



# International Press Service

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PRIORITIES

## MEXICAN PRESIDENT ECHEVERRIA CALLS FOR DISARMAMENT AND DEVELOPMENT OF THIRD WORLD

UNITED NATIONS, OCT. 8 (IPS) — IN A SPEECH YESTERDAY MORNING TO THE GENERAL ASSEMBLY OF THE UNITED NATIONS MEXICAN PRESIDENT LUIS ECHEVERRIA OUTLINED PROPOSALS FOR "A NEW WORLD ECONOMIC ORDER." THROUGHOUT HIS SPEECH, ECHEVERRIA EMPHASIZED DISARMAMENT AND DEVELOPMENT FOR THE THIRD WORLD, AS THE FOUNDATIONS OF THAT NEW WORLD ORDER. THE MEXICAN PRESIDENT MADE A SPECIFIC FORCEFUL CALL FOR ADJUSTING "PRODUCTION AND PRICES...TO A BLUEPRINT WHICH IS COMPATIBLE WITH THE OVERALL INTERESTS OF MANKIND."

ECHEVERRIA DECLARED THAT NO ADEQUATE SOLUTION HAS YET BEEN FOUND TO "TRADE IMBALANCES AND FLOW OF CAPITAL," NOTING THAT THE EFFORTS AT "INTERNATIONAL ASSISTANCE,...HAS, ON THE CONTRARY, BROUGHT ABOUT AN INCREASE IN FOREIGN DEBTS OF THE DEVELOPING COUNTRIES AND THUS MADE THEIR SUBJECTION ALL THE MORE SEVERE." HE THEN CALLED FOR "ESTABLISHING THE FINANCIAL MACHINERY AND INSTRUMENTS TO DEAL WITH TRADE."

PRESIDENT ECHEVERRIA ALSO ACKNOWLEDGED "THE SUPPORT THAT THE SOCIALIST COUNTRIES HAVE OFFERED THE PEOPLES OF THE THIRD WORLD...AND THE SIGNIFICANT ROLE THEY ARE PLAYING IN THE BALANCING CORRELATION OF WORLD FORCES." "THE INDUSTRIALIZED COUNTRIES COULD ORGANIZE A SCIENTIFIC REVOLUTION IN THE FIELD OF ENERGY," HE ADDED. "WHAT IS NEEDED, HISTORICALLY SPEAKING, IS THE CREATION OF A TRUE ASSOCIATION WITHIN THE FRAMEWORK OF THE NEW WORLD ORDER, BASED ON FAIR PRICES, A RENEWAL OF TECHNOLOGY FOR ALL AND BENEFITS THAT WILL ONLY BE AN ACCEPTABLE FACT IF THEY ARE COLLECTIVE IN NATURE AND PLACED AT THE SERVICE OF THE GREATER PART OF HUMANITY."

NEAR THE CONCLUSION OF HIS SPEECH ECHEVERRIA REITERATED: "IF THE ENORMOUS SUMS TODAY BEING SPENT ON ARMAMENTS WERE CHANNELLED TO THE OVER-ALL DEVELOPMENT OF THE WORLD, MUCH WOULD BE DONE THEN TO ELIMINATE THE CONFLICTS WHICH TODAY DARKEN THE PRESENT AND FUTURE OF MANKIND."

ECHEVERRIA RECIEVED A STANDING OVATION AT THE CONCLUSION OF HIS SPEECH.

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FINNISH SD OFFICIAL ARRESTED  
FOR SMUGGLING 2ND INT'L BAG MONEY

OCT. 8 (IPS) — THE FINNISH ECONOMICS MINISTER OF THE RULING SOCIAL DEMOCRATIC PARTY, WAS ARRESTED YESTERDAY BY SWEDISH CUSTOMS POLICE FOR ATTEMPTING TO SMUGGLE 198,000 SWEDISH CROWNS (\$50,000 U.S. CURRENCY) OUT OF SWEDEN.

