spokesmen in New York City stated clearly that "in spirit we support the French proposal." Japanese efforts to identify themselves with the "independent" line worked out at the Trilateral Commission's Bellagio conference last month were highlighted by their support in the United Nations for the "self-determination of Palestine" and statements made to IPS that if the Israelis launched an attack at this time, the Japanese government probably would break off diplomatic relations with Israel.

Regarding the IEA, a Japanese spokesman said, "We are like Europe--we won't join any organization which takes a hostile position toward the oil producers." Further asserting their independence, he stated, "We can no longer sit back and keep quiet ....The policy of Japan and the U.S. cannot always be the same."

New at the game of being "independent," the spokesman slipped and revealed the real content of the "independence" ploy. After noting support for the French proposal, he proceeded to explain that after all, there was no argument between France and the U.S. as to the "terminal objective," only a difference of "procedure." Asked what that objective was, he quickly replied, "To reduce consumption."

THE MEANING OF REVALUATION: SCHMIDT ENFORCES KISSINGER AUSTERITY

Nov. 21 (IPS)--In the week since Henry Kissinger and William Simon, the Rockefeller twins at the U.S. Dearrtments of State and the Treasury respectively, read out the script for the next oil hoax, West German Chancellor Helmut Schmidt has emerged as their enforcer for Brazilian-style looting of the Western Europe sector.

West German officials refused comment on the Kissinger-Simon proposals for massive cuts in energy consumption, credit austerity, and slave-labor "energy development" this week. But at a meeting of the finance ministers of the European Economic Community this week, Schmidt's representatives dumped a "Europeanized" version of the U.S. proposals on the conference table.

According to the Schmidt plan, West Germany will up-value the German mark against other European currencies, ostensibly to enable West Germany to import more from France, Italy, or England--if its EEC "partners" agree to deflate their own economies, thereby demonstrating that currency "valuation" is nothing more than a measure of how much loot can be gouged out of the bodies of workers.

But West German industrialists were quick to point out that a revaluation of the mark would be "catastrophic," since it would raise the price of West Germany's exports and make them more difficult to sell. While 25 per cent of the nation's production depends on exports, the West German Institute for Economic Research predicted today that sales abroad would droop during the next few months--because West Germany's fellow EEC members are too broke to buy its output. "Rising exports have propped up the economy during the first two quarters of 1974," the Institute reported, "but this effect has been lost during the third quarter." A revaluation of the West German currency, manufacturers say, would turn this droop into a tailspin, thereby Europeanizing the political destruction of real wealth.

For if Britain, France, and Italy deflate, their economies will close down so rapidly that they will not need an export market.

Recession of Demand

A meeting between West German finance ministry officials and directors of the Federal Bank showed, moreover, that West Germany could not hinder its deflationary spiral--even if Schmidt were to reverse the monetary gears. Surveying the Federal Government's $10 billion loss in tax revenues due to production shutdowns and unemployment, the officials agreed that Bonn could borrow enough money to tide itself over. But the condition for this, Federal Bank director Schlesinger emphasized, was a "recession of credit demand"--a virtual collapse--"of the private economy and the home-building industry."

With these riders, the Schmidt proposal turns into a black humor version of the Simon-Kissinger plan. Indeed, Italian premier-designate Aldo Moro, the only European leader officially to embrace the ample Secretary of State, chiseled this "interpretation" of Kissinger's views on the backs of the Italian working class. Under the direction of his finance minister CIA agent Ugo La Malfa, Moro launched an Italian austerity drive which includes a 10 per cent cut in energy use and a shutoff of all new credit during the height of Italian industry's seasonal borrowing demand.

The point of Schmidt's sick joke is that he has already put this policy into operation.

Last Thursday, Schmidt remarked offhandedly that his government would have no objection to a rise in the value of the West German mark. Rockefeller banks operating on the international foreign exchange market employed this remark, which merely restated standing West German policy, to bash up the market value of the West German currency by about 10 per cent. One West German banker told IPS, "It's stupid to talk about a revaluation of the mark, since the market has already done this."

