



NEW SOLIDARITY International Press Service

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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE
COMBINED NEWS PRIORITIES
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FRANCE DUMPS DOLLARS TO CHECK FALL OF FRANC

NEW YORK, March 11 (IPS)--The Banque de France dumped half a billion dollars on the currency markets to offset heavy speculation against the French franc which sent the French currency plunging below its .22 cents to the dollar "psychological floor" (the minimum point of the European currency "snake") for the first time. The French central bank's intervention stabilized the franc at around the .22 cents level.

Alluding to the fact that the Wall Street financial community has placed heavy pressure on the French to devalue the franc, money market sources attributed the heavy level of intervention by the French central bank as "France's politically-motivated decision not to bulge under pressure from abroad."

NEW YORK BANKS SET NEW ASSAULT ON FRANC

NEW YORK, March 11 (IPS)--New York banks decided early this afternoon to re-enter the foreign exchange markets when they reopen tomorrow, to dump franc, sources reported. A spokesman for Irving Trust here expressed the hope that such a tactic would prevent "them (the Bank of France) from dumping 500 million dollars on us again." Other banking sources regarded this renewed New York attack on the franc as an "open bet;" Another source called the New York banks' gambit a "game of chicken" and indicated that if the Banque de France calls New York's bluff, the dollar collapse would begin.

In other trading developments, the Bundesbank, the West German central bank, meanwhile, spent approximately 100 million deutschemarks defending the franc today - against the deutschemark, not against the dollar.

In other trading, the British pound rose today under heavy intervention from the Bank of England and an undetermined amount of buying from New York. European sources attributed the pound's rise of 3 cents (against the dollar) to "interventions."

The Swiss franc and the deutschemark fell moderately against the dollar. Traders attributed this to the covering of long positions in these currencies in the context of general uncertainty.

FED FEARS PRESSURE ON FRANC WILL SPARK RUN ON DOLLAR

NEW YORK, March 11 (IPS) — A highly authoritative source at the New York Federal Reserve Bank said today that if the Banque de France continues its sales of dollars to protect the French franc, fears of a run developing on the dollar "would be legitimate." The source said that this is because the sale of dollars by the French Central bank, which dumped 500 million dollars today alone, is tending to create a glut of unwanted dollars on the open market.

The source further stated that the fact that the Banque de France has been selling massive amounts of dollars despite the fact that its foreign exchange reserves are at a dangerously low level would indicate that perhaps the West German central bank has agreed to supply France with masses of unwanted dollars from West Germany's 22 billion dollars in foreign currency reserves. While refusing to comment officially on the significance of the possibility of such an agreement between France and West Germany, the official stated: "But it is entirely plausible that such an agreement does exist."

BRITISH LABOUR GOVERNMENT SURVIVES "NO CONFIDENCE" VOTE

March 11 (IPS) — The British Labour Government survived a vote of "no confidence" in Parliament today by a narrow margin of 17 votes according to Reuters today, after its controversial austerity policies were defeated in the House of Commons March 10, following a bitter two day debate.

The exact breakdown of the vote was not reported, but it seems certain that left wing Labour Party members whose defection brought about the decisive defeat of Chancellor of the Exchequer Healey's Social service spending cuts were not willing to challenge the government's right to rule.

PRESS BLACKS OUT DEFEAT OF HEALEY AUSTERITY PLAN

NEW YORK, March 11 (IPS) — Major European and U.S. news media have virtually blacked out the news that the proposed 1977 - 1979 austerity plan drafted by British Chancellor of the Exchequer Denis Healey was voted down in the British Parliament late last night.

The New York Times, which last month carried a glowing front-page article on Healey's plan for slashing social services by 6 billion dollars in order to guarantee payments on Britain's debt, buried the news of the government's defeat in a 3-inch wire service item on page 10. French, German and other continental newspapers carried no coverage of the story, while European radio delayed reporting the surprising defeat of Healey's debt-collection policies and the rumored resignation

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of the Labour Government for as long as possible, to avoid causing disruption of the foreign exchange markets, where the pound has fallen to as low as nearly 1.90 dollars in recent days from a level of over 2.00 dollars.