THE SWEDISH PRESS INDICATED TODAY THAT MONEY HAD BEEN SECRETLY PROVIDED BY THE SWEDISH SOCIAL DEMOCRATIC PARTY OF PRIME MINISTER OLOF PALME AT ITS JUST-CONCLUDED CONGRESS IN STOCKHOLM.

IT IS WIDELY BELIEVED THAT THE MONEY WAS INTENDED TO BE USED TO FINANCE SOCIAL DEMOCRATIC CANDIDATES IN THE NOV. 3 METALWORKERS UNION ELECTIONS. POLITICAL OBSERVERS INDICATE THAT THE FINNISH COMMUNISTS HAVE A GOOD CHANCE OF WINNING THOSE ELECTIONS AND GAINING CONTROL OF THE FINNISH TRADE UNION MOVEMENT.

PRIME MINISTER PALME, WHOSE GOVERNMENT WAS ROCKED LAST WEEK BY CHARGES IN THE PRESS THAT IT WAS INVOLVED IN CONDUITING FUNDS TO SOCIALISTS IN PORTUGAL, REFUSED TO COMMENT WHETHER THIS NEW MONEY WAS PART OF THE SPECIAL "CIA OPERATIONS FUND" PROVIDED TO THE EUROPEAN SECOND INTERNATIONAL.

PONIA BARS SOVIET YOUTH LEADER FROM FRANCE

OCT. 8 (IPS) — GUENALDI JANAIEV, PRESIDENT OF THE SOVIET YOUTH ORGANIZATION, KOSOMOL, WAS DENIED ENTRY TO FRANCE LAST NIGHT UNDER DIRECT ORDERS FROM INTERIOR MINISTER MICHEL PONIATOWSKI. JANAIEV HAD BEEN SCHEDULED TO SPEAK AT FRENCH COMMUNIST PARTY YOUTH MOVEMENT MEETING YESTERDAY EVENING COMMEMORATING THE 58TH ANNIVERSARY OF THE OCTOBER (RUSSIAN) REVOLUTION.

J. M. CATALA, LEADER OF THE PCF YOUTH MOVEMENT, DELIVERED A STRONG PRO-SOVIET SPEECH AT THE MEETING IN WHICH HE COUNTERPOSED THE MISERABLE SITUATION OF THE YOUTH IN CAPITALIST COUNTRIES TO THAT OF YOUTH IN THE EAST BLOC. CATALA ATTACKED THE LACK OF DEMOCRACY IN THE WEST AND UNDERLINED THAT SOCIALIST COUNTRIES WERE A HUNDRED TIMES MORE "DEMOCRATIC" THAN THE MOST DEMOCRATIC OF ALL BOURGEOIS DEMOCRACIES.

THE REPORT WAS CARRIED BY TODAY'S L'HUMANITE, THE PCF DAILY.

PORTUGUESE MILITARY UNIT DENOUNCES PSP  
FOR COUP MANEUVERS

OCT. 8 (IPS) — LISBON'S LEFTIST LIGHT ARTILLERY REGIMENT (RALIS) HAS CHARGED THAT THE CIA-FUNDED PORTUGUESE SOCIALIST PARTY'S WARNINGS AGAINST A PURPORTED LEFT-WING COUP LAST WEEK WERE PART OF A PLOT TO PLUNGE PORTUGAL INTO A CIVIL WAR. THE PSP'S REAL OBJECTIVES, A STATEMENT ISSUED BY RALIS SAYS, WERE TO CREATE AN ENVIRONMENT FOR DECLARING A STATE OF SIEGE; TO DISCREDIT PROGRESSIVE MILITARY UNITS (SUCH AS RALIS, WHICH WAS ALLEGED TO HAVE BEEN ONE OF

(MORE)

THE REGIMENTS PLOTTING THE SUPPOSED COUP) THROUGH THE SAME TYPE OF SLANDEROUS CAMPAIGN IT USED SUCCESSFULLY AGAINST LEFT-WING DISCIPLINE ON THE ARMY AND PURGE LEFT-WINGERS FROM THE INFORMATION MEDIA.