Given the ruptured state of West German manufacturing, credit, and trade, a higher value for the nation's currency reflects none of the normal economic criteria, which value a currency in terms of the nation's economic performance. On the contrary, the de facto revaluation of the West German mark reflects Rockefeller's estimate that West Germany has been made safe for looting. Following Economics Minister Friderichs visit to Saudi Arabia two weeks ago, high officials of the German Federal Bank have admitted that the future of West Germany's export trade depends on the activation of Persian Gulf and similar relocation projects.

New York banking circles interpret a remark yesterday by Bundesbank director Schlesinger that West Germany will continue to run an export surplus of $8.5 billion per year as an indication that he plans to ship the nation's entire mass-assembly industry to Rockefeller's forced-work development zones.

And West German finance ministry officials have admitted several times to IPS reporters that this process will require the export of West German labor.

Among the various European economies, the West German is the lushest from the standpoint of the fascist plunderer at Chase Manhattan Bank. They have certified this by revaluating the West German currency--since they are now convinced that the nation's industrial and human resources are politically accessible.

For the same reason, the weakest European currencies, the British pound and the Italian lira, tumbled during the past week. The case of the pound, the inflated marker of Rockefeller's first industrialized Banana Republic, is instructive. During the last six months the pound rode steady on the international markets, while the West German mark, the Swiss franc, and other European currencies slumped due to the effects of the oil crisis. Severed from the broken-down nineteenth century heap of British industry, the pound's value was buoyant, because Rockefeller's political control of Britain guaranteed high levels of loot, compared with less secure sectors such as France and West Germany.

Relativity

Once the richer European continent has been made safe for fascism with a democratic face, Rockefeller believes, the pound becomes worthless with respect to currencies that represent a higher rate of loot.

British Chancellor of the Exchequer Denis Healey admitted this sad fact in his Budget Speech last week, removing the guarantees which the British government had given countries who hold large amounts of British pounds. And British financial columnists marked the event with harsh warnings that Britain could no longer afford to accept Arab petrodollar deposits--the sheikhs have placed about $4 billion in British banks in pounds--because the nation could not generate enough loot to pay the debt service.

Schmidt's jibe at his depression-wracked European colleagues has a second point. Since early summer West Germany, Europe's most solvent economy, has financed its own trade to other European countries. In September alone, West German banks provided $360 million in trade credits to their customers. On top of this, the Federal Bank's $2 billion credit to Italy in September provided a temporary fund for buying West German goods.

But the agreement between the Federal Bank and the finance ministry to strangle domestic credit, in order to fund the yawning West German budget deficit, indicates that the luxury of export credits will go by the boards.

The Schmidt government has already made clear that it will push David Rockefeller's policy of shutting down trade between the industrialized countries, signing an agreement to end state subsidies and guarantees for long-term export credits proposed initially by Simon in September.

Mass unemployment throughout Europe is the immediate spin-off of the Kissinger directive, as put across with a German accent. As Kissinger demanded, and the West German finance ministry confessed, the next stop is the Persian Gulf.

OIL HOAX PLANNERS CONFER ON AUSTERITY

NEW YORK, N.Y., Nov. 21 (IPS)--With the fi h Arab-Israeli war slowly beginning and set to trigger another Arab oil embargo, the Rockefeller planners of this new oil hoax held a meeting here today to advise those not in the know of the austerity programs which must follow. Ironically, the oil hoax planenrs spoke downstairs at the Waldorf Astoria, while the trigger to this new oil war, the Palestine Liberation Organization, was headquartered upstairs.

Sponsored by the Conference Board, composed of leading Rockefeller corporations, the conference was aptly titled "Managing the Energy Crisis." The morning panel featured representatives from two Rockefeller bank planning divisions, Chase Econometrics and First Boston Corporation, as well as Rockefeller oil company Atlantic-Richfield. Their panel, titled "The Oil Crisis One Year Later," evaluated last year's austerity programs, stressing how to improve them this year. After a noon speech by Rockefeller Energy Czar William Sawhill, the afternoon session on "Energy Prices--A Ten-Year Perspective" outlined proposals for new rate hikes.

Last year's hoax looted over $80 billion from working-class pockets; this year's will spur implementation of much greater austerity.