

THE NORTH WOULD PROVIDE THE MANY ANTI-COMMUNISTS THE POSSIBILITY OF EMIGRATING OUT OF VIETNAM"...IF AMERICA IS NOT PREPARED TO TAKE SERIOUSLY ITS MORAL OBLIGATIONS, THEN AT LEAST THIS MUCH SHOULD HAPPEN."

JAN. 17 (IPS)--THE BALTIMORE SUN HAS PRINTED AN ASSOCIATED PRESS REPORTS THE NORTH VIETNAMESE GOVERNMENT HAS CHARGED THE FORD ADMINISTRATION WITH "DISTORTING FACTS" ABOUT U.S. INVOLVEMENT IN VIETNAM. THE AP RELEASE ALSO NOTES THAT THE KREMLIN HAS CHARGED THAT THE U.S. HAS VIOLATED THE CEASE-FIRE BY SHIPPING UNAUTHORIZED ARMS TO SOUTH VIETNAM.

## V. WESTERN EUROPE

### KIEP PUSHES CDU TO GOVERN

JAN. 17 (IPS)--IN TODAY'S COVERAGE OF THE VISIT OF CHRISTIAN DEMOCRATIC UNION (CDU) TREASURER WALTER LEISLER KIEP TO THE GERMAN DEMOCRATIC REPUBLIC (DDR), THE FRANKFURTER RUNDschau REPORTED THAT KIEP "NOTED A STRONG INTEREST IN THE CDU AS A POSSIBLE GOVERNING PARTY." "AT THE SAME TIME, WE HAVE TO EXPECT A STRONGER IDEOLOGICAL FIGHT AND A SHARPER DELINEATION THROUGH THE DDR..." THE FRANKFURTER RUNDschau ALSO REPORTS THAT CDU CHAIRMAN HELM KOHL WAS NOT INFORMED OF KIEP'S INTENTION TO MEET WITH OFFICIAL GOVERNMENT REPRESENTATIVES, NOR WITH THE DDR'S OWN CDU PARTY, AND THAT HE REJECTS ANY FUTURE CONTACT BETWEEN THE TWO CDU PARTIES.

### DC'S FANFANI TURNS RIGHT

JAN. 17 (IPS)--TODAY'S UNITA', DAILY OF THE ITALIAN COMMUNIST PARTY, REPORTED A SPEECH BY AMINTORE FANFANI, LEADER OF THE ITALIAN CHRISTIAN DEMOCRATIC PARTY, WHO HAS RECOMMENDED A POLICY OF PREVENTIVE POLICE DETENTION AND OTHER STRONG MEASURES TO COMBAT CRIMINALITY AND DEFEND PUBLIC ORDER AND STATE SECURITY. UNITA PRESENTED THE SPEECH AS A MAJOR RIGHT WING TURN BY FANFANI WHICH HAS DRAWN THE CRITICISM OF THE OSTENSIBLY LEFT WING FORZE NUOVE AND BASE FACTIONS OF THE CHRISTIAN DEMOCRACY.

## VI. FINANCIAL NEWS ROUNDUP

JAN. 17 (IPS)-- IN A WALL STREET JOURNAL FEATURE TODAY DATED IN WASHINGTON, TREASURY SECRETARY SIMON WAS QUOTED AS TELLING REPORTERS "THE SIZE OF THE DEFICIT HORRIFIES ME". HE ALSO PREDICTED THAT GOVERNMENT AT ALL LEVELS WILL ABSORB AN ESTIMATED 80% OF ALL FUNDS RAISED IN COUNTRY'S BOND MARKET, THUS PLACING SEVERE STRAINS ON THE LIQUIDITY OF AMERICAN INDUSTRY. SIMON SHIFTED THE FLAME ON THE PROJECTED BUDGET DEFICITS FROM FORD'S PROPOSED TAX CUTS TO THE CURRENT RECESSION ITSELF AND EMPHASIZED AS A SOLUTION THAT "WE HAVE TO GET THIS CRAZY GOVERNMENT SPENDING UNDER CONTROL AND WE'VE GOT TO START RIGHT NOW."

