levi but heads of parties and government departments in a number of nations."

WASHINGTON STAR SAYS FORD ADMINISTRATION  
CONSIDERING MILITARY MEASURES AGAINST CUBA

March 22 (IPS)--The Washington Star reports today that "there are few doubts "among sources close to Ford Administration policy-making that "Cuba will be the theater of any response" the Administration makes against further involvement of Cuban troops in southern Africa. Measures being considered, according to the Star include, 1- a blockade similar to that of 1962 2- "conventional attacks" launched from the U.S. naval base at Guantanamo Bay to "extend the perimeter" of the U.S. base 3- direct invasion of the Island and 4- "limited air attacks" against the island, possibly linked with one or more of their "options."

The Star asserts that the Administration believes any direct U.S. involvement in Africa would incur "too high a political cost in an election year," and would isolate the United States from the rest of the continent. Although direct action against Cuba would involve a different continent, "from a purely military point of view," the Star notes, it would be easier to take such direct action than "cross the ocean to fight the Cubans in Africa."

As for possible Soviet response to a U.S. action against Cuba, the Star reports that Washington believes the Soviets "would only use words," in the same way "the United States did not interfere with (Soviet) operations in Hungary and Czechoslovakia."

FRENCH RAILWAY WORKERS CONTINUE STRIKE DESPITE LEADERSHIP'S ORDERS

Paris, March 22 (IPS)--Members of the autonomous union of Railway workers in France continued their strike over the weekend, defying explicit orders of the leaders of the CGT and CFDT trade union federations to restrict the strike action to a one-day affair last Friday. The CGT is the largest French trade union with close ties to the French Communist Party.

The railway workers strike action culminated in a major demonstration today in Paris supported by both the CGT and CFDT. However, following the autonomous workers' union action over the weekend, the national railway arrangement has cut off further contract negotiations with the workers.

FOOT ADVOCATES 'WAR SOCIALISM' IN BID FOR LABOUR PARTY LEADERSHIP

March 22 (IPS)--The British Employment Secretary Michael Foot has advocated what the Sunday telegraph called "war socialism" in his bid to be elected Prime Minister and head of the British Labour Party during elections to be held later this week.

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Speaking before a local Labour Party audience, Foot likened the collective determination of Britain's present 'social contract' policy -- under which the trade unions cooperate with the government in imposing austerity -- to war-time Britain when "overnight almost, Britain became a country suffused by what I would describe as a Socialist inspiration. The sense of common purpose for the whole community took command; the class barriers started to come down; the unrivalled skill and ingenuity of the British people so long stifled by the pre-Tory establishment, was unleashed." Foot concluded: "It was, over many fields and in many factories, industrial democracy in action. That is what we need again today."

According to the Sunday Telegraph, Foot, who is running a strong second behind Foreign Secretary James Callaghan, is also considering a deal with either Callaghan or third runner Jenkins, because only he (Foot) "can contain the left-wing extremism and hold the unions to a new phase of incomes restraint."

#### "MARCH OF THE POTS AND PANS" SIGN OF DOOM FOR ARGENTINE GOVERNMENT

March 22 (IPS)--Hundreds of women from the Argentine border province of Mendoza have begun the practice of "running through the streets banging on pots and pans" to demand an end to the "limitless rise of prices" under the government's new austerity program, according to AP reports yesterday.

The AP wire notes that identical demonstrations by Chilean housewives in Santiago immediately preceded the fall of the leftist regime under then President Salvador Allende in 1973.

#### FUSION ADVANCEMENT REPORTED AT OAK RIDGE LAB

March 22 (IPS)--In a press release dated March 9, the Energy Research and Development Administration (ERDA) announced that researchers working on the Oak Ridge National Lab (ORMAK) Tokamak had achieved the highest temperature tokamak plasma to date by utilizing the injection of high energy neutral beams.

The heating produced a stable high temperature plasma with a plasma beta of one and a half per cent, 300 per cent better than in any previous "conventional" tokamak plasma. Plasma beta is the measure of the efficiency with which the magnetic fields are utilized to confine hot plasmas -- a tokamak plasma beta of 4 per cent is the minimum needed for reactor regimes fusion plasmas.)

Based on the combination of this result with new calculations at Princeton and MIT on the feasibility of "beam-driven" thermonuclear tokamak reactors, such as the high density Alcator Tokamak, which would operate with already attained plasma conditions, Dr. Robert Hirsch, Assistant Administrator for ERDA Advanced Energy Systems testified before Congress March 17 that commercial fusion is possible to achieve in the 1980's.