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UNCOVER CIA CHESS MOVES

Dec. 19 (IPS)--In an interview with IPS this week, Colonel Ed Edmondson, Executive Director of the United States Chess Federation (USCF), indicated that American intelligence agencies intend to use world chess champion, right-wing nut Bobby Fischer, as a pawn in the cabal's "smash detente" gameplan.

Over the last two years, operative Edmondson has waged a concerted campaign to entice Soviet grandmasters to write for the USCF's publication Chess Life and Review and to recruit anti-Communist chessmasters from Eastern Europe to defect to "the West." The CIA is particularly anxious to "Solzhenitsynize" the Russian chess intelligentsia--an important psychological attack--since chess is the Soviet Union's national game.

One recent CIA recruit, Czech grandmaster Ludek Pachman has already been put to good use. At the founding convention of the fascist organization Bund Freies Deutschland in West Germany, Pachman joined Franz Josef Strauss in his CIA call for "Democratic Socialism for Eastern Europe."

Fischer, USCF Attack FIDE

Fischer, with full backing (or suggestion) from the CIA-controlled USCF, recently renounced the world title he holds under the auspices of the Federation Internationale des Echecs (FIDE), the international chess body, the "United Nations" of chess. This past summer FIDE overwhelmingly rejected Fischer and the USCF's preposterous demand (among others) that the FIDE-sponsored 1975 championship match require the legitimate challenger, Soviet grandmaster Anatoly Karpov, to score a 10 wins to 8 victory to take the title while Fischer would need but 9 wins to automatically retain his crown.

The USCF, after failing in a maneuver to take over FIDE, is preparing to bolt the world organization and stage a "world championship match" between Fischer and a challenger from the "Free World." IPS has learned of secret negotiations Col. Edmondson has been conducting with government officials in Brazil to set up a fraudulent title match. Reports from informed sources also reveal that agent Edmondson has contacted Arab oil sheikhs and Philippine businessmen in his effort to destroy the FIDE and organize an unauthorized title contest.

Soviet Counterattack

An article in the Dec. 15 New York Times warns in effect that the Soviet Union is getting wind of the cabal's chess maneuvers and is launching a counterattack. The Times reports that in the Dec. 14 issue of its journal Sovetsky Sport, the Soviet Chess Federation publicly censured Russian grandmaster Viktor Korchnoi for "expressing some sympathy with Fischer's insistence

that the rules of the World Championship match be changed and for "ridiculing Anatoly Karpov's chess ability" in an article in the Yugoslav newspaper Politiko. Korchnoi last month lost to Karpov in a FIDE-sponsored elimination match to determine Fischer's official challenger.

Sovetsky Sport's blast at Korchnoi comes on the heels of a Dec. 12 article in Krasnaya Zvezda, the Soviet military daily, warning of agents "who pretend to be liberals and use this cover to infiltrate Soviet society, contact renegade elements in our midst, and try to destroy our social system."

The Soviets first became aware of the Rockefeller forces' use of chess as psywar when it was confirmed by Bobby Fischer himself that Rockefeller flunky Henry Kissinger had personally intervened to arrange the Championship match between Fischer and the Russian Boris Spassky. The match held in Iceland in 1972 led to the still-suspicious defeat of Spassky. In an interview this week, USCF chief Edmondson gave the evidence of the more complete control of American chess.

Agents Head, Fund USCF

Previous to his directorship of the 100,000 member USCF, Edmondson was an active-duty intelligence officer with the U.S. Air Force, working in "classified areas of communication with friendly countries--you know, Britain, Canada, and West Germany." Included was a stint as editor of the Air Force technical journal The Navigator.

He first became involved in the USCF in the early 1960s when "the Air Force decided to put up the money to hold the U.S. Open Tournament in San Antonio. The USCF was in bad financial shape at the time. A couple of years later I was named a USCF executive officer."

Edmondson devoted this October's issue of the USCF publication, Chess Life and Review, to an all-out assault on FIDE and the Soviet Union to rally the membership to support the CIA line. The lead article begins, "FIDE now stands undeniably as a conspicuous and colossal failure" and continues with a red-baiting attack on "the iron-curtain bloc" and "authoritarian dictatorship," in alleged control of the chess world.

EGYPTIAN MINISTER FAHMI MOVES TOWARD SOVIET UNION

Dec. 19 (IPS)--The respected Foreign Minister of Egypt, Ismail Fahmi, apparently is taking a crash course in the supranational Trilateral Commission's new soft-cop line in the Middle East.

According to the New York Times, the pliable Fahmi is having regular meetings with the American ambassador in Cairo, Hermann Eilts. The Times reports that Fahmi meets every day with Eilts, and that there "have been days when Mr. Eilts and Mr. Fahmi have met several times." It was during one of these clandestine gatherings, apparently, that Fahmi became infected with the idea that Israel must agree to a "50 year suspension" of all immigration.

By pushing the idea of zero population growth in Israel, Fahmi is not only adding to the controversy of United States attempts to tie Soviet Jewish emigration to U.S.-Soviet trade relations, a blatant interference in internal Soviet affairs. Fahmi's idiotic new demand also serves to create another pool of quicksand in which Rockefeller hopes the Soviets will venture.