IF SUCCESSFUL, RALIS SAID, THE PSP PLOT WOULD LEAD TO "A VIOLENT RIGHT-WING DICTATORSHIP UNDER THE COVER OF SOCIAL DEMOCRACY OR RATHER, OF 'SOCIALISM'." BUT RALIS STATES, A SUCCESSION OF PSP FIASCOS HAS "REVEALED THAT THE TRUE SOCIALISTS NO LONGER HAVE CONFIDENCE IN THEIR PRESENT LEADERSHIP."

THE RALIS STATEMENT WAS PUBLISHED IN THE OCT. 4 DIARIO DE NOTICIAS.

FORD PREPARING "MAJOR SPEECH"  
TO IMPLEMENT MURPHY COMMISSION CHANGES

WASHINGTON, OCT. 8 (IPS) -- PRESIDENT FORD WILL DELIVER A "MAJOR SPEECH" SHORTLY IN WHICH HE WILL PROPOSE CHANGES IN THE U.S. INTELLIGENCE APPARATUS AS RECOMMENDED BY THE MURPHY AND ROCKEFELLER COMMISSIONS, ACCORDING TO TODAY'S WASHINGTON POST.

CORRESPONDENT DAVID S. BRODER QUOTES HIGH WHITE HOUSE SOURCES AS SAYING THAT FORD'S PROPOSALS WILL MIRROR THOSE OF THE TWO COMMISSIONS. THEIR RECOMMENDATIONS, ISSUED IN LATE SPRING OF THIS YEAR, PROPOSED A CARTE-BLANCHE FOR EXECUTIVE USE OF FOREIGN AND DOMESTIC COVERT OPERATIONS.

CBS NEWS REPORTS TODAY THAT FORD AND SECRETARY OF STATE HENRY KISSINGER ARE CONSIDERING NAMING FORMER TREASURY SECRETARY GEORGE P. SHULTZ AS DIRECTOR OF A "REORGANIZED" CENTRAL INTELLIGENCE AGENCY TO REPLACE WILLIAM COLBY. SCHULTZ IS CURRENTLY PRESIDENT OF THE CIA'S LINKED CONSTRUCTION FIRM, BECHTEL INTERNATIONAL.

NARCOTICS SQUAD CONFIRMS ORLINSKY DRUG PUSHING

BALTIMORE, OCT. 8 (IPS) -- A HIGH-RANKING MEMBER OF THE POLICE NARCOTICS SQUAD IN BALTIMORE YESTERDAY TERMED THE CITY COUNCIL CHAIRMAN WALTER ORLINSKY "THE BIGGEST DRUG PUSHER IN BALTIMORE." THE SOURCE SAID BITTERLY THAT IN BALTIMORE HE "CAN'T EVEN MAKE A BUST STICK." THE SOURCE FURTHER IDENTIFIED PARTICULAR DRUG CASES WHICH WERE SABOTAGED THROUGH ORLINSKY'S INTERCESSION.

A U.S. LABOR PARTY LEAFLET EXPOSING ORLINSKY'S ACTIVITIES IS BEING DISCUSSED "ALL OVER THE POLICE DEPARTMENT," HE ADDED.

RUN ON NYC BANKS SET TO BEGIN NEXT WEEK

OCT. 8 (IPS) -- NEW YORK CITY COMPTROLLER HARRISON GOLDEN TOLD THE NEW YORK TIMES YESTERDAY THAT THE DEFAULT OF NEW YORK CITY, WHICH MAY OCCUR AS EARLY AS OCT. 17, COULD "PAVE THE WAY FOR A RUN ON THE BANKS," ESPECIALLY BY LARGE INTERNATIONAL DEPOSITORS. GOLDEN SAID THAT IF NEW YORK LOST ITS POSITION AS THE INTERNATIONAL CAPITAL CENTER, IT WOULD NOT BE TO ANY OTHER U.S. CITY BUT TO "LONDON, PARIS, FRANKFURT, GENEVA OR SOME PLACE ABROAD."

