

The London Times reported the next day that Smith is expected to have problems selling this directive to his party base, the Rhodesian Front, despite statements from both the party chairman and the chief whip in Parliament that everyone has confidence in the Prime Minister. But it is likely that Smith and his Nearerthall cohorts have probably all agreed to give in already. This is indicated by Smith's recent release of black nationalist detainees, even though the guerrilla ceasefire has not yet taken effect.

Further indications of the necessity for swift action, especially in light of setbacks for the Rockefeller faction in other parts of the world, came with a statement from EEC head Claude Cheysson. Cheysson said that a "truly independent Rhodesia" would be welcomed into the EEC's treaty with African, Caribbean, and Pacific states. This follows recent discussion in the South African press concerning proposals for economic integration of the entire region, in other words, Rockefeller's slave-labor re-development plan.

The British press also hinted that Foreign Secretary James Callaghan's African trip will be used to speed the process, reporting that he will leave maximum flexibility in the scheduling of his upcoming tour of Africa, in case Smith should want to confer with him on the situation.

RAILROADS PLEAD BANKRUPTCY, CAN'T PAY WORKERS

Dec. 22 (IPS)--Trustees of the Penn Central Transportation Company went into a federal district court this week claiming that they will face an \$85.8 million cash shortage by the end of February 1975, which makes it impossible to grant wage increases. Further, the western railroads in the Western Railroad Association, representing 49 per cent of freight revenues, announced Dec. 17 that they will demand freight rate increases if they are to meet wage and benefit increases that would be granted under a new rail pact. The 500,000 to 600,000 workers in 17 rail unions, whose contracts expire Dec. 31, are demanding a 20 per cent wage increase the first year and a 15 per cent wage increase the second year during a two-year contract.

Suddenly, a rail contract settlement by January 1, 1975, that seemed a pro forma, perfunctory question earlier this month, is a murky, dangerous uncertainty. The rail companies were willing as of late November to grant wage increases in return for the rail workers' acceptance of early retirement, elimination of job categories, and layoffs. Such a deal would gradually phase out the union, in the same manner as the New York printers accepted their demise months back. The downward slide in the world financial situation forces the railroad companies to decimate their workforce quickly or shut down.

The question is: will rail workers respond to Penn Central's blackmail by taking wage cuts and layoffs to save the companies.

On Dec. 21, in what appears to be a stall to gain now needed bargaining time, contract talks were recessed one week until January 7, without a formally stated reason.

UAW "EXPLAINS" SUIT; INCITES WORKERS VS. USLP

DETROIT, Dec. 22 (IPS)--Kapos of United Auto Workers (UAW) President Leonard Woodcock are trying to incite UAW members against the U.S. Labor Party, claiming that it is attempting to destroy "their" union.

The Dec. 12 issue of Flint UAW Local 569 paper contains two articles on the UAW's suit against the USLP: one detailing the UAW's charges and another signed by local vice president Carl Rice accusing the Labor Party of harassment and abuse. Rice threatens that "although we do not advocate violence in any respect, I certainly find it hard for our members to keep their cool."

Meanwhile, Local 12 in Toledo held a special meeting on the suit. Local leaders told union members that the Labor Party was out to get the UAW, "to split it in two."

DEFENSE PRODUCTION ACT TO BE REACTIVATED ON ALASKA PIPELINE

Dec. 22 (IPS)--With uncertainty rising over Rockefeller's ability to implement his energy development schemes, many contractors are growing desperate over whether their investments will soon be totally worthless. A Texas newspaper today tried to reassure investors with the announcement that the Defense Production Act will be reactivated to apply to \$2 billion worth of specialized equipment for the Alaska pipeline. The act was used several months ago--in its first peacetime application--to move machinery for the port facilities of Valdez. This second activation, a desperate attempt to get the pipeline construction moving, further acclimatizes the population to military regimentation.

Materials to be moved under the act are specialized equipment which separates crude oil from water and natural gas. The contractors for the equipment are based in Texas. According to George Lowell, Director of Materials and Priorities in the Federal Energy Agency, "We don't dare miss a shipment, because the water will freeze shortly. This pipeline is now a matter of national security and national defense."