Predictably, Fahmi's remarks on Jewish immigration caused a stir in Israel. While some observers in Israel saw that the new demands "went far to undermine what hope there was that Egypt intends to progress along the road to peace," other astute Israelis saw it as merely a "militant" smokescreen to appease the "hard-line" CIA regimes and the CIA-controlled Palestine Liberation Organization.

PETRODOLLARS MAY HEAD FOR SOUTH AFRICA

Dec. 19 (IPS)--A large loan from Iran or Saudi Arabia may be announced soon, according to an informed source here.

The New York Times complaint that no one knows where the petrodollars are going lately soon may be outdated. While slave labor projects are stalled elsewhere, notably the Athabasca Tar Sands and Project Independence in North America, plans for the massive expansion of coal mining for export are going ahead full steam in South Africa. The Chief Superintendent for Planning of the South African Railways and Harbours, G. F. W. Plantema, has just estimated that 40-50 million tons of coal may be exported through Richards Bay by sometime after 1976. Meanwhile, a crash program is underway to build a port and a port city at Richards Bay, along with transport from the mines.

Finance Minister Diederichs' quiet search for loans on two trips to Europe this year ran into a stone wall: either you make political changes in the region to gain the confidence of the populations, he was told, or else we cannot entrust you with Schachtian "development."

With South African Prime Minister Vorster now applying pressure to Rhodesia's racist Prime Minister Ian Smith and further committed to the political reorganization of the entire region, Rocky's Arab deposits can flow his way.

BANKERS TRUST URGES U.S. TO SEND MARINES TO IRAN

Dec. 19 (IPS)--The Shah of Iran today denounced the Ford-Giscard agreement to monetize gold and inflate the value of currency used to purchase oil and threatened a massive oil price increase.

Responding to the Shah's pronouncement, the Bankers Trust Company of New York told IPS reporters: "This is a declaration of war. The United States should send the Marines to Iran."

Informed of the Bankers Trust war cry, a spokesman for the Defense Department in Washington then explained U.S. policy in the following terms: "We have no plans for seizing the oil." IPS: "Will you send troops if the price goes up substantially?" Pentagon: "It would be foolish to speculate on what we might plan if the situation were to change."

The Pentagon spokesman repeatedly denied, without being asked, that Bankers Trust makes policy for the Department of Defense.

ROCKEFELLER CROWNED; FORD WATERGATED

WASHINGTON, D.C., Dec. 19 (IPS)--The U.S. House of Representatives today voted to confirm Nelson Rockefeller as Vice President of the United States. In a coronation ceremony hastily convened after the vote, Rockefeller was crowned Absolute Ruler in charge of "global policy," capping his four-month-long drive for the post.

Interviewed by reporters as he left his New York office for Washington, an overzealous Rockefeller tipped his hand in the course of extolling the virtues of the 25th Amendment to the Constitution (providing for non-elected succession to the Executive throne) and the American system. Said Rockefeller: "We've chosen a President and two Vice Presidents in such quick succession. You never can tell, maybe we'll have to choose another one soon." Earlier this morning the CIA's own New York Times fired the opening shots in a Watergate Gerry Ford campaign in a front page expose of Ford's Colorado housing swap with Richard Bass, oil millionaire and holder of a 20,700 acre Federal coal lease in Wyoming. According to the Times, Bass stands to gain or lose a considerable sum depending on whether Ford vetoes the strip-mining bill now on his desk.

On the same day that Rockefeller seized the reins and Ford fumbled, White House Chief of Staff and former Rockefeller Ambassador to NATO Donald Rumsfeld consolidated the Cabinet coup he has been preparing for Rockefeller's ascension. Rumsfeld, director of the Office of Economic Opportunity from 1969-70 and

director of the Cost of Living Council, U.S. Economic Stabilization Program from 1971-73, overseeing wage-price controls, is credited with replacing Secretary of Transportation Brinegar and Office of Management and Budget director Roy Ash with two of his old buddies, John Robson and former HUD Secretary James Lynn. Rumsfeld is responsible for a new organization chart defining the division of responsibilities and lines of authority in the White House, as well as bestowing on another close personal associate, William Walker, key responsibility for White House personnel.

The secret of President Ford's new staff was revealed by Joseph Kraft in today's Washington Post. In a rundown of the newly constituted team huddling around Ford, Kraft sighed with relief that Nelson is in the driver's seat: "So while the Administration is changing, and changing for the better, it is still hard to see the powerful figure who could pull things together in a major effort to turn around the recession. The one hopeful possibility is that the President might, as he has hinted, turn over the leading domestic policy role to the one undoubtedly strong man in his administration--Nelson Rockefeller."

JACKSON BLUSTERS AS SOVIETS HIT U.S. TRADE BILL

Dec. 19 (IPS)--The U.S. Congress is moving to pass a final version of the Trade Reform Act; final action is expected late today or tomorrow, before the bill reaches President Ford's desk for his signature. However, the sense of calm reassurance within top layers of anti-Soviet Democratic Senators was severely upset by the Soviet Union's denial yesterday that any deal had been arranged regarding Soviet emigration policy.

