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I. INTERNATIONAL

** IPS EXCLUSIVE **

FRANKFURT, WEST GERMANY, JUNE 25 (IPS)--AN UNPUBLICIZED MEETING OF TOP EUROPEAN BANKERS AND INDUSTRIALISTS HELD IN SWITZERLAND LAST WEEK AGREED TO PUSH EUROPEAN GOVERNMENTS TO ABSORB MORE THAN \$16 BILLION IN FOREIGN-EXCHANGE SUPPORT OPERATIONS FOR THE U.S. DOLLAR FOLLOWING JUNE 30. THIS APPROACH TO THE DOLLAR'S WEAKNESS, BACKED BY THE U.S. STATE DEPARTMENT SINCE THE DOLLAR COLLAPSE BEGAN LATE LAST YEAR, WOULD FLOOD THE EUROPEAN MONETARY SYSTEM WITH UNWANTED DOLLARS AND LEAD TO ASTRONOMICAL RATES OF INFLATION.

ONE OF THE KEY BACKERS OF THIS MEETING, ACCORDING TO BANKING SOURCES HERE, WAS THE DRESDENER BANK'S BOARD CHAIRMAN JUERGEN PONTO.

AFTER INTERNATIONAL MONEY TALKS IN PARIS BROKE DOWN TWO WEEKS AGO, VARIOUS AMERICAN SOURCES RAISED PROPOSALS FOR UNLIMITED EXCHANGE MARKET INTERVENTION IN SUPPORT OF THE DOLLAR, AS A BACK-HANDED ANSWER TO EUROPEAN DEMANDS FOR STABLE INTERNATIONAL CURRENCY RATES. CENTRAL BANKS BUY CURRENCIES ON THE OPEN MARKET TO PREVENT EXTREME SHIFTS IN EXCHANGE RATES, SINCE CURRENCY INSTABILITY UNDERMINES INTERNATIONAL TRADE. ONE U.S. PARTISAN FOR THE POLICY DISCUSSED LAST WEEK IN SWITZERLAND IS THE WALL STREET JOURNAL.

PREVIOUSLY, THE GREAT MAJORITY OF EUROPEAN INDUSTRIALISTS AND FINANCIERS FIERCELY OPPOSED THE INFLATIONARY IMPLICATIONS OF SUCH A MASSIVE SUPPORT OPERATION. BUT LEADING EUROPEAN POLITICAL FACTIONS ARE UNWILLING TO BREAK AWAY FROM THE DOLLAR, SINCE THE LEADING ALTERNATIVE IS MONETARY INTEGRATION WITH THE SOVIET-LED COUNCIL FOR MUTUAL ECONOMIC ASSISTANCE. BUT THE PRICE OF STAYING WITH THE DOLLAR IS THE TYPE OF SUPPORT OPERATIONS BACKED BY THE DRESDENER BANK'S PONTO. DURING THE PAST TWO MONTHS, FRENCH AND SWISS CURRENCY RESERVES HAVE BEEN SWELLING AT AN ANNUAL RATE IN EXCESS OF 100 PER CENT AS THEIR CENTRAL BANKS PURCHASE DOLLARS TO STABILIZE MARKET CONDITIONS, WHILE WEST GERMANY LAGS ONLY SLIGHTLY BEHIND.

INDICATIONS OF MAJOR FACTIONAL ACTIVITY AROUND THE PROPOSALS....
DISCUSSED AT THE SWISS MEETING EMERGED THIS WEEK WHEN RUMORS BEGAN CIRCULATING IN THE WEST GERMAN PRESS THAT KARL KLASSEN, PRESIDENT OF THE GERMAN FEDERAL BANK, WAS ABOUT TO LEAVE HIS

(MORE)

POST. KLASEN HAS BEEN ONE OF THE MOST CONSISTENT AND OUTSPOKEN OPPONENTS OF HYPERINFLATION FOR WESTERN EUROPE, AN IMPLICATION OF UNLIMITED DOLLAR SUPPORT.

THE U.S. POSITION IS THAT IF WESTERN EUROPE COMPLAINS ABOUT THE WEAKNESS OF THE INFLATED DOLLAR, IT SHOULD INFLATE ITS OWN ECONOMY TO MATCH.

