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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE
COMBINED DAILY NEWS ROUND-UP
MARCH 25, 1976

FORD REAFFIRMS KISSINGER'S ANTI-CUBAN THREATS

March 25 (IPS)--President Ford yesterday threatened that the U.S. would take "action" if Cuba used troops abroad again as they did in Angola. Speaking to a select group of senators, the President backed up "national policy" statements made earlier in the week by Secretary of State Henry Kissinger in a speech in Dallas, today's Baltimore Sun reports. Senator Richard B. Stone (D-Fla.) who was present at the meeting, is quoted by the Sun as saying that Mr. Ford's remarks should alert Fidel Castro that "what they have to deal with is not Kissinger making speeches around the country but a sincere and well-considered and strongly held conviction of the President himself. ...what he is telling Castro is: do not use military troops overseas without thinking who will pay the penalty."

STATE DEPARTMENT SAYS WE NEED A TOUGH LINE ON EUROPE

March 25 (IPS)--The chief State Department liaison with the OECD (Organization of Economic Cooperation and Development) admitted in an interview today that the Europeans were "getting out of line and hence we have to exert leadership....the problem is we don't know where to lead them to."

Denying that Secretary of State Henry Kissinger will resign before the Presidential elections, the State Department official added: "We need Kissinger's 'tough line' to keep the schizophrenic Europeans from making too much noise. We need Kissinger now that there is trouble brewing on the labor front there. We should oppose Communist entry into governments the best we can."

Asked as to how the U.S. planned to take care of the major international payments crisis between March 31- April 5, the official declared: "the 25 billion dollar safety net to bail out European countries will pass Congress very shortly. For the Third World we will give debt relief to ten or so countries." Calling the international currency crisis as "essentially a European problem," he endorsed the breakup of the European currency snake as a step in the right direction.

REAGAN TO "REDEFINE THE CONTEST" - BEEF UP HIS ATTACK ON DETENTE

March 25 (IPS)--Would be Republican Presidential candidate Ronald Reagan will appear on television next week in an attempt to "redefine the contest" the New York Times reports today. His aides indicated that following his victory over President Ford this week in the North Carolina primary, Reagan will be retaking the initiative as an "anti-establishment" candidate with "the main focus being his anti-Kissinger, anti-detente stance..." Reagan campaign sources said that his television address will be a focussed attack on President Ford's foreign policy, and that the U.S. is lagging behind the Soviets militarily.

RAY CLINE CALLS FOR RETURN TO CONTAINMENT POLICY;
CALLS KISSINGER THREATS COUNTER-PRODUCTIVE

March 25 (IPS)--Georgetown University think-tanker and an ex-CIA station chief in Europe, Ray Cline said in an interview today that U.S. foreign policy should be based on the conception of containment of the Soviet Union to delineated spheres of influence. Indicating that the Soviets respect the U.S. sphere of influence in Western Europe, Cline stated that the confrontationist policy vis-a-vis the Soviets as reflected in provocative statements by Secretary of State Kissinger in Dallas this week was "counterproductive." Kissinger's threats over Soviet involvement in Africa and tough talk has only succeeded in producing a backlash against the United States in Western Europe, Cline indicated. Instead, he proposed that "the model for Europe has to be something like the Marshall plan."

He declared that if necessary, the Socialists could "control" the Communists in a coalition in France and Communist participation in the government was essential for thoroughgoing economic measures in Italy even though there was always the danger of them building a veto power in their base.

GEORGE BALL RESPONDS TO KISSINGER'S ADVENTURISM
AND CALLS FOR RETURN TO TRADITIONAL CONTAINMENT

March 25 (IPS)--In a speech last night at Lehigh University in Bethlehem PA., Wall Street investment banker and former Under Secretary of State George Ball called for a halt to all "proxy skirmishes" such as Angola and a return to a more traditional containment approach to controlling the Soviet Union in the Third World and Europe. He contrasted Secretary of State Henry Kissinger's "gross overplaying" of the Soviet-American strategic conflict to his own concern that the European Economic Community be strengthened to stop the "growing chaos and anarchy in Europe". Singling out both Italy and France as particular trouble spots Ball stated that the process of chaos must be prevented from worsening "to a point where Europe was ungovernable." For the present he indicated that there was a temporary need to accept "a few Communist ministers" in Europe, who

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would be voted out again later. He placed great emphasis on the break of the Western Communist Parties from the Soviet Union. Ball emphasized Soviet "economic weakness" and diminished influence.

CONGRESSMAN BINGHAM CALLS KISSINGER SPEECH "DANGEROUS AND HARMFUL" TO U.S. INTERESTS.