The Soviet press agency Tass issued a frontal attack on the so-called Jackson amendment to the trade bill, which requires "liberalization" of emigration by the Soviet Union. In addition, Tass released an Oct. 26 letter from Foreign Minister Andrei Gromyko to U.S. Secretary of State Henry Kissinger. The letter rejected as "unacceptable" any efforts to set conditions on trade that violated the internal sovereignty of the Soviet Union. The Tass statement and the Gromyko letter completely deny that any agreement had been reached between Kissinger and the Soviets regarding Senator Henry Jackson's (D.-Wash.) demand for increased emigration from the Soviet Union as a condition for lower tariffs and credit for the Soviets.

Previously Jackson, leader of a pack of anti-Soviet Senators, including "liberals" Javits and Ribicoff, in favor of the amendment, had assumed an air of pompous assurance that he had succeeded in forcing the Soviets to allow this psychological warfare "foot-in-the-door." He believed the Soviets had fallen into the trap of bowing to pressure from the U.S. regarding internal Soviet policy as an acceptable price to be paid for U.S. credits.

Yesterday at a short press conference in Washington, Jackson's confidence appeared jolted by the Soviet denial. He and other Senators and major CIA press outlets have adopted a wait-and-see attitude toward the Soviet statements. In his remarks Jackson stated cautiously: "We will have to await the actual course of events." Asked by reporters if he thought the Soviet denial signified a "change in their priorities" regarding desire for U.S. credits, Jackson reiterated: "The performance of the Soviets will decide whether the credits will retain or be cut off." But, he added, "it is clear their response has been in the form of face-saving." This unsubstantiated statement was meant to bolster sagging morale in the ranks of Rockefeller's anti-Soviet contingent.

Visibly losing his "cool," Jackson finally blustered: "The Russians know full well what will happen if they fail to carry out the requirements." He claimed he had gotten firm "assurances" from President Ford that unless Soviet emigration increased to 60,000 per year during the next 18 months, he "would not hesitate to cut off trade and credits."

POLITICAL ECONOMY:
SWISS NAZI BANKERS UNDERMINE ROCKY

NEW YORK, N.Y., Dec. 13 (IPS)--The U.S. dollar continued to reel this morning on international currency markets, in direct response to the confusion in top-level Trilateral banking circles. Dumping the inflated greenback, IPS has learned, are the so-called Gnomes of Zurich--the Swiss Nazi bankers--who are defecting from David Rockefeller's financier faction.

Following the collapse of the British pound last week, this new run on the dollar threatens the Rockefeller interests with an uncontrollable, 1930s-style monetary crisis. In present circumstances, the Swiss decision to dump the dollar could be the trigger for the detonation of world financial markets, turning the Rockefeller "managed depression" strategy into shrapnel.

Last week, while banker George Ball told the Trilateral Commission meeting that "we may face a collapse of the entire financial structure of the non-Communist world," the Swiss Nazis published their own view of the Rockefeller foul-up in the pages of the Neue Zuercher Zeitung, their house organ.

In an advertisement, the Swiss Bank Corporation, the country's second-largest bank, demanded a return to the "old-time religion" of the 1930s: fixed values for national currencies, re-monetization of gold, and rock-hard austerity. In addition, the SBC denounced Rockefeller's new-fangled fascist finance policy, indexation.

This week, the Swiss acted on their convictions, dumping the petrodollars that had flooded across their frontier in November back onto the shaky international markets. Since Dec. 13, the dollar has been taking a continuous beating on the currency markets, as bankers reacted to the confusion in the Rockefeller camp.

In a related development, the price of gold zoomed up to almost \$190 an ounce this morning, approaching its all-time high of \$191 last Nov. 18. Since the United States went off the gold standard Aug. 15, 1971, leaving the dollar backed only by the political muscle of the Rockefeller gang, the Swiss and like-minded bankers have run for gold every time the dollar seemed to be in danger.

Calling Simon's Bluff

The Swiss have called Treasury Secretary William Simon's bluff on the gold price, exposed last week in this newspaper. Simon threatened two weeks ago to unload U.S. gold stocks on the free market to drive the price down. When the Rockefeller policy as a whole began to skid, however, Simon found out that the more gold he offered for sale, the more dollars would be dumped for it.

In an interview yesterday, an official of the Federal Reserve Bank of New York admitted that the Fed, which handles the U.S. government operations on the international currency markets, might have to borrow Swiss francs, German marks, and so on, to intervene on the market if the dollar run continued.

But if the Fed blew its cool and stepped into the market, the Rockefeller faction would thereby make a public admission that their own currency was hopelessly weak.

As IPS revealed exclusively, New York banks had placed heavy bets on the dollar against the European currencies, hoping that the rigged Mideast war would blast the European currencies to pieces. Now, foreign exchange traders at leading Rockefeller banks are furious at the Swiss gnomes, claiming that the dollar collapse is "their fault," adding that "they have violated their agreements."