BRD: FACTION FIGHTS COME OUT INTO OPEN AT CHRISTIAN DEMOCRATIC CONFERENCE

JUNE 25 (IPS)--ON THE LAST DAY OF THE MANNHEIM CONFERENCE OF THE WEST GERMAN CHRISTIAN DEMOCRATIC UNION (CDU) THE FACTIONAL SPLINTERING OF THAT PARTY HAS COME INTO THE OPEN. THE TWO KEY ISSUES WHICH HAVE FORCED THIS SPLINTERING INTO VIEW ARE EXTREME RIGHT-WING HYSTERIA AGAINST THE WEST GERMAN COMMUNIST PARTY (DKP) AND THE SOVIET UNION, AND THE QUESTION OF DEVELOPING A PARTY PROGRAM ON WORLD ECONOMIC POLICY.

TODAY, A PROPOSAL BY ULTRA-RIGHT WING REPRESENTATIVE BARON VON WRANGEL FOR THE CDU TO CALL FOR THE LEGAL BANNING OF THE DKP WAS SHELVED BY THE PARTY EXECUTIVE. THE RESOLUTION DESCRIBES THE DKP AS "THE MOST DANGEROUS ENEMY OF THE CONSTITUTION, PRESENTLY DIRECTED, SUPPORT AND FINANCED BY EAST GERMANY..." ALTHOUGH THE CDU CHAIRMANSHIP IS HELD BY A ROCKEFELLER AGENT, HELMUT KOHL, DISCUSSION OF THE RESOLUTION WOULD HAVE BROUGHT THE CONFERENCE TO A PITCH OF HYSTERIA.

THE EXECUTIVE DECISION TO DELAY AN OFFICIAL PARTY POSITION ON SUCH A SENSITIVE MATTER WAS READ ALOUD BY HEINRICH KOPPLER, A RELATIVELY POWERFUL REGIONAL CHAIRMAN WHO REPRESENTS COMPROMISE IN THE PARTY RANKS.

IN RESPONSE, MOREOVER, TO THE CONFERENCE'S FAILURE TO DISCUSS ANY ISSUES RELATED TO WORLD ECONOMIC DEVELOPMENTS, DELEGATE MUELLER-HERMANN ANNOUNCED THAT HE WILL BE DEVELOPING A CDU ECONOMIC PROGRAM. MUELLER-HERMANN IS AN ECONOMICS SPECIALIST WHO WORKS CLOSELY WITH GERHARD STOLTENBERG, THE LEADING ANTI-ROCKEFELLER FIGURE IN THE CDU WHO REPRESENTS THE INTEREST OF INDUSTRIAL LAYERS BENT ON EXPANDING EAST-WEST TRADE. SIGNALLING THAT HIS DOCUMENT WILL OPPOSE THE CORPORATIST, ZERO-GROWTH POLICIES OF THE ROCKEFELLER-CONTROLLED CDU EXECUTIVE, MUELLER-HERMANN EMPHASIZED THAT HIS PROGRAM WILL DEVELOP A CONCEPT OF "REAL ECONOMIC GROWTH."

MITTERRAND ASSUMES LEFT COVER

JUNE 25 (IPS)--SPEAKING AT A SOCIALIST PARTY (SP) MEETING YESTERDAY IN PARIS, SP LEADER FRANCOIS MITTERRAND ASSERTED HIS COMMITMENT TO THE UNION OF THE LEFT. AWARE THAT HIS POLITICAL CAREER DEPENDS ON THIS ALLIANCE, WHOSE BACKBONE IS THE FRENCH COMMUNIST PARTY HEGEMONY IN THE WORKING-CLASS, MITTERRAND WENT AS FAR AS DECLARING: "THE COMMUNIST PARTY WAS THERE, IN THE UNION OF POPULAR FORCES, FAITHFUL TO THE DEFENSE OF THOSE FOR WHOM IT WAS RESPONSIBLE AND THE BASE FROM WHICH IT SPRANG. WHATEVER RESERVATIONS WE MIGHT HAVE ON ITS HISTORY, THE PCF WAS THERE WHEN WE SOMETIMES HAD DESERTED."

