

Similarly, Beame, with the bankers demanding the annihilation of city services, has hesitated and even balked at implementing MAC's orders.

That situation has freed opposition to the bankers to move. Yesterday a group of State Senators, Assemblymen

and City Councilmen organized by City Councilman Luis Olmedo proposed in a press conference in New York City that a one-year debt moratorium be imposed on all New York City debts — except Big MAC. Since that institution's bonds cannot be sold anyway, that exception would not prove to be too

great a burden to the city's taxpayers.

With these proposals, Luis Olmedo and his allies are effectively proposing to make New York City a pilot model for the U.S. and the world in the urgently necessary task of bringing about an end to the depression.

12 Democrats Call for Debt Moratorium

NEW YORK, July 22 (IPS)— A group of 12 Democratic New York State legislators and two New York City Councilmen today called for a one year suspension of debt service on the mass of city debt, exempting only the bonds issued by the Municipal Assistance Corporation (Big MAC).

At a press conference today, Assemblyman Frank Barbaro (D-Bklyn) spokesman for the "Ad Hoc Committee for Social Justice," denounced the banks for creating the city's current fiscal crisis. In a strongly worded prepared statement the committee charged the banks with "seeking to establish a financial dictatorship over the lives of our citizens." The group announced an eight point program which also included demands for substantial increases in real estate, stock transfer, and other bank-related taxes.

Ad Hoc Committee member Councilman Luis Olmedo (D-Bklyn.), who introduced a resolution calling for an 18-month moratorium on all city debt into the New York City Council June 17, declared at today's press conference that he was "sticking to" his debt moratorium resolution. "We're not paying any debt, including the Big MAC bonds."

Ad-Hoc Committee members Assemblymen Barbaro and Michael

Pesce (D-Bklyn.), today publicly endorsed the Olmedo Resolution.

The announcement of support for the debt moratorium by the State legislators is a clear warning to Rockefeller that significant political forces will not tolerate the city being placed in receivership should the Olmedo Resolution be passed and the debt service be suspended.

Choices Are Clear

The Ad Hoc Committee's statement, which has thus far been either blacked out of the press or distorted to omit references to the debt moratorium, charged the banks with seeking "to solve the crisis they created on the backs of the lower and middle income working people."

The Ad Hoc Committee members also characterized the proposed cuts of thousands of jobs, wage freezes and cutbacks, and increased transit fare and tuition at the City University as immoral, illegal and the result of an anti-people philosophy which is reminiscent of the days of Herbert Hoover.

"The capitulation of the Mayor and some members of the Board of Estimate and the City Council to this financial extortion by the banks is unconscionable," Assemblyman Barbaro asserted on behalf of the Committee. "All elected officials must

stand firm and united, together with the people of our city, in opposing the disgraceful tactics of the would-be financial dictators of our city."

A Moral Obligation

A member of the Ad Hoc Committee supported the statement adding "The Mayor, the Board of Estimate and the City Council...save our City from Big MAC policy-makers — elected by no one and accountable to no one...we are either going to run down New York for the security of the bankers, or we are going to maintain jobs and services for the security of our citizens."

"In the coming weeks," the Committee members continued, "we will be contacting other legislators and asking them to stand with us in unequivocal opposition to any proposal to place an additional burden on the people. We will not back down!"

U.S. Labor Party candidate for U.S. Senate from New York, Elijah Boyd called the action by the legislators and councilmen a "historic and courageous step."

Boyd announced plans to form Committees to Defend the Olmedo Resolution to prevent it from being sabotaged by Rockefeller-allied politicians such as Councilman Matt Troy, Chairman of the Finance Committee. Troy presently has the Olmedo Resolution bottled up in his committee.