Ironically, the last week's shambles on the foreign exchange markets was provoked by the Rockefeller oil multinationals themselves. Last week, the oil companies staged a run on the British pound. The aim of this tactic was to threaten the French and other European currencies, in order to compel European governments to adopt new, tougher austerity measures.

The tactic backfired. While the pound spun downwards, the Swiss decided that the time was ripe to unload the dollar as well. Panicking, Rockefeller's Saudi Arabian stooges announced that they would increase their petrodollar investments in Great Britain, buttressing the island's sick currency. But last week, the oil multinationals dumped their pounds with the excuse that Saudi Arabia had demanded this!

Nonetheless, the dollar collapse is continuing full-force, threatening a general breakdown of international banking--precisely what George Ball said he feared.

During the past year, the dollar has been propped up by the Rockefeller oil hoax. Since oil payments are made in dollars, and "development project" investments are slated to be made in dollars, the worthless U.S. currency again had "value."

But the petrodollar sewer is now backing up, since the Rockefeller world development strategy is in disarray. Banks cannot lend out dollars, cannot take deposits in dollars, and cannot function, because there are no "investment opportunities" yet in the field of genocide.

From Rockefeller's standpoint, the greatest danger is that the new dollar hegemony may give way to generalized chaos on the international markets. To date, there has been no decision within the Rockefeller financial cabal as to how to avoid this.

WORLD SLAVE LABOR STALLS

Dec. 18 (IPS)--Despite elaborate plans for a huge fall thrust, the Rockefeller family's worldwide slave labor development scheme is now on the rocks.

Not one hole is being dug for shale or tar-sands oil extraction, two cornerstones of Rockefeller's energy development plans for North America. In interviews this week, high-level flunkies at the Chase Manhattan Bank and William Simon's office at the U.S. Treasury admitted to IPS that they have no idea whatsoever how to get lagging "Project Independence" off the ground.

Even in the Mideast, an IPS survey has shown, despite blueprints for shipping almost the whole of the steel and chemical industries to the Persian Gulf and other hellholes, actual construction has been blocked by the confusion of the Rockefeller Mideast strategy.

For the moment, the only area of the globe's surface where the construction of Rockefeller's new Auschwitz camps is underway remains Latin America--Peru, Brazil, and Mexico. And considering the liabilities of their unmasked Mexican stooge, Luis Echeverria, Rockefeller's jumpy planners already are having some very persuasive second thoughts.

A Breakdown in the Gameplan

Behind this stalemate of the Rockefellers' "Second Marshall Plan" is a general erosion of the Rockefeller strategy for fascism with a democratic face.

In the United States, a Chase energy expert told IPS, workers' opposition to energy austerity and relocation has kept the bulldozers off Western coal seams and the Athabasca tar pits for the time being.

Meanwhile, Arab press reports show that despite several billions of dollars worth of "firm contracts" for massive development efforts in Egypt, unemployment is still high and very little earth has been turned. Certain critical project-areas in Iran, the fulcrum of the Rockefeller Mideast strategy, are blocked by the cabal's uncertainty about their own plans for war with Iraq, on puppet Iran's western borders.

In Canada, Shell Oil, Syncrude, and Home Oil have pulled their stakes out of the Hudson Institute's great tar-sands project in Athabasca. With Canada's own energy policy in the middle of a brawl between provincial governments, Canadian energy minister Donald MacDonald has promised a "definitive statement" within three weeks.

But the U.S. Treasury is not so fortunate. In an interview this week with IPS, Treasury undersecretary Gerald Parsky suffered a schizophrenic collapse over the government's "energy policy." First, the nervous Parsky claimed that the \$11 per barrel oil price was too high, and then said that the price for oil and natural gas should be deregulated so that companies could make profits through higher prices! He added that the slave-labor energy projects are still going through--although the government would not bankroll them.

This epidemic of muddle-headedness among Rockefeller mouth-pieces is a product of the cabal's mothballed strategy for war in the Mideast. Without a war to raise oil prices by about 30 per cent--according to the estimate of the Hudson Institute--the wasteful energy pyramids are not "profitable," even by capitalist standards.

As long as CIA planners keep scratching their heads about their Mideast muddle, the entire "development" gameplan will continue to crumble at the edges.

Cartels in Danger?

Another side effect of Rockefeller's Mideast turnabout is to jam up the planned raw materials producers cartels in copper, iron ore, bauxite, and other key industrial commodities. As IPS reported, last week's meeting of the Organization of Petroleum Exporting Countries failed to come up with a plan for "indexation" of oil against other commodities, as the Shah of Iran had earlier demanded.

"Indexation"--centrally controlling the prices of various development-project outputs to ensure "profitability"--is the key to sustaining a high level of capital investment along the demands of the Fourth Reich.

Rather than rise through a series of OPEC-like hoaxes, industrial metal prices have plummeted during the past week, with copper at a two-year low on the international metals markets.

In danger are such development schemes as a \$4 billion copper-mining project in Peru, and similar slave-pits in Mexico. If Rockefeller cannot manipulate the copper price, he cannot guarantee the profits on new copper mines during a period of industrial collapse.

