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## soviet union

# Pravda Displays Hysterical Blindness on Herstatt Collapse and NATO

July 10 (IPS) — While David Rockefeller ruthlessly pulled world capitalist assets into his New York City pockets in the past two weeks, the press of the Soviet Union somersaulted backwards into a pre-Marxian 19th century view of economics and closed its eyes to politics. *Pravda's* outlandish and highly incompetent treatment of the Herstatt Bank failure and the not-so-subtle preparation of NATO to enforce Atlantic austerity on Europe shows how the Soviet bureaucrats are protecting themselves against the reality of imminent world disaster. Brezhnev and his colleagues deny what every Wall Street errand boy knows — that the Rockefeller banks are deliberately concentrating world capital in New York City, forcing a destitute Europe to do their bidding.

*Pravda's* antiquated view of the unfortunate Herstatt perfectly complements its refusal to wake up to the reality of so-called “friend of the Soviet Union” David Rockefeller’s onslaught. The Herstatt collapse, which threatens to trigger chain-reaction bankruptcies throughout the capitalist world, appeared in *Pravda* as the subject of a feeble “political satire” by Bonn correspondent Grigoriev:

*“The Cologne Opera sparkled with lights...it was the jubilee of the major Cologne banker Herstatt. He rented the whole city theatre for his guests...And the imposing figure of the 60-year-old Herstatt symbolized bourgeois stability, the solidity of his firm...And suddenly the Herstatt Bank went bankrupt. This happened at the end of June. Struck by the news, as by lightning from a blue sky, throngs of depositors rushed to the Herstatt counters. People demanded their money back. Alas, the cash windows were shut tight...it turns out that solid Herstatt was an inveterate speculator.”*

The Communist Party papers could find nothing funnier this week than Herstatt, the naughty speculator who was served right for being a capitalist. Both Grigoriev and the West German Communist Party’s (DKP) paper *Unsere Zeit* chortled over the well-known Herstatt ads which read: “My Papa is foresighted...He saves his money at Herstatt.”

It would be bad enough to report the Herstatt failure as the amusing aberration of an errant speculator, at a time when whole sections of the real European economy

are being forced under by the Rockefeller-centered cabal. The international pages of *Pravda* reveal the underlying problem: The leading Soviet bureaucracy, at a loss for a political policy, cannot bear to look at the destruction of the European workers who, losing their very means of subsistence, might turn to the Soviet Union for leadership...and see only the obscenely snoring Russian bear.

Days go by without a word in the Soviet press on Italy, while that country is ravaged. Honnecker, CP leader in East Germany, identifies the effects of the general capitalist crisis on the Eastern European economies, only to fall back with confidence on the bloc’s supposed ability to become nearly self-sufficient. *Pravda* raises the tattered flag of “European Security.” The present leaders of the workers states, excepting Yugoslavia, are answering reality with weak humor or fearful silence.

### To The Point of Psychosis

This is eminently clear in *Pravda's* coverage of NATO’s expanding political role. *Pravda's* weekly news observer July 7 noted that, at the recent NATO meeting in Brussels, West German Chancellor Helmut Schmidt had called inflation the primary question to be resolved by NATO. Another column that day begins: “For some time now, NATO apologists have been conducting a propaganda campaign, whose goal is to prove that the North Atlantic bloc is changing its emphasis from military to political problems....” But *Pravda* misses the point — that NATO is intended to turn to politics for the precise purpose of governing a fascist Europe under a Rockefeller-directed economic collapse. The Soviets publicly suggested that a political NATO would be a positive change; it would lead to increasing NATO disarmament and hence to peace!

Such black and white categories as “military or political” and “friends or enemies of detente” represent the deeply simplistic worldview of the Soviet leadership at this time. This is why they cannot perceive the essential political features, the emerging institutions, of the unfolding collapse.

Only the International Caucus of Labor Committees offers these leaders the analysis to break out of their blind slumber. They have in their hands the ICLC’s United Front proposal for the **immediately possible step**

towards all-European expanded reproduction on the basis of fusion power development and moratoria on payments to Rockefeller's banks.

So far, however, the Soviets merely express support for "struggles against the multinationals," while ignoring

the rampage of the biggest, controlling multinational, the Rockefeller empire. To begin to comprehend the world situation, the Soviets must eliminate their "friends of detente" guest-list (*Pravda*, June 27), which is topped off by David Rockefeller!

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## **"Progressive" Military to Bring Ethiopia from Middle Ages...to Slave Labor**

July 13 (IPS) — CIA-backed "progressives" in the Ethiopian army staged a new wave of arrests of conservative officials last week. The arrests are aimed at further eroding aging Emperor Haile Selassie's power base to make possible Rockefeller's plans for transforming Ethiopia's feudal economy into an important food source for the soon-to-be-enslaved industrial workers of Western Europe.

Specifically, the arrests were directed at destroying the 100,000-man Patriotic Association, a peasant-based army of the nobility and an important opponent of the fascist modernization plans championed by "liberal" elements in the Ethiopian army.

The leader of the "liberals" is newly-appointed Armed Forces Chief of Staff Aman Andam. A longtime factional opponent of Selassie, Andam has apparently been designated to replace the Emperor, who is far too discredited to carry out the necessary economic and political transformation.

Rockefeller-aligned capitalists, while welcoming these developments, still maintain a watchful eye. The July 5 *Financial Times* remarked that the Ethiopian military is impatient "to move the country out of the doldrums it has been languishing in for several centuries," but "it will take much more than the arrests of a few noblemen and high civilian military officials, no matter what their importance, to set Ethiopia on the path to a new era."

### **Modernization, Rockefeller Style**

With a population of 26 million and more cattle than all of East Africa combined, Ethiopia is slated to become, in the words of the May issue of *African Development* magazine, an "open range." The World Bank has already carried out livestock development projects in the Awash Valley and has created "minimum" and "maximum" package areas, which are small-scale communities of resettled peasants brought into the "modern world" through the use of behavior-modification techniques of reward and punishment. There are also 102 "awarja," or self-help districts, similar to the paradigmatic Tanzanian ujamaa rural development projects. The Sahel drought, which has rendered large parts of the East and Southeast uninhabitable, has created a tremendous pool of potential labor for such projects or for infrastructural road-building organized under UN-created "food for work" schemes.

In addition to the thrust against conservative opposition within Ethiopia, moves are being made to destroy Soviet influence in the area. At the bidding of the CIA, fraudulent Pan-Arabic "radical" groups are now organizing in Eritrea to counter pro-Soviet liberation forces there, and in Somalia, where the Soviets have provided technical assistance. In January, Somalia was induced to join the CIA-controlled Arab League, further undermining the USSR.