IN A SIMILAR EFFORT TO READJUST HIS LEFT COVER, AND TO MASK HIS AFFILIATION WITH ANTI WORKING CLASS SECOND INTERNATIONAL POLICIES, MITTERRAND WARNED ON THE SAME DAY BEFORE A BRITISH-AMERICAN PRESS GROUP, THAT THE UNITED STATES WAS IN FOR "SERIOUS TROUBLE" IF IT DID NOT STOP "IDENTIFYING WITH THE MOST REACTIONARY, MOST FASCIST REGIMES."

HUNGARY, CZECHOSLOVAKIA EXTEND \$20 MILLION CREDIT TO BANGLADESH

JUNE 25 (IPS)--ACCORDING TO REPORTS FROM THE BANGLADESH NEWS SERVICE AND THE FINANCIAL TIMES, THE SOCIALIST REPUBLICS OF HUNGARY AND CZECHOSLOVAKIA HAVE EXTENDED CREDIT TO BANGLADESH TOTALING OVER \$20 MILLION. THE LOANS WILL BE UTILIZED TO PURCHASE RAILWAY PASSENGER CARS, MACHINERY, IRRIGATION PUMPS, CHEMICALS AND PHARMACEUTICAL RAW MATERIALS. UNLIKE WORLD BANK LOANS, WHICH DEMAND PAYMENT IN HARD CURRENCY, THESE LOANS WILL BE REPAID IN COMMODITIES SUCH AS JUTE, JUTE PRODUCTS, TANNED LEATHER, TEA, PAPER AND NEWSPRINT. THE HUNGARIAN LOAN WILL CARRY A 2 YEAR GRACE PERIOD AS WELL AS LOW 2 1/2 PER CENT INTEREST RATE.

VIOLENCE ERUPTS AGAIN IN BEIRUT

JUNE 25 (IPS)--SHOOTING BETWEEN CHRISTIANS AND MOSLEMS FLARED BRIEFLY EARLY YESTERDAY MORNING IN AN OUTLYING AREA OF BEIRUT, DEMONSTRATING THE POTENTIAL FOR STRIFE THAT IS STILL SIMMERING JUST BELOW THE SURFACE IN LEBANON. TWO PEOPLE WERE KILLED IN THIS MOST RECENT OUTBREAK OF VIOLENCE.

THE CABINET CRISIS WHICH HAS PARALYZED THE GOVERNMENT HAS ENTERED ITS FIFTH WEEK, WITH PREMIER DESIGNATE RASHID KARAMI STILL UNABLE TO FORM A CABINET ACCEPTABLE TO ALL OF LEBANON'S MAJOR RELIGIOUS GROUPS.

SOUTH KOREA INTENSIFIES ALERT STATUS;
NORTH KOREA DENOUNCES PROVOCATION

JUNE 25 (IPS)--AP REPORTED TODAY THAT SOUTH KOREA RAISED ITS ALERT STATUS TO THE SECOND DEGREE LEVEL, ONE DEGREE SHORT OF FULL-WAR ALERT STATUS. THE THIRD DEGREE ALERT IMPOSED LAST WEEK-END WAS THE FIRST SUCH ALERT SINCE THE KOREAN WAR. U.S. MILITARY OFFICIALS REFUSED TO COMMENT ON WHETHER THERE HAD BEEN ANY UNUSUAL NORTH KOREAN MILITARY ACTIVITY ALONG THE DMZ, THAT COULD JUSTIFY THE ALERT.

IN RESPONSE TO THESE SABRE-RATTLING MOVES, WHICH FOLLOW THREATS BY U.S. DEFENSE SECRETARY SCHLESINGER TO USE SO-CALLED TACTICAL NUCLEAR WEAPONS AGAINST NORTH KOREA, PYONGYANG RADIO (NORTH KOREA) BROADCAST AN ARTICLE BY COL. GEN. KIM CHOL MAN IN WHICH HE SAID THAT DUE TO "THE FRANTIC WAR PROVOCATION MANEUVERS OF THE U.S. IMPERIALISTS AND THE PARK CHUNG HEE PUPPET CLIQUE...WAR MAY BREAK OUT AT ANY MOMENT."

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IRAQ PIPELINE TO CIRCUMVENT POSSIBLE SYRIAN SABOTAGE

JUNE 25 (IPS)--A SOON-TO-BE-COMPLETED PIPELINE FROM IRAQ'S NORTHERN OIL FIELDS TO THE PERSIAN GULF SHOULD FREE IRAQ "FROM THE POTENTIAL SYRIAN STRANGLEHOLD" ON IRAQ'S SOLE CURRENT OUTLET TO THE EASTERN MEDITERRANEAN FROM THE OIL-RICH KIRKUK AREA, NOTES YESTERDAY'S LONDON FINANCIAL TIMES.