PCI BEEFS UP CIA'S MIDEAST FRACAS

Dec. 18 (IPS)--The Italian Communist Party (PCI), presently under the hegemony of CIA infiltrator and Politburo member Giorgio Amendola, is becoming increasingly open in its collaboration with

Rockefeller. The party daily L'Unita today trumpets on its front page the arrival of a PCI delegation in Beirut, just one of its stops on a full tour of the Mideast theatre. The PCI has already met with Yasser Arafat, the head of the Palestine Liberation Organization, the fascist lightning rod.

This PCI action thus puts the party in sharp contradiction with the other European Communist Parties who are now veering leftward. The PCI tour is, however, coherent with Trilateral Commission policy as exemplified by the so-called pro-Soviet turn of ex-Nazi Anwar Sadat--a move aimed at convincing the Soviets to give up pro-socialist Iraq.

The credentials of the PCI's three-man delegation would tend to lend credibility to the idea that the CIA has merely sent three well-placed agents to the area.

Luca Pavolini is a frequent Amendolite L'Unita editorialist and an advocate of "more equitable" corporativist "social pacts." He also authored the Nov. 8 L'Unita which gave left cover to a conference sponsored by Amendola for small and medium industries. Through this conference, Amendola hoped to develop an alliance between workers and small entrepreneurs, while calling for a parallel decentralization of the country into local control regions.

The second delegate, Remo Salati, told European Labor Committee organizers at a Dec. 1 intervention that the PCI had to collaborate with CIA agents in order to survive. He admitted that he himself had met with Trilateral Executive Director Zbigniew Brzezinski days before, and had also participated in a meeting of the European Federalist Movement, an association which his own party had once identified as being controlled by the CIA.

The third member of the delegation, Tullio Vecchietti, pronounced himself for "Arab autonomy" in a conversation with ELC organizers in Rome. He also mouthed the Trilateral Commission's Bellagio line calling for an autonomous Europe "overcoming both blocks" (the Soviets and United States).

These Three Musketeers will continue their Mideast tour with meetings with the Lebanese Communist Party, then onward to Damascus.

SPECIAL REPORT:
ROCKEFELLER GEARS UP WAR SPENDING;
RADICAL RIGHT REARS ITS HEAD

Dec. 18 (IPS)--A series of announcements by the United States government and the NATO alliance have signalled the Rockefeller faction's intention to massively increase armaments expenditure

and production. Such expenditures threaten an immediate jump in inflation rates from the range of 12 to more than 25 per cent a year, and raise the possibility of renewed major monetary collapse. If the announced plans for armaments buildup are actually implemented on the scale announced, the move will mean an at least temporary dropping of the democratic mask over Rockefeller fascist war plans against the Soviet Union, and a shift to Rockefeller support of right-wing and openly fascist forces.

The evidence of cabal preparation for an arms buildup is mounting daily. On Dec. 6 Secretary of Defense Schlesinger announced that the new ceilings set by the Vladivostok arms agreements meant a large increase in United States arms programs, including the replacement of all land-based missiles with Trident submarines, and the expansion of the B-1 bomber program. On Dec. 17 Senator Symington of the Senate Appropriations Committee announced that discussions are underway to increase Trident production capacity from the present level of one per year to approximately four per year. The Trident, a nuclear-powered submarine still in production by the United States, is a \$1.5 billion vessel which could increase the overkill capacity of the United States military machine threefold. Schlesinger and the Joint Chiefs have also stated that they are planning to reorient away from a range of land, sea, and air deployments to a "diad" deployment based on sea and air strategic forces.

Dec. 7, General Motors announced its intention to resume its production of M-60 tanks and that they were applying for nearly \$1 billion in contracts for the development and production of a new tank, the XM-1. Dec. 11, Chrysler announced that it was doubling its production of the M-60 tank to 1,440 per year.

The rumblings are going on on the other side of the Atlantic as well. On Dec. 12-13 the NATO conference in Brussels called for another 1,600 tanks and 250 planes, supposedly to match the arms-flexing of the Warsaw Pact countries.

The most recent in this chain of announcements came Monday when the U.S. Navy "leaked" its plans for a new nuclear-powered surface ship--a "strike cruiser," of which at least a dozen would be ordered.

Economic Impact

The production of these weapons would involve the shifting of one-half of the U.S. economy's capital goods production to war use. It would mean the increase of aerospace and electronics manpower by 200,000 men; the increase of manpower support activities by another 400,000 men; and the involvement of another 400,000 workers for the building of the initial plant and infrastructure in 1975-76. It would also involve massive new taxation measures and wage controls, already been mooted in Capitol Hill and think tank circles.

In dollar terms, merely the tank and expanded fighter plane production would push up Defense Department procurements by \$9 billion, or 50 per cent. On top of this massive construction of new plant and equipment, at least another \$10 billion worth will be needed to provide the additional capacity for such war production, a sum equal to 40 per cent of all new capital investment by all manufacturing industry during 1974. These estimates have been completely confirmed by studies done at the Brookings Institution, the major Defense-related think tank.