(MORE)

GOLDIN WAS NOT ALONE IN PREDICTING A RUN ON NEW YORK BANKS. AT REP. ROSENTHAL'S (D-NY) HOUSE BANKING SUBCOMMITTEE HEARINGS TODAY, SOME CONGRESSMEN SAID THEY WERE CALLING ALL THE BANKS IN THEIR DISTRICTS TO WARN THEM TO PULL THEIR FUNDS OUT OF NEW YORK. ONE CONSERVATIVE CONGRESSMAN FROM KALAMAZOO, MICHIGAN, PRESIDENT'S GERALD FORD'S HOME DISTRICT, SUGGESTED THAT CONGRESS SIMPLY ALLOW THE NEW YORK CITY BANKS TO COLLAPSE AND CONCENTRATE ON SAVING THE REST OF THE COUNTRY.

ALFRED HOLDEN, INTERNATIONAL ECONOMIST AT BANKERS' TRUST, AGREED WITH GOLDIN'S PREDICTION THAT EUROPEAN AND OTHER FOREIGN BANKERS WILL PULL THEIR FUNDS OUT OF NEW YORK IN THE EVENT OF A DEFAULT. THE EUROPEANS ARE EVEN "MORE CONCERNED" ABOUT A NEW YORK DEFAULT THAN U.S. CAPITALISTS, HOLDEN SAID.

#### ISRAEL ADOPTING "WAIT-SEE" STALLING TACTICS: BALTIMORE SUN

OCT. 8 (IPS) — THE CURRENT ISRAELI GOVERNMENT INTENDS "TO MOVE SLOWLY" TOWARD ANY PEACE INITIATIVES, BALTIMORE SUN CORRESPONDENT MICHAEL PARKS WRITES TODAY.

PARKS CLAIMS THAT ISRAELI RULERS WILL MAKE NO STEPS TOWARD PEACE FOR AT LEAST FIVE MONTHS TO ALLOW FOR THE "IMPLEMENTATION" OF THE SINAI PACT. THEY DO NOT EXPECT PEACE TO COME TO THE MIDEAST FOR FIVE TO FIFTEEN YEARS, PARKS NOTES. ACCORDING TO PARKS, ISRAELI GOVERNMENT OFFICIALS ARE SEEING THE "RESOLUTION OF THE PALESTINIAN QUESTION AS THE LAST ISSUE TO BE TACKLED."

#### KENNEDY DEMANDS CONGRESSIONAL OVERSIGHT OF LEAA

OCT. 8 (IPS) — SPEAKING AT SENATE GOVERNMENT OPERATIONS COMMITTEE HEARINGS ON PRESIDENTIAL PROTECTION AND GUN-CONTROL YESTERDAY, SEN. EDWARD KENNEDY (D-MASS) LAUNCHED INTO A DIATRIBE AGAINST THE LAW ENFORCEMENT ASSISTANCE ADMINISTRATION (LEAA) STATING, "IT'S BEEN IN EXISTENCE FOR EIGHT YEARS AND WE'VE HAD TWO DAYS OF CONGRESSIONAL OVERSIGHT HEARINGS ON IT."

KENNEDY SUGGESTED EXPANDING CONGRESSIONAL OVERSIGHT OVER THE AGENCY AND CALLED FOR A CURTAILMENT OF LEAA ACTIVITIES TO STUDYING SUCH SUBJECTS AS JUDICIAL REFORM.

THE LEAA OPERATING OUT OF THE JUSTICE DEPARTMENT IS CURRENTLY A MAJOR COMPONENT OF THE DOMESTIC GESTAPO OPERATION CONTROLLED BY THE NATIONAL SECURITY COUNCIL. ITS FUNDING WILL COME UP IN CONGRESS SOON.

#### IRS INTERVENES TO PROTECT DRUGRUNNERS

CHICAGO, OCT. 8 (IPS) -- A MAN WHO IDENTIFIED HIMSELF AS A FORMER DRUG-PUSHER SAID YESTERDAY THAT INTERNAL REVENUE SERVICE (IRS) AGENTS HAD INTERVENED TO KEEP HIM FROM GOING TO JAIL FOR A DRUG OFFENSE. THE MAN SAID THAT THE IRS AGENTS HAD APPROACHED HIM WHILE HE WAS IN JAIL IN TEXAS AND TOLD HIM THAT THEY COULD GUARANTEE HIM PROBATION WITH NO JAIL SENTENCE IF HE AGREED NOT TO DISCLOSE THE NAMES OF HIS SUPPLIERS.