ONCE THE ACCOMPANYING TERMINAL IS COMPLETED IN SEPTEMBER, THE PIPELINE WILL PROVIDE GULF-BASED ACCESS FOR 500,000 BARRELS OF OIL PER DAY, SOON TO BE EXPANDED TO 1 MILLION. IRAQ'S CURRENT OIL PRODUCTION IS APPROXIMATELY 2 MILLION BARRELS PER DAY, MOST OF WHICH GOES BY PIPELINE THROUGH SYRIA AND IS THEREFORE SUSCEPTIBLE TO SABOTAGE AT ANY TIME BY THE CIA-LINKED SYRIAN ASSAD REGIME.

GANDHI CALLS FOR PEASANT DEBT MORATORIUM,
AND ANTI-BLACK MARKET MEASURES

JUNE 25 (IPS)--PRIME MINISTER INDIRA GANDHI HAS GONE ON THE OFFENSIVE AGAINST CIA DESTABILIZATION OF HER GOVERNMENT BY ANNOUNCING THE FOLLOWING PROGRAMMATIC MEASURES WHICH WOULD SIMULTANEOUSLY BREAK THE POWER OF THE LANDLORDS AND MONEYLENDERS WHILE RALLYING THE PEASANTRY BEHIND PRO-DEVELOPMENT POLICIES:

- 1) A MORATORIUM ON PEASANT DEBT HELD BY RURAL MONEYLENDERS;
- 2) ENFORCEMENT OF EXISTING LAND REFORM LEGISLATION; AND
- 3) STRENGTHENING GOV'T CONTROL OVER FOOD DISTRIBUTION TO STOP THE HOARDING AND BLACKMARKETEERING THAT HAS RESULTED IN EXHORBITANT FOOD PRICES AND LOWER FOOD CONSUMPTION THIS YEAR.

THE MEASURES WERE REPORTED IN THE JUNE 21 EDITION OF THE PATRIOT, INDIA'S LARGEST LEFT-WING DAILIES.

LEFT CPI COUNTERATTACKS RIGHT WITH PURGE MOVE

JUNE 25 (IPS)--ESCALATING THEIR COUNTERATTACK AGAINST CIA CONTROLLED FORCES IN THE RULING CONGRESS PARTY OF INDIA, PRO-DEVELOPMENT FOLLOWERS OF PRIME MINISTER INDIRA GANDHI HAVE MOVED TO PURGE THESE ELEMENTS FROM THE PARTY. ACCORDING TO THE JUNE 21 PATRIOT, LEFT CONGRESS MP SHASHI BHUSAN INTRODUCED A MOTION CALLING FOR THE IMMEDIATE OUSTER OF SUCH RIGHTWING MAHATMA GANHDIAN "SOCIALISTS" AS MOHAN DHERIA FROM THE PARTY FOR "WORKING AGAINST THE INTERESTS OF THE CONGRESS PARTY, THE GANDHI LEADERSHIP AND THE INDIAN PEOPLE BY THEIR COLLUSION WITH CIA AGENT J.P. NARAYAN."

I. CONTINENTAL

MP WENMAN PURSUES ISSUE OF NUCLEAR WAR
IN CANADIAN PARLIAMENT

JUNE 25 (IPS)--BOB WENMAN, PROGRESSIVE CONSERVATIVE MEMBER OF PARLIAMENT FOR FRASER VALLEY WEST (BRITISH COLUMBIA), BROUGHT THE QUESTION OF THE SCHLESINGER "TACTICAL" NUCLEAR WAR DOCTRINE BEFORE THE HOUSE OF COMMONS LAST THURSDAY FOR THE SECOND TIME IN LESS THAN A MONTH. WENMAN'S QUESTIONS, ADDRESSED TO PRIME MINISTER TRUDEAU, DEMANDED THAT THE CANADIAN GOVERNMENT "CONSIDER TAKING AN ACTIVE ROLE IN INITIATING TALKS TO CONSIDER THE LIMITATION AND CONTROL OF LIMITED TACTICAL NUCLEAR WEAPONS." ON MAY 28,

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WENMAN HAD QUESTIONED CANADIAN DEFENSE MINISTER, JAMES RICHARDSON, WHO ADMITTED THAT CANADA DID CONSIDER SO-CALLED TACTICAL NUCLEAR WEAPONS A PART OF THEIR "DETERENT" PARTICULARLY IN EUROPE.