March 25 (IPS)—Rep. Jonathan Bingham (D-NY) said today that Secretary of State Henry Kissinger's Dallas speech was "dangerous and harmful" to U.S. interests in Africa. In an interview, Rep. Bingham said "Kissinger's warnings to Cuba are dangerous and empty as long as he doesn't say what specifically he has in mind. It encourages Rhodesia to feel that maybe the U.S. will prevent Cuban troops from going into South Africa but unless we do things that are completely out of the question we can't do this. His statements are dangerous and harmful to our position in Southern Africa." Indicating that the U.S. has "substantial" interests in Africa, Bingham said that he feared that the failure of the U.S. to participate "more actively in peaceful change" in Southern Africa would only lead to greater Soviet influence.

CALLAGHAN STRESSES DETENTE IN TALK WITH GROMYKO

March 25 (IPS) -- At a luncheon yesterday for Soviet Foreign Minister and Politbureau member Andrei Gromyko, British Foreign Secretary James Callaghan suggested that Anglo-Soviet relations had passed from a "new phase" to "normality," the London Times reported. "Your government and mine are bound to have disagreements," Callaghan said. "But the important thing about normal relations is that they should permit us to engage in the cut and thrust of debate and still remain on friendly terms. Conversely we must be constantly alert to the need for a sense of restraint and responsibility if we are to ensure that crisis situations do not diminish the credibility of what we have achieved through detente in Europe."

Callaghan's remarks, stressing the British commitment to work along with the Soviet Union for the relaxation of world tensions, are strongly contrasted to reports published in yesterday's U.S. press that the British Foreign Secretary would underscore the recent warnings by Secretary of State Kissinger against Soviet intervention in Southern Africa.

INDIAN FOREIGN MINISTER CHAVAN ATTACKS KISSINGER CONFRONTATION POLICIES

March 25 (IPS)— Speaking before Parliament today, Indian Foreign Minister Y.B. Chavan strongly condemned U.S. Secretary of State Henry Kissinger's recent declaration that the non-aligned countries "want confrontation with the industrialized nations." To the contrary, Chavan stated, the unity and solidarity of the

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non-aligned group permits it to play a decisive role at all international forums. Chavan's statement was reported by the Cuban press agency, Prensa Latina.

NEW YORK BANKS WILL GANG UP ON BELGIAN FRANC TO BUST "SNAKE"

New York, March 25 (IPS)-- Foreign exchange traders at major banks here report that "if there is no realignment of the European currency snake (the arrangement by which the European currencies float against each and are maintained at "floor variances" by central bank intervention) by this weekend, we will bust the "snake" by ganging up on the Belgian franc." The sources doubted that a "voluntary readjustment" of the snake would occur by Monday. The traders report that the money center banks here are losing 10 million dollars a day for every day that the weaker currencies do not officially devalue.

FRENCH BANKER PROPOSES TREATY ON GOLD PRICES

March 25 (IPS)-- Jean Denizet, spokesman for the Banque de Paris et des Pays-Bas, one of the largest French private banks, called today for a compromise between the United States, the Soviet Union and other gold-producing countries on the stabilization of today's wildly-fluctuating international gold prices. Writing in the the West German industrialists' daily Handelsblatt, Denizet clearly implied that the aim of this move is to create the precondition for the use of gold as an interim solution to the present dollar-based payments system. "What is difficult to understand," he said, "is the fixation, in the psychological sense of the word, of American theoreticians and politicians on the myth of demonetizing gold...The international organization of currencies is not a theoretical study, it is a power struggle" with political consequences.

TETHER WARNS OF MORATORIUM THREAT; ADVISES ORDERLY SOLUTION

March 25 (IPS)-- Financial Times columnist C. Gordon Tether warned yesterday that there is a "growing threat of debt moratorium" among the developing countries. He advises the affluent countries to "show themselves prepared to listen to the arguments that are prompting this revolutionary proposal," or else there will be "very serious consequences indeed" for the international banking system.

Tether indicates that Third World countries are "deadly serious" about carrying out this threat and they will not drop it if the creditor countries refuse to go along. Financial pressure on the developing countries is so great, Tether writes, that they may seek to "lighten the burden in any way they can" up to and including "mass default in the nature of rough justice." In this case, even prior preparations by banking syndicates for the possibility of a single default would be to no avail, Tether warns.

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The sensible thing for the advanced countries, to do, advises Tether, is to "take the bull by the horns and offer to collaborate with the developing countries in finding a satisfactory solution to the debts problem--one that would provide them with adequate relief from their obligations without putting the international monetary structure in jeopardy."

HANDELSBLATT ARTICLE SUGGESTS CASE BY CASE DEBT MORATORIA

March 25 (IPS)-- An article in the International Banking section of today's Handelsblatt, West Germany's leading financial newspaper, says that "Critical phenomena can be recognized in real estate and shipbuilding. Roll over and moratorium are shaping up for the credits of the Third and Fourth World."