Such spending will have a profoundly inflationary effect. As the Federal deficit soars from its present \$15-20 billion to \$30-35 billion, arms spending will be pouring dollars into the economy without any corresponding rise in real production. As manufacturers, now starved for orders, scramble to produce arms, demands for machinery, steel, aluminum, and other vital raw materials will skyrocket, boosting prices along with them. As productive capacity is diverted down the arms sinkhole (can you live in a tank or wear a missile?), capacity in sectors servicing real productive needs, especially consumer goods, will become strained even at the present inadequate level of demand, leading to further price increases.

The most significant side-effect of such a policy would be the danger of pushing the economy into a traditional depression collapse. Rockefeller's plans for averting such an unmanaged depression called for the establishment of massive slave-labor projects through the centralized financial apparatus and political-economic crisis created by the Second Great Oil Hoax. These projects are still stalled due to political and economic complications. Without such an outlet for the reams of dollar bills coming off the Treasury printing presses to pay for arms, the economy will quickly work its way into the same problem that confronted the country following the Vietnamese war buildup, multiplied many-fold. In the hands of the multitude of defense producers throughout the country, the coordinated thrust for fascist redevelopment will be lost and a generalized every-man-for-himself collapse next to inevitable.

Shift to the Right?

Even more profound than the economic implications of the armaments would be its political repercussions. An open shift to an arms drive on anything other than a tactical hard-cop basis would be tantamount to stupidly dropping the cabal's drive for fascism with a democratic face. If he adopted an open war-mongering stance, Rockefeller essentially would lose his leverage with the petit bourgeoisie. With inflation driving them into a fascist frenzy, he would be forced to turn to the organized forces of the extreme right--the ex-Nazis, the Italian MSI, the William Buckley's.

At this point, such a shift appears unlikely. The arms-rattling, most of which is merely projected, could very well be

a tactical maneuver similar to the right-wing coup plots in Italy, which have been used to terrify the PCI and drive it into organizing local-control, policing apparatuses for fascism with a democratic face.

Full Employment

The rearmament program as projected would create to begin with more than 900,000 jobs combined in the armaments, steel, and capital goods sectors. There has already been the promise of re-hiring for arms production, with General Electric hiring in anticipation of Trident turbine production, while continuing to lay off from its home appliance divisions.

This promise of new employment is likely to be used to hang over the heads of the United States working class--if workers behave, they will get the new jobs. To get a clear idea of what such a full-employment paradise would look like, it is sufficient to look at the last place a comparable policy was tried--the Nazi war economy.

BROOKINGS' BERGSTEN FORMS NUCLEAR CARTEL

Dec. 18 (IPS)--C. Fred Bergsten, the Brookings Institution's leading Trilateral operative on "Third World commodity cartels," has issued a frantic call for stepped-up nuclear proliferation throughout the world in the face of a temporarily stalled Rockefeller strategy for managed commodity trade wars as the pretext for internationally coordinated austerity.

In a lead article in the winter edition of Rockefeller's think-tank journal Foreign Policy, Bergsten tries to add weight to his attempts to activate a variety of OPEC-style commodity cartels among Third World countries by citing "dangerous threats" from Third World countries in the "security sphere."

While eight so-called commodity cartels have been formed, with Bergsten's help, in a variety of primary commodities in addition to oil, drastically falling prices in materials such as copper signal that Mr. Bergsten has yet to accomplish his objective of active regional blocs. In Foreign Policy, Bergsten raises the spectre of not merely trade blocs and trade wars, but regional defense blocs and increased proliferation of nuclear weapons to Third World countries.

"The Third World has become the focal point of potential nuclear proliferation," writes Bergsten. "India has attained nuclear capability, and is helping Argentina to do so. Brazil is almost certain to go nuclear. Israel already has a major capability; both it and Egypt are to get expanded U.S. help. Iran is buying reactors from France, and the Shah has reportedly

stated his intention to become a nuclear power. And there seems a high probability that some of the oil producers in the Middle East will also seek to do so."

Confirming the analysis published in IPS, Bergsten "warns" that "with or without nuclear weapons, the incidence of armed conflict within the Third World could well accelerate," based on the formation of regional "security blocs" in Latin America, Asia, Africa, and the Middle East.

PALME PREPARING A "TOTAL DEFENSE"?

STOCKHOLM, Dec. 18 (IPS)--An editorial in the unofficial party mouthpiece of Swedish Prime Minister Olof Palme indicates that the Palme government is seriously considering a substantial increase in that "neutral" government's immense arms budget. Other evidence in recent days from high-level Palme people in the Riksbank indicates that this renewed concern with defense is related to the recent international tendency for Rockefeller's economic policy to converge on a frantic short-term conversion away from Mideast redevelopment projects and into a hardline offensive primarily against the Soviet Union.

The editorial, appearing in the Dec. 12 issue of Arbetet, calls for a broad debate around "Total Defense--civil, economic and psychological integrated into one." This call amounts to justification for increased regimentation of the Swedish economy in the face of international economic collapse. Citing the twofold danger of "war from the Soviets over the strategic Barents Sea passage" and a "peacetime crisis as a result of vital import cutoff, such as oil from the Mideast," the Arbetet piece calls for activation of small "study circle debate" on this "growing danger."