(MORE)

OBSERVERS SAY THAT IT IS THROUGH SUCH "DEALS" THAT THE MAJOR NATIONAL SECURITY COUNCIL-LINKED DRUG NETWORKS ARE KEPT FREE FROM EXPOSURE. THE CHICAGO PRESS IS CURRENTLY WAGING A STRONG CAMPAIGN AGAINST DRUGS.

#### REUSS CALLS FOR DEFACTO DEBT MORATORIUM

OCT. 8 (IPS) -- REP. HENRY REUSS (D-WISC), CHAIRMAN OF THE HOUSE BANKING COMMITTEE, SAID YESTERDAY THAT THE FEDERAL GOVERNMENT SHOULD PROVIDE \$7 BILLION IN LOANS AND LOAN GUARANTEES TO NEW YORK CITY AND NEW YORK STATE TO PREVENT A DEFAULT BY THE CITY. IN EXCHANGE FOR THIS AID VARIOUS PRESS SOURCES REPORTED REUSS AS ASKING THAT NEW YORK BANKS AND OTHER HOLDERS OF MAC SECURITIES DEFER INTEREST AND PRINCIPAL PAYMENTS, IN THE CASE OF MAJOR BANKS, THIS DEFACTO MORATORIUM FOR AS LONG AS FIVE YEARS. REUSS WAS CAREFUL NOT TO USE THE WORDS DEBT MORATORIUM TO DESCRIBE HIS PROPOSAL.

REUSS MADE IT CLEAR THAT HIS PLAN LIKE A SIMILAR THOUGH LESS SPECIFIC PROPOSAL BLURTED OUT BY SECRETARY OF THE TREASURY WILLIAM SIMON THIS WEEKEND, WAS AIMED AT PREVENTING A BANKING PANIC. "THIS IS NOT A BAILOUT, REUSS IS QUOTED AS SAYING. IT... IS AN ATTEMPT TO PREVENT LETHAL FALLOUT (FROM A NEW YORK CITY DEFAULT) FROM THE REST OF THE COUNTRY AND WORLD."

REUSS SAID THAT WHILE BANKS WOULD BE HURT BY A SUSPENSION OF DEBT SERVICE, IN THE LONG RUN "THEY WOULD RECIEVE A MUCH HIGHER PROBABILITY OF REPAYMENT THAN THEY NOW ENJOY."

HOWEVER, REUSS MADE NO MENTION OF HIS PLAN DURING TODAY'S JOINT ECONOMIC COMMITTEE HEARING IN WASHINGTON, CAPITOL HILL OBSERVERS FELT THE CONGRESSMAN MAY HAVE ALREADY DITCHED THE PROPOSAL.

#### EUROPEAN TRADE UNION FEDERATION GOES FOR SPANISH BLOCKADE

OCT. 8 (IPS) -- HEINZ OSKAR VETTER, CHAIRMAN OF THE WEST GERMAN AND EUROPEAN TRADE UNION CONFEDERATIONS, IS CALLING FOR A EUROPEAN-WIDE BLOCKADE OF SPAIN FOR THE PURPOSE OF FORCING A COLLAPSE OF THE FRANCO GOVERNMENT. VETTER'S CLAIM THAT "ONE CAN CUT OFF SPAIN FROM THE OUTSIDE WORLD, BLOCKING ALL MEANS OF TRANSPORT AND ALL TELEPHONE NETWORKS," WAS ANNOUNCED ON A RADIO INTERVIEW SHOW, PANORAMA IN WEST GERMANY.

THE VETTER ANNOUNCEMENT WAS ENTHUSIASTICALLY BACKED BY OTTO KERSTEN, GENERAL SECRETARY OF THE INTERNATIONAL TRADE UNION FEDERATION DURING THE SAME RADIO SHOW.

END OF COMBINED IPS FOR WEDNESDAY, OCTOBER 8, 1975.