IN THURSDAY'S QUESTION PERIOD, TRUDEAU CONCEDED THAT HE "WOULD SUPPOSE THAT IF TACTICAL WEAPONS ARE USED THERE IS A GREAT DANGER OF ESCALATION, INDEED." HOWEVER, IN RESPONSE TO WEHMAN'S CALL FOR CANADA TO TAKE AN ACTIVE ROLE ON THE ISSUE, TRUDEAU MERELY REFERRED TO CANADA'S "LEAD" IN DENUCLEARIZING THEIR OWN FORCES AND CLAIMED HE "DOES NOT KNOW (IF) ANOTHER FORM OF LEAD OR ACTION" WAS CALLED FOR.

WENMAN, WHO HAS BEEN THE LEADING OPPONENT OF THE SCHLESINGER POLICY IN CANADA SINCE EARLY APRIL, NOW HAS HIS RESEARCH STAFF WORKING STEADILY ON THE ISSUE. WENMAN, OR HIS AIDE, COLIN PILMER, CAN BE REACHED IN OTTAWA AT (613) 992-1812.

MAOISTS TO TRIAL IN BALTIMORE

NEW YORK, JUNE 25 (IPS)--TODAY IN BALTIMORE TWO CASES OF ASSAULT AND BATTERY AGAINST 5 MEMBERS OF THE MAOIST "OCTOBER LEAGUE" ARE SCHEDULED FOR TRIAL. THE CASES STEM FROM TWO SEPARATE INCIDENTS WHERE OCTOBER LEAGUE MEMBERS VIOLENTLY ATTACKED LABOR PARTY ORGANIZERS AT THE BALTIMORE UNEMPLOYMENT CENTER, SENDING USLP MEMBERS TO THE HOSPITAL IN ONE CASE.

AFTER BEING BRIEFED ON THE MAOISTS AS PRO-NUCLEAR WAR SCUM, THE BALTIMORE PROSECUTOR'S OFFICE HAS AGREED TO PROSECUTE THESE CASES TO THE FULL EXTENT OF THE LAW. POLICE SYMPATHETIC TO THE USLP HAVE BEGUN CIRCULATING A LEAFLET DESCRIBING MEMBERS OF THE "OCTOBER LEAGUE," SO THAT OFFICERS ARE PREPARED TO STOP THEIR CRIMINAL THUGGERY AGAINST WORKING CLASS ORGANIZERS.

USLP YORK CANDIDATE ACQUITTED PREPARES FALSE ARREST SUIT.

JUNE 25 (IPS)--YESTERDAY IN YORK, PA. CHARGES OF HARASSMENT AGAINST U.S. LABOR PARTY MAYORAL CANDIDATE STEVEN BERG WERE DISMISSED. THE JUDGE RULED THAT BERG HAD BEEN ARRESTED UNDER A FALSE STATUTE. THE CHARGES STEMMED FROM THE APRIL 4 ARREST AND DETENTION ON \$2500 BAIL OF BERG AND ANOTHER LABOR PARTY MEMBER. HARASSMENT CHARGES WERE FILED BY THREE LEADING AFL-CIO BUREAUCRATS, CLINCH, KIEHL AND BARNHARDT IN RESPONSE TO A LEAFLET EXPOSING THEIR COMPLICITY IN POLICING WORKERS IN THE AREA. THE ARREST WAS PART OF A CONCERTED CAMPAIGN TO DRIVE THE LABOR PARTY OUT OF YORK, COORDINATED BY THE LEAA WITH THE AFL-CIO LEADERSHIP.

THE LABOR PARTY LEGAL STAFF IS NOW PREPARING A FALSE ARREST AND DAMAGE CLAIM AGAINST THE YORK POLICE AND THE ABOVE NAMED BUREAUCRATS FOR \$1 MILLION, BASED ON THIS ADMISSION BY THE COURTS.

END OF EARLY NEWS IPS 1700 HOURS EDT