The Real Significance

A statement last week by Krister Wickman, Palme's man in charge of the Riksbank, indicates changes are taking place behind the scenes in government circles. Talking about the possibility of world economic depression, Wickman said: "We must count on slower standard of living rises...decreased oil consumption...and [adopt] a restrictive credit policy."

Under the cover of manipulated fear of the Soviet Union and the Mideast oil producers, Arbetet is pushing a domestic policy which amounts to a version of the U.S. Law Enforcement Assistance Administration on an expanded scale. Information has recently been published in the Swedish press revealing a vast network coordinated through the Defense Department, Defense Research Agency, the Military Psychological Institute, and other agencies, which has compiled psychological dossiers and other information

on political groupings in Sweden.

The Arbetet article is directed for export as much as for domestic consumption. In recent weeks NATO, through the Norwegian government, has drawn the Soviet Union into negotiations on territorial rights in the area of the strategic winter Soviet shipping lane above the Nordkalotten Arctic cap region of Norway/Sweden. The Arbetet piece indicates a possible NATO/Palme escalation of psychological pressure on the USSR in this area.

SLAVE LABOR BILL AWAITING FORD'S APPROVAL

Dec. 18 (IPS)--An "Emergency Jobs Act" authorizing the creation of up to an additional 375,000 "public service" slave labor jobs in 1975 passed Congress today. The bill now goes to the White House for President Ford's approval.

It is still unclear at this time whether Ford will veto the bill. However, since the Administration already has asked Congress to appropriate \$1 billion for the slave labor jobs out of a total of \$2.5 billion authorized by Congress, the Ford Administration seems to be signalling that it will not veto the slave labor legislation.

Congress threw in additional legislation which would lengthen by 13 weeks the amount of unemployment insurance available to presently covered workers. In addition, an estimated 12 million workers not now covered by unemployment insurance, such as state and municipal employees, would be eligible for unemployment benefits. Government workers, who are now being thrown out of work in large numbers, would be encouraged to stay employed--at lower wages--by working in the "public service" employment program.

Average wages under this program will be about \$6,000 despite attempts by "liberals" to deny the fact by pointing out that the maximum allowable wage would be \$10,000.

If the entire authorization for slave labor jobs is spent, the 375,000 newly created jobs would be added to the 175,000 already approved. But even this total of 550,000 jobs is not satisfactory for slave-herders like Jesse Jackson, who is calling for 1.5 million jobs, and Leonard Woodcock, who is calling for a massive \$5 billion program.

It is expected that these social fascists will pressure the new "liberal" Congress to create even larger slave labor programs in January.

RIGHT-WING WEST GERMAN PRESS
INTRODUCES TRILATERAL COMMISSION

Dec. 18 (IPS)--Dieter Cycon, leading military expert for the West German ultra-right-wing daily Die Welt, today introduced the Trilateral Commission to his West German readership. In an editorial portraying the Ford-Giscard get-together in Martinique as a breakthrough in European-American relations, Cycon attributed the progress to the "powerful American support" which emerged for a reconciliation with France.

"Just three days before Martinique," Cycon wrote, "the Great Commission founded by David Rockefeller from American, European and Japanese experts published a report which supports the most rapid dialogue possible with the oil producers." Cycon represented the American "concession" on the issue of opening negotiations with the oil-producing nations as the core of the American reconciliation with France.

At the same time, Cycon delivered a sharp attack on Henry Kissinger, whose tough "political" demands on the Europeans were hindering their "economic" perspectives. Thus, Cycon hung Kissinger with the responsibility for provoking the "independent Europe" posture adopted by the European governments earlier this fall--a pathetic irony, considering that the plans for an "independent Europe" originated with the Trilateral Commission.

PRE-XMAS PANIC AS ROCKY DUMPS RETAILERS

NEW YORK, N.Y., Dec. 17 (IPS)--This year the traditional post-Christmas sales are taking place before Christmas, as retailers frantically try to make up for low sales for the year. A record stagnation of sales is occurring as the direct result of Rockefeller's assault on consumers' real income.

Christmas normally brings in 20 to 25 per cent of the entire year's sales in most large department stores, and this year their lives depend on it. There are early indications that Christmas sales are low--despite the "bargains"--with sales of large appliances off in particular. October sales in the leading U.S. chain stores rose 12.6 per cent over October 1973; however, when inflation is taken into account that increase all but vanishes.

On the expenditure side, retailers had to pay higher operating and interest costs. The large chain stores depend on huge amounts of short-term credit to cover their own credit sales. This year because of record rates jacked up by Rockefeller banks, interest costs were a major subtraction from the earnings of the stores. Sears, for example, felt a real pinch from growing indebtedness and higher short-term interest rates. While its operating income for the third quarter rose 11.4 per cent over 1973, its interest expenses increased 43.3 per cent.