JAN. 17 (IPS)-- THE NEW YORK TIMES REPORTED FRONT PAGE TODAY THE COMMERCE DEPT. ANNOUNCEMENT THAT THE TOTAL US OUTPUT DECLINED BY 9.17%, THE SHARPEST YEARLY RATE OF DECLINE FOR ANY THREE MONTH PERIOD IN SIXTEEN YEARS. DURING THIS SAME PERIOD THE GNP PRICE INDEX ROSE TO A RECORD ANNUAL RATE OF 13.7%. SPEAKING IN UNUSUALLY GLOOMY TERMS, COMMERCE DEPT. SPOKESMAN DECLARED THE CURRENT ECONOMIC SITUATION TO BE "EXTREMELY SERIOUS", PREDICTING THAT IF PRESENT TREND CONTINUES FOR THREE TO SIX MONTHS, THE ECONOMY WILL BE IN THE WORST RECESSION IN FORTY YEARS.

#### NEW YORK BANKS CONTRACT LOANS.

JAN. 17 (IPS) -- FEDERAL RESERVE BANK STATISTICS RELEASED LAST NIGHT INDICATE THAT DURING THE PAST TWO WEEKS THE LARGE NEW YORK COMMERCIAL BANKS HAVE CONTRACTED THEIR OUTSTANDING LOANS BY AN UNPRECEDENTED \$1 BILLION. THE STATISTICS WERE REPORTED THIS MORNING IN BOTH THE NEW YORK TIMES AND THE WALL STREET JOURNAL. REFLECTING THIS SQUEEZE ON THE CREDIT SYSTEM AS A WHOLE, THE MONEY SUPPLY NATIONWIDE DROPPED BY \$2.1 BILLION

JAN. 17 (IPS) -- THE FINANCIAL SECTION OF THE NEW YORK TIMES REPORTS THAT FOURTEEN LARGE BANKS HAVE AGREED TO POSTPONE PAYMENT AND INTEREST ON A 600 MILLION DOLLAR SHORT-TERM LOAN TO MT GRANT COMPANY UNTIL THE FIRST QUARTER OF 1976, IN RETURN FOR A RETRENCHMENT POLICY WHICH WILL CLOSE DOWN 166 OF ITS STORES AND LAYOFF 12,600 EMPLOYEES.

JAN. 17 (IPS)-- FINANCIAL CORRESPONDENT EDWIN DALE REPORTS ON THE FRONT PAGE ON THE NEW YORK TIMES THAT THE FINANCE MINISTERS MEETING IN WASHINGTON YESTERDAY CONCLUDED INTERNATIONAL MONETARY NEGOTIATIONS WHICH RESULTED IN THE ESTABLISHMENT OF A \$6 BILLION OIL FACILITY WITHIN THE IMF TO LOAN TO LESS DEVELOPED NATIONS, AND AGREEMENT ON ALL THE ESSENTIALS OF THE KISSINGER \$25 BILLION "SAFETY NET" FOR ADVANCED INDUSTRIAL NATIONS.

JAN. 17 (IPS)-- NEW YORK TIMES CORRESPONDENT TERRY ROARDS REPORTS FROM GREAT BRITAIN TODAY THAT, IN AN ATTEMPT TO HASTEN THE DEVELOPMENT OF ITS NORTH SEA OIL PROJECT NOW FACED WITH OBSTACLES, THE BRITISH GOV'T HAS BEGUN TO REASSURE OIL COMPANIES THAT TAXES ON PROFITS WILL NOT BE BURDENSOME.

JAN. 17 (IPS) -- THE NEW YORK TIMES REPORTS TODAY THAT TOP POLITICAL LEADERS OF THE JAPANESE GOV'T. STATED YESTERDAY THAT DESPITE THE REFLATIONARY MOVES OF THE UNITED STATES AND WESTERN GERMANY, THEY WILL CONTINUE TO MAINTAIN TIGHT CREDIT POLICIES IN THE FIGHT AGAINST INFLATION.

JAN. 17 (IPS) -- GOLD AND THE U.S. DOLLAR FELL ON INTERNATIONAL MARKETS YESTERDAY ACCORDING TO THE WALL STREET JOURNAL "BECAUSE OF THE ABSENCE OF ENCOURAGING NEWS".