



# NEW SOLIDARITY International Press Service

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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (IPS)  
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PRIORITIES SECTION  
LATE EVENING EDITION

## NEW YORK FINANCIER FIELDS PLAN TO RESTRUCTURE NEW YORK DEBT AFTER DEFAULT

NEW YORK, OCT. 11 (IPS) -- RYLAND CHASE, THE HEAD OF A LARGE NEW YORK CITY BOND TRADING FIRM, TOLD IPS THIS WEEK THAT THE MOST LIKELY AND RATIONAL GAMEPLAN TO DEAL WITH NEW YORK CITY'S FINANCIAL CRISIS IS TO FORCE NEW YORK CITY INTO DEFAULT, AND THEN USE THIS CRISIS AS A LEVER TO NEGOTIATE A RESTRUCTURING OF THE NEW YORK CITY DEBT FROM SHORT-TERM TO LONG-TERM (20 TO 30-YEAR) SINKING FUND DEBENTURES.

CHASE SAID THAT A COMBINATION OF STATE AND FEDERAL RECEIVERSHIP OVER THE CITY WOULD BE NECESSARY IN ORDER TO FORCE A LEVEL OF SERVICE AND EMPLOYMENT CUTBACKS WHICH WOULD OTHERWISE NOT BE POSSIBLE. IF THE UNIONS RESIST, HE STATED, THEN SIMPLY CALL IN THE NATIONAL GUARD.

TO CONTAIN THE EFFECTS OF THE "TEMPORARY DEFAULT," HE RECOMMENDED THE FOLLOWING REMEDIES: FIRST, IN LINE WITH THE POSITION TAKEN RECENTLY BY FEDERAL RESERVE CHAIRMAN ARTHUR BURNS, PERMIT THE BANKS TO CARRY THE DEFAULTED NOTES ON THEIR BOOKS AS CASH-ACCRUING ASSETS, AND, IF ANY CASH FLOW PROBLEMS OCCUR, HAVE THE FED BUY UP THE NEW YORK CITY NOTES AT PAR UNTIL THE DEBT RESTRUCTURING PROCESS IS CONCLUDED. SECOND, HAVE THE FEDERAL GOVERNMENT PROVIDE A FORM OF ASSISTANCE -- EITHER AID OR LOANS -- TO NEW YORK STATE TO FORESTALL A DEFAULT ON ITS OWN NOTES.

THESE MOVES, CHASE INDICATED, WOULD PROBABLY TAKE SEVERAL MONTHS. CHASE'S SCENARIO CLOSELY PARALLELS A GAMEPLAN OUTLINED BY A FINANCIAL COMMUNITY SOURCE CLOSE TO BIG MAC LEADER FELIX ROHATYN.

## RUMSFELD HITS ROCKEFELLER WHITEWASH OF DEA

OCT. 11 (IPS) -- WHITE HOUSE CHIEF OF STAFF DONALD RUMSFELD DELAYED THE RELEASE OF A DOMESTIC COUNCIL REPORT ON THE OPERATIONS OF THE DRUG ENFORCEMENT ADMINISTRATION (DEA). THE NEW YORK POST REPORTS THAT SEVERAL GOVERNMENT OFFICIALS HAVE TERMED THE REPORT, DONE UNDER THE AUSPICES OF THE DOMESTIC COUNCIL'S DE FACTO HEAD, VICE PRESIDENT NELSON ROCKEFELLER, A COMPLETE "WHITEWASH."

RUMSFELD, AN OUTSPOKEN CRITIC OF THE VICE PRESIDENT AND MOOTED IN THE PRESS AS A POSSIBLE SUCCESSOR TO ROCKEFELLER ON THE 1976 REPUB-

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LICAN TICKET, HAS BEEN CRITICAL OF THE DEA ACTIVITIES. AS AN ILLINOIS CONGRESSMAN IN 1968, RUMSFELD WAS ONE OF A GROUP OF HOUSE REPUBLICANS WHO DECLARED, "WE DO BELIEVE THAT (THE) JUSTICE (DEPARTMENT) IS THE PLACE TO LOCATE THESE (NARCOTICS) BUREAUS." ROCKEFELLER IS REPORTED TO HOLD A DIRECTLY CONTRARY VIEW WHICH WAS SUPPORTED BY HIS DOMESTIC COUNCIL.

THIS WHITE HOUSE FLAP IS THE FIRST MAJOR INDICATION OF HIGH-LEVEL OPPOSITION WITHIN THE ADMINISTRATION TO ROCKEFELLER, THE SECRETARY OF STATE HENRY KISSINGER, AND ATTORNEY GENERAL LEVI'S CONTROL AND PUSHING OF DRUGS.