GAULLIST LEADER CALLS FOR NON-ALIGNED FRANCE

March 11 (IPS)--Gaullist "Baron" Alexandre Sanguinetti, a member of the UDR (Gaullist) Party's Executive, declared in an interview published in the latest issue of the French weekly *La Nouvel Observateur* that "We (Gaullists) are concerned about the universe as a whole, not only with the European countries; the future of France is to be non-aligned." Sanguinetti, who made his statement in answer to a question concerning the Tindemans Plan for an integrated Europe under Atlanticist hegemony, also charged that under the Tindemans Plan, Europe was "not conceived differently than as an American market, or a U.S. protectorate," adding that "West Germany is not European but American."

He also declared that he accepts the Communists as "objective allies" and rejoices to "see them discover, quite late though, the virtues of Gaullism."

GDR DEFENSE MINISTER SAYS WARSAW PACT WILL USE NUCLEAR ARMS AGAINST NATO AGGRESSION

March 11 (IPS) -- This month's issue of *Einheit*, the theoretical journal of the German Democratic Republic's ruling Socialist Unity Party, printed a speech by GDR Defence Minister Heinz Hoffman in which Hoffman affirmed that the Warsaw Pact forces will fight a general thermonuclear war in the event of aggression by U.S. and NATO forces against the socialist countries. General Hoffman's speech was given December 1, 1975, but appears in print for the first time now. Hoffman said:

"The socialist states could not and would not accept aggression by the U.S. or NATO without resistance. The Warsaw Pact would have to, and would, strike back rapidly and destructively. In spite of all the sorrow which would descend upon the peoples, especially in the capitalist countries, in this final and decisive conflict between capitalism and reaction -- this would be a just war on our part.

"We do not share the opinion, which exists even among progressive people in the peace movement, that no just war is possible in the nuclear age, or that nuclear war is not a continuation of the politics of the struggling classes but is only nuclear inferno...

"Neither do we agree with the Maoists or with those American scientists who say that a nuclear war will not have such a tremendous effect on the existence of mankind the health of the next generation as is usually assumed."

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MILITARY TAKEOVER IN LEBANON.
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March 11 (IPS)--The commander-in-chief of the Lebanese Army garrison of Beirut, General Abdel Aziz al-ahdab, announced on the Lebanese Television today that he has assumed power in the country and ordered Lebanese President Suleiman Frangieh and Prime Minister Rashid Karame to resign within the next 24 hours. He also called on Parliament to proceed for the elections of a new President within a week, WINS radio in New York reports today.

Ahdab asserted in his address that he supports the recent, Syria-backed truce between warring Moslems and Christians in Lebanon, as well as the further Syrian initiatives in Lebanese affairs. Ahdab's military takeover comes amid rapid desintegration of the Lebanese army, underscored by the occupation of several garrisons by military rebels led by lieutenant Ahmed al-Khatib in the southern regions of Lebanon, and by mounting tension in Muslim neighborhoods of Beirut in the wake of the killing of the commander-in-chief of the Northern army region of Lebanon, Abdel Maguid Shehab, by his own troops as he inspected an army check point.

LEBANESE PRIME MINISTER RESIGNS

March 11 (IPS)--Lebanese Prime Minister Rashid Karame resigned today along with his entire cabinet according to UPI today. Before his resignation, which he announced over state radio, Karame consulted at length with Lebanese president Suleiman Frangieh, and Defense Minister Camille Chamoun (both closely allied to the right-wing Christian Falange) at the home of Syrian-allied Palestine Liberation Organization leader Zuhair Mohsen.

Karame announced his resignation from Mohsen's home.

ISRAELI DEFENSE MINISTER THREATENS USE OF NUCLEAR ARMS.

March 11 (IPS)--Israeli Defense Minister Shimon Peres warned today that Israel might be forced to use its nuclear option in the event of escalation of tension in the middle east, echoing a similar statement recently made by former defense Minister Moshe Dayan. The Peres statement, reported by WINS radio in New York, represents the first time a member of the Israeli cabinet has mooted using nuclear capability.

Simultaneously, WINS reports that Israeli warplanes conducted overflights over south Lebanon and that a number of Israeli settlers along the Lebanese border are requesting that the Israeli government beef up security on its northern border with Lebanon as a result of firing across the border by Lebanese army mutineers.

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ARGENTINE LABOR LEADER BLASTS MONDELLI DEBT REPAYMENT PLAN:

March 11 (IPS)—Argentine labor leader Victorio Calabro, the governor of Buenos Aires province, told a mass rally of workers protesting the IMF-backed austerity proposals of Finance Minister Emilio Mondelli two days ago that workers must "fight united" to avoid a military coup. He charged that the Mondelli plan "would pay the debts and starve the workers to death."