The article's author, Dr. E. Storch of the Deutsche Bank, West Germany's largest bank, suggest that "market problems can be overcome, and prevented in each case, by flexible proceedings"-- i.e., case-by-case debt moratoria.

JAPANESE PAPER REPORTS ON THIRD WORLD DEBT MORATORIUM DEMAND

March 24 (IPS)-- The March 20 Japanese daily Mainichi reports that at the Paris North-South Conference "Developing countries are expected to demand that their debts to industrial countries be shelved." The article also reported warnings from "international monetary sources" that such demands "may well trigger international financial uncertainty." The "sources" emphasized that 20 billion dollars in Third World debt is held by five major U.S. banks and warned, "either cancellation or a moratorium of payments on these loans could result in business failures." The paper adds that the U.S. banks are reconsidering whether to go ahead with additional 12 billion dollars in loans planned for this year. Mainic adds, "Japanese commercial banks, too, are hesitant to extend additional loans to developing countries, even more so than American banks. The report marks the first time any Japanese newspaper has reported the debt moratorium developments.

CZECHS COVER WEST EUROPE CURRENCY CHAOS

March 25 (IPS)-- The March 22 Czechoslovak paper Rude Pravo reviewed the Western monetary crisis in detail, concluding that the capitalists of Western Europe, unable to find a substitute for the dollar are just "hoping and praying." The Bank of Italy, noted the daily, "doesn't know how it's going to pay its debts."

TURKEY CONVINCED BROADER INTERNATIONAL TIES NECESSARY

March 25 (IPS)-- the march 21 Pravda, the official Soviet Communist Party newspaper, reports that as a result of increasing economic problems caused in part by large expenditures on mili-

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tary equipment, many layers of Turkish society are becoming convinced that the country does not need "closed military groupings" --a direct reference to NATO. These layers, Pravda reported, are turning towards broad international contacts, relations of friendship and business cooperation with all states, large and small.

Pravda noted that a recent issue of Haber, a Turkish newspaper published a discussion stressing the need for cooperation with the Soviet Union. Pravda added that Turkish relations with Bulgaria and Czechoslovakia have improved, while ties with the Soviet Union are also strengthening.

JOBERT BLASTS GISCARD'S ZERO GROWTH POLICY

March 25 (IPS) -- Independent Gaullist leader Michel Jobert yesterday attacked the "advanced liberalism" of French President Giscard D'Estaing as "a nice lullaby which has caused the sleeper to forget his daily difficulties." Echoing previous statements by Gaullist leader Michel Debre calling for a policy of social progress and expansion, Jobert targetted the "ferociously anti-family policy" of Giscard during his term as French Finance Minister in the 1960's, according to today's Le Monde.

According to Jobert, Giscard has engaged in a constant "nibbling away" of family allocations, in an effort of "reabsorbing the deficit" of the French Social Security administration.

U.S. PUSHES NEW MIDEAST SETTLEMENT PLAN MINUS SYRIA AND THE PALESTINIANS

March 25 (IPS)-- The Ford administration is about to launch "a new diplomatic initiative" in the Mideast which will include the anti-Soviet states of Egypt and Jordan leaving the "militant Syrians and Palestinians out of the picture," reports today's New York Post.

The plan, according to the Post, would involve "the return of a demilitarized West Bank to Jordan and the entire Sinai peninsula to Egypt." The Post indicates that the U.S.' intention to carry out this initiative is behind U.S. Ambassador to the United Nations William Scranton's recent "Security Council condemnation of Israeli West Bank settlements as illegal and an obstacle to peace."

U.S. PUSHING FOR ISRAEL-ARAB PRO-AMERICAN "SOUTHERN TIER" IN MEDEAST

March 25 (IPS)-- The recent Egyptian abrogation of a friendship treaty with the Soviet Union appears to be "part of a scenario approved, if not actually written, by the State Department to forge the southern tier of the Arab world into a solid, pro-American bloc, with Israel a part of it," the March 21 Jewish Week, a widely read American Jewish newspaper, reports.

Claiming to base his report on leaks from diplomats from Arab oil states along the Persian Gulf, Jewish Week correspondent

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Richard Yaffe indicates that Saudi Arabia will be the "primary financiers² of this bloc, which will be counterposed to a "northern tier" of Syria, Iraq, and Lebanon, all "under Soviet sway, economically and militarily."

In this scenario, Israel is seen by the conservative Arab states as a "necessary evil," the "sole power in the area which can hold the line against...Soviet encroachment on the south," Yaffe wrote.