Rocky Sets Up Grant's

Expecting a working class that will need no retail merchandising apparatus in the slave labor "development" projects, Rockefeller financial interests are cannibalizing some of their smaller brethren in the retail trade. The W. T. Grant's chain is a case in point. Grant's, whose losses tripled to \$22.5 million in the nine months through Oct. 31, last week secured \$600 million in short-term financing through June 1975, from 143 banks led by the Rockefeller-allied Morgan Guaranty. The banks were so obliging because Grant's put up \$600 million in accounts receivable and the dividend income on its securities as collateral. Grant's merchandise suppliers were none too happy about this condition, because they realize correctly that Rockefeller's banks, not the suppliers, will be the first to collect should Grant's fold--as it probably will.

The precarious situation of the department store chains is just one sign of what the capitalists are now politely terming a "recession." No Christmas tinsel can cover up the bankruptcy statistics. Dun & Bradstreet's reports a 39 per cent jump in failures of textile and apparel producers so far this year; in September the number was 53 per cent above a year ago.

Behind these bankruptcies is the collapse of orders. New orders for manufactured products fell 0.9 per cent in October

after falling 3.6 per cent in September--the first time since late 1970 that new factory orders have declined for two months in a row. Since August, factories have reduced orders for goods by \$4 billion and speeded up deliveries by \$2 billion to work off excessive inventories. Inventories--that is, unsold goods--were still rising in October. Total business inventories were up \$5.6 billion, the largest jump this year.

In response to the lower sales and orders and higher inventories, capital spending plans of U.S. corporations in the fourth quarter were pared down to an 0.5 per cent increase over the previous quarter from a 2.8 per cent gain announced earlier. The Commerce Department said flatly that the downturn would last at least until next June, with more unemployment inevitable.

ROMANIAN CP PUSHES POLYCENTRISM

Dec. 17 (IPS)--The Eleventh Congress of the Romanian Communist Party (RCP) early this month revealed that party as a major center of internal opposition to the leftward motion now sweeping the European Communist Parties. Led by General Secretary Nicolae Ceausescu, the RCP decided to continue a policy of maximum accommodation to capitalist needs and minimum commitment to the socialist movement.

The Congress featured Ceausescu as the object of a garish personality cult. One party functionary after another disgorged paeans to Ceausescu's "daring clear-sightedness, the ardent patriotism with which he leads the nation's destinies."

Ceausescu's Nationalism

Behind this "little-father" facade, meant to appeal to the nationalist disease of Romania's peasant population, Ceausescu deliberately laid out how Romania expects to survive: "The development of economic relations with all states, regardless of their social systems, is combined with Romania's active participation in the life of international economic organizations." This refers to Romania's membership in Rockefeller's International Monetary Fund--the only Soviet bloc country to join so far.

Central Committee member Ion Patan proposed to "modernize the export list" in order to "insure Romania's competitiveness in the international division of labor." Romania, of course, can do nothing of the kind, unless it obliges Rockefeller with useful services. Already, Romania's dealings with Rockefeller puppets in Argentina, Echeverria's Mexico, and several Mideast countries have served as breakthrough precedents for the whole bloc.

Based on this kind of realpolitiking, Ceausescu can see little use for strong ties to the Soviet Union, the Warsaw Pact, or Comecon (the Soviet bloc economic organization). Visits by the Soviet Communist Party Central Committee Secretary Katushev, who is in charge of relations with bloc parties, and other Russian officials failed to bring Ceausescu into line. At the Eleventh Congress, the RCP resolution closely echoed the polycentrism of the Amendola CIA tendency in the Communist Parties. Ceausescu espouses a "new unity," characterized by "each party's right to independently decide its policy and revolutionary strategy and tactics." The RCP resolved to participate in the 1975 East Berlin conference of European Communist Parties only if "it does not tend to draw up binding documents and not discuss, criticize, or censure other parties."

Party History

The RCP leadership lacks the traditional ties to the Soviet Union which are important security for other bloc parties. Isolated in backward Romania, the RCP never went through a revolutionary process of mass struggle. It was filled with opportunists who were allowed to pour into the party after the Soviet victory in World War II brought the Socialist Republic of Romania into existence. In the course of this year, the arch-opportunist Ceausescu has consolidated his personal power, appointed his relatives to high party posts, and purged opponents with the petty ruthlessness of a small-time Stalin. The dismissal at the Congress of 43 Central Committee members cleared the party rolls of remaining opposition and insured that the Soviets have no significant basis of support in Romania.

TRILATERAL'S BRZEZINSKI CALLS FOR U.S. WAR CABINET, ROCKEFELLER DICTATORSHIP

Dec. 17 (IPS)--On the eve of an anticipated rubber-stamp approval of Nelson Rockefeller as Vice President by the House of Representatives, Zbigniew Brzezinski, the Executive Director of David Rockefeller's supranational fascist planning body, the Trilateral Commission, has called for the immediate reorganization of the Executive branch of the U.S. government and the centralization of all policy-making directly under Nelson Rockefeller.

In an article in the winter edition of Foreign Policy, a major CIA policy quarterly, Brzezinski states that the Trilateral's planned "new world order" based on "deliberate synchronization of international economic policies" must begin with "commensurate institutional and personal realignments in the policy-making processes of the U.S. government." Saying, "it is true that democracies are generally unresponsive to crisis situations," Brzezinski outlines an immediate plan for a fascist dictatorship personally headed