Calabro's remarks were reported in the Buenos Aires daily La Opinion.

GREEK LEFTISTS PROPOSE CLOSER TIES TO COMECON.

March 11 (IPS)—PASOK, the leftist Greek party headed by Andreas Papandreou, issued a call this week for the formation of a Mediterranean Community to cooperate with the Comecon-allied Balkan countries. The call specified that such a Community would be premised on explicitly "non-capitalist" socialist principles. PASOK's call was coupled with a strong denunciation of Greece's recent integration into the European Economic Community (EEC).

Papandreou recently returned from a trip to Yugoslavia, where he met with top government officials.

GREEK GOVERNMENT PAPER ADMITS PRESENCE OF STRONG PRO-COMECON FACTION.

March 11 (IPS)—Kathimerini, the official Greek government daily, admitted in an editorial march 7 that there is "a political strata which favors Greece's entry into Comecon." The editorial defended the decision of Prime Minister Konstantine Karamanlis' government to seek closer ties with the EEC and, in an allusion to proposals advanced by the leftist PASOK party, stated that those Greeks who favor a Mediterranean or a Balkan community instead of EEC ties cannot prove the advantages of their claims. The editorial states that the pro-Comecon forces lack the popular support to make the political change which would be necessary for such integration.

U.S. BANKS CUT OFF ONE BILLION DOLLARS IN CREDIT TO TURKEY.

March 11 (IPS)—U.S. banks have cut off one billion dollars in promised credit to Turkey, according to the U.S. Greek language daily The National Herald. The cancellation of the credit reflects a decision on the part of U.S. banks not to roll over the one billion dollars in short term loans given to Turkey last year. The National Herald reports that the cutoff of credit is a "test" to see if Turkey will pay back those loans, 500 million dollars of which fall due in May.

Last December, the International Monetary fund urged a number of U.S. banks, including Morgan Guaranty and Citibank, to cancel credit to Turkey unless Turkey devalued the Turkish lira by 20 percent, according to the Turkish press. The National Herald links the present credit cutoff to Turkish resistance to devaluation and its rejection of IMF austerity proposals for Turkey.
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HUMPHREY UNDER FIRE FOR CORRUPTION CHARGES.

March 11 (IPS)--In his New York Times column today entitled "Drugstore Liberal," William Safire outlines a series of corruption charges that will come back to haunt Sen. Hubert Humphrey (D-Minn) when he becomes a presidential candidate. Safire warns Humphrey that, wholly apart from his domestic and foreign policy, his well-known "assets," -- "durability, consistency, good humor, experience, heart" -- pale before the following unanswered charges:

, he took 100,000 dollars in 1968 from millionaire Howard Hughes, according to Hughes' aide Robert Naheu. Humphrey's memory is not too good on this payoof, Safire notes.

, Humphrey's former press secretary copped a plea for aiding and abetting illegal corporate donations in 1972.

, Humphrey's closest aide when he was Vice-President sought to get a special team of FBI agents to spy on troublemakers at the 1968 Democratic Party convention.

, Humphrey tried to keep valuable state gifts, such as an 8-carat diamond given him by the President of Zaire, until the gift-keeping became controversial in 1974 and he turned the diamond over to the State Department.

, Humphrey's former campaign manager is on the way to jail on charges stemming from the Humphrey campaign's relation to the milk industry bribes.

, Humphrey nearly succeeded, if the Internal Revenue Service had not stopped him, in taking an illegal 200,000 dollar tax deduction by giving his vice-presidential papers to the Minnesota Historical Society.

NIXON SAYS KISSINGER CHOSE TARGETS FOR WIRETAPPING.

March 11 (IPS)--Former President Richard Nixon said in a sworn statement made public today that Secretary of State Henry Kissinger was responsible for choosing the names of 17 government officials and newsmen which were submitted by his administration to the FBI for wiretapping in 1969. According to the New York Times, Nixon's testimony contradicts sworn statements by Kissinger that Nixon was involved in the choice of targets. Nixon's testimony is contained in a 169-page deposition taken in his home in San Clemente, California, last January as evidence in a lawsuit filed by former National Security Council aide Morton H. Halperin, one of 17 government officials and newsmen whose home phones were wiretapped.

END IPS-COMBINED ISSUE FOR MARCH 11, 1976.