SYRIAN OCCUPYING FORCES JUMP SHIP, JOIN LEBANESE LEFT

March 25 (IPS) -- Today's Baltimore Sun reports that many Saiqa guerillas "have left their command--in anger over the Syrian order to halt the movement of Lebanese Muslim troops backed by the main Palestinian guerilla movement of Yassir Arafat." According to on the scene observers, 50 to 100 members of Saiqa, the Syrian controlled guerilla movement in Lebanon, which have been assigned to guard fascist Lebanese President Franjieh's palace, have "openly aided Moslem gunmen" in attacking Christian strongholds.

The Syrian based Saiqa leadership has at the same time released a communique condemning the actions of Kamal Jumblatt, the leader of the progresseve Lebanese United Front, accusing him of "rekindling the fires of sedition and sabotaging the Syrian initiatives," the Sun reports. Saiqa warned that if an "escalation form the left comes from Aley (Jumblatt's headquarters), then there is nothing to prevent us from occupying Aley."

SADAT TRIP EXPECTED TO BE A FAILURE BY WEST GERMAN PRESS

March 25 (IPS) -- On the eve of Egyptian President Anwar Sadat's scheduled one week trip to West Germany, that country's Sddeutsche Zeitung newspaper asks plaintively. "How can it be prevented that Sadat will come here with too high expectations? How can it be prevented that the visit will turn into a failure?"

In this context, the Zeitung notes that West Germany's own economic crises will surely prevent it from providing the levels of aid that Sadat will come asking for.

LEVI INTRODUCES BILL TO LEGALIZE WIRETAPS

March 25 (IPS) -- Attorney General Edward Levi unveiled proposed federal wiretap legislation March 23 which would allow the Attorney General to wiretap any citizen who is suspected of working for a foreign government or acting "pursuant to the direction of a foreign power" provided he applied for a warrant from any of seven designated federal judges within 24 hours after installing the tap. If the judge refuses to grant the warrant, the Attorney General can presumably appeal to the Supreme Court, or must notify the subject of the tap that he is being surveilled within 48 hours after installation of the tap.

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The aim of the bill, according to yesterday's Baltimore Sun, is to ensure that no federal wiretaps are installed without a warrant. The Sun stated that Levi said that "No American citizen is the target of a national security tap now," and that Sen. Edward Kennedy (D-Mass) and Rep. Peter Rodino (D-NJ) have agreed to introduce the bill.

In a press conference yesterday, the Sun quoted Kennedy as saying that he is not entirely satisfied with the bill yet and that he is especially concerned about a provision that leaves unrestricted the "Constitutional power of the President to order electronic surveillance for reasons of national security." Yesterday, Kennedy and Rodino introduced other legislation to limit the purposes for which American citizens and resident aliens can be tapped.

NEWS ANALYSIS:

REAGAN WINS IN NORTH CAROLINA TO FUEL WAR-MONGERING

March 25 (IPS)-- In a totally unexpected upset, Ronald Reagan defeated President Ford in the North Carolina primary March 23. Following a string of five primary defeats, especially in urban and industrial states, Reagan suddenly pulled his greatest votes in the heavily-populated cities in North Carolina. Reagan's "victory" is explained by the New York Times as a vote against detente and Ford's "pro-detente" Secretary of State Henry Kissinger. According to the Times' analysis, Ford won "only in the mountains, where anti-slavery Republicanism is more moderate."

U.S. voters may well wonder where the perception that Kissinger is pro-detente has come from. Monday night, the eve of the North Carolina primary, Kissinger made a widely publicized speech in which he refused to rule out blockade or attack against Cuba in the event of further Cuban military activities in South Africa. The speech, which commentators compared to the John Foster Dulles days, marked a consolidation of the Ford Administration's policy of cooling toward detente. Reagan's victory is expected to harden Ford's anti-detente line.

Reagan, following his unexpected victory, has announced that he has cancelled all campaign appearances for the next week in preparation of a major nationally-televised policy address, which will further propel Ford to the right.

Reagan's victory by a 52 to 46 percent vote margin, aided by large margins in Charlotte and Greensboro, is under close scrutiny by observers. The U.S. Labor Party has already extensively documented the Justice Department's fraud operation co-ordinated through the Mecklenburg (Charlotte) Board of Elections and the FBI-created "Red Hornet" countergang.

Reagan's first victory and Ford's first defeat came in the first race which was not run by Ford's original campaign manager, former Secretary of the Army Howard "Bo" Callaway. Ford's temporary manager, Stuart Spencer, a veteran of Nelson Rockefeller's Presidential campaigns, counseled a "low-key," non-political North Carolina campaign. In one North Carolina speech, Ford declared that homemaking was good for America.