THE DEA HAS COME UNDER FIRE FOR CORRUPTION AND A REFUSAL TO LOCK UP DRUG PUSHERS. MARTIN POWERS, AN OFFICIAL UNDER MAYOR DALEY IN CHICAGO, HAS CHARACTERIZED THE DEA AS THE BIGGEST PROBLEM IN STOPPING THE FLOW OF DRUGS SINCE THE DEA ALERTS DRUG RUNNERS TO IMPENDING ARRESTS BY HONEST LAW ENFORCEMENT OFFICIALS.

### ANTUNES MEETS WITH U.S. NATIONAL SECURITY COUNCIL TO PLAN PORTUGUESE BLOODBATH

OCT. 11 (IPS) — PORTUGUESE FOREIGN MINISTER MAJ. ERNESTO DE MELO ANTUNES MET YESTERDAY IN WASHINGTON, D.C. WITH TOP OFFICIALS OF THE NATIONAL SECURITY COUNCIL (NSC) TO PLAN A NATO BLOODBATH AGAINST THE COMMUNIST PARTY (PCP)-LED PORTUGUESE WORKING CLASS. ANTUNES MET SIMULTANEOUSLY WITH U.S. PRESIDENT FORD, NOMINAL HEAD OF THE NSC, SECRETARY OF STATE HENRY KISSINGER, ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS AND ACTUAL COORDINATOR OF THE NSC FOR THE ROCKEFELLER FAMILY; AND BRIG. GEN. BRENT SCOWCROFT, THE OFFICIAL WHO MANAGES THE DAY-TO-DAY ACTIVITIES OF THE NSC FOR KISSINGER. THE MAIN ITEM DISCUSSED WAS THE PROBLEM OF BREAKING THE RESISTANCE OF THE PCP-ALLIED "SOLDIERS UNITED TO WIN" MOVEMENT.

THE ACTUAL NATURE OF THE MEETING WAS UNDERLINED BY DAVID BINDER'S COVERAGE IN TODAY'S NEW YORK TIMES. BINDER DELIBERATELY OMITTED FROM HIS ARTICLE THE FACT THAT SCOWCROFT HAD BEEN PRESENT, IN AN ATTEMPT TO CONCEAL THE FACT THAT ANTUNES MET WITH THE NSC. PRESS CALLERS SEEKING INFORMATION FROM THE PORTUGUESE EMBASSY IN WASHINGTON, THE U.S. STATE DEPARTMENT, AND EVEN THE PRESIDENT'S PRESS BUREAU WERE ALL PEREMPTORILY REFERRED WITHOUT COMMENT TO THE KISSINGER-ROCKEFELLER NSC.

### ASSAD SUMMONED TO MOSCOW IN LEBANON CRISIS

OCT. 11 (IPS) — SYRIAN PRESIDENT AND CIA COLLABORATOR HAFEZ ASSAD WAS SUDDENLY AND UNEXPECTEDLY SUMMONED TO MOSCOW YESTERDAY, WHERE HE ARRIVED AT THE HEAD OF A HIGH-LEVEL SYRIAN DELEGATION. THE SYRIANS MET WITH SOVIET PARTY CHAIRMAN BREZHNEV, DEFENSE MINISTER GRECHKO, FOREIGN MINISTER GROMYKO, AND PRESIDENT PODGORNYY, ACCORDING TO NEUES DEUTSCHLAND, NEWSPAPER OF THE EAST GERMAN COMMUNIST PARTY.

ASSAD'S VISIT TO MOSCOW FOLLOWS A RENEWED EXPLOSION OF CIVIL WAR IN LEBANON, AND THE REPORTED MOVEMENT OF SYRIAN TROOPS TOWARD POSITIONS NEAR THE LEBANESE BORDER. IT IS BELIEVED THAT THE SOVIET LEADERS

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WARNED ASSAD NOT TO INTERVENE IN LEBANON, A MOVE WHICH COULD TRIGGER A FULL-SCALE MIDDLE EAST WAR. SUCH AN INTERVENTION BY SYRIAN TROOPS IS A LIKELY PRELUDE TO THE DISMEMBERMENT OF LEBANON, ORDERED BY U.S. SECRETARY OF STATE HENRY KISSINGER TO BREAK LEBANESE RESISTANCE TO HIS SINAI PACT.

### FIAT CREATES EMBROGLIO OVER CO-PARTICIPATION; SEEKS HEAD OFF WAGE DISPUTE

OCT. 11 (IPS) — FIAT, THE GIANT ITALIAN AUTOMAKER, BROKE OFF NEGOTIATIONS WITH THE ITALIAN METALWORKERS UNION (FLM) YESTERDAY, ON THE PRETEXT THAT FIAT MANAGEMENT CANNOT ACCEPT UNION CO-PARTICIPATION IN DECISIONS ON LABOR MOBILITY, INVESTMENTS, AND OTHER AREAS OF RESPONSIBILITY. ALONG WITH THE ABRUPT FIAT MOVE, L'ESPRESSO, THE LEADING NEWSPAPER OF FIAT BOSS GIANNI AGNELLI, HAS DECLARED THAT INDUSTRIALISTS DO NOT FEAR WAGE INCREASES, BUT "ARE DEMANDING INSTEAD TO REGAIN THEIR 'POWER' AT THE PLANT LEVEL."

THESE MOVES COME AS THE CIA AGENT LEADERS OF ITALY'S MAJOR UNIONS, INCLUDING THE FLM, HAVE VOICED FEAR THAT THEY CANNOT CONTAIN ITALIAN WORKERS' DEMANDS FOR WAGE INCREASES. THE UNION LEADERS HAVE SO FAR THIS FALL REFUSED TO ASK FOR ANY WAGE INCREASES.

OBSERVERS REGARD THE FIAT MOVE AND THE AGNELLI PRESS CAMPAIGN AS SOLELY DESIGNED TO GIVE CREDIBILITY TO THE UNION AGENTS' INSISTENCE THAT THEY WILL ONLY DEMAND MORE "CO-PARTICIPATION," AND TO HELP SIDETRACK WORKERS' DEMANDS FOR RAISES. THEY NOTE THAT UNTIL RECENTLY, FIAT, LED BY ROCKEFELLER ALLY AGNELLI, HAD BEEN CALLING FOR MORE WORKER CO-PARTICIPATION IN MANAGEMENT DECISIONS.

### GOTBAUM HOLDS BRAINWASH SESSION TO PREPARE UNION LEADERS FOR LAYOFFS

NEW YORK, OCT. 11 (IPS) — THE SECONDARY LEADERSHIP OF NEW YORK CITY'S AFSCME DISTRICT COUNCIL 37 WAS SENT TO A CRASH "LEADERSHIP" CONFERENCE AT A SECLUDED TAMMIMENT, PA. RETREAT OCT. 5-10, IPS HAS LEARNED. THE SESSION WAS ORDERED BY AFSCME LEADER AND CIA AGENT VICTOR GOTBAUM, AMID FEVERISH PLANS FOR NEW MASSIVE LAYOFFS AND BUDGET CUTBACKS BY THE BANKING COMMUNITY.

THE BRAINWASHING SESSION FEATURED A "SESSION OF THE ECONOMY" LED BY GOTBAUM, NEW YORK CITY BUREAU OF LABOR STATISTICS HEAD HERBERT BIENSTOCK, AND MICHAEL HARRINGTON, HEAD OF THE FASCIST, CIA-LINKED DEMOCRATIC SOCIALIST ORGANIZING COMMITTEE. DC 37 LEADERS WERE ALSO TOLD HOW THEY SHOULD "UNDERSTAND THE CITY BUDGET," THE CETA SLAVE LABOR PROGRAM, AND "HOW TO RUN A UNION MEETING."

### SOUTHERN JUDGE RULES WORKERS MUST ACCEPT POTHEAD AS THEIR CANDIDATE

CHARLOTTE, N.C., OCT. 11 (IPS) -- JUDGE FRANK SNEPP TODAY UPHELD A BOARD OF ELECTIONS DECISION CERTIFYING CREEP (COMMITTEE TO RE-ELECT THE PRESIDENT) MARK ENGLANDER AS THE U.S. LABOR PARTY CANDIDATE FOR MAYOR OF CHARLOTTE IN NOVEMBER. ENGLANDER, POTHEAD LEADER OF THE "RED HORNET" DRUG CULT, "DEFEATED" U.S. LABOR PARTY MAYORAL CANDIDATE STAN EZROL IN A FRAUDULENT "PRIMARY" ELECTION LAST MONTH.

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RED HORNET ENGLANDER APPEARED IN COURT DECKED OUT WITH NECK-LACES AND BRACELETS AND TESTIFIED INCOHERENTLY THAT HE WAS A USLP MEMBER IN "GOOD FAITH." IN THE PAST, ENGLANDER HAS MADE PUBLIC PRONOUNCEMENTS THAT HE SEEKS TO "SMASH THE LABOR PARTY."

JUDGE SNEPP ACCEPTED ENGLANDER'S TESTIMONY AT FACE VALUE AND RULED THAT HE COULD REMAIN ON THE BALLOT AS THE LABOR PARTY CANDIDATE.

THE PREVIOUS DAY, BOARD OF ELECTIONS EXECUTIVE SECRETARY BILL CULP, WHO IS SAID BY LOCALS TO BE A CLOSE ASSOCIATE OF ENGLANDER'S DRUG CULT, EVADED QUESTIONS FROM A REPORTER WHO WAS ATTEMPTING TO ASCERTAIN WHETHER ENGLANDER WAS A BOARD OF ELECTIONS EMPLOYEE.

END OF LATE PRIORITIES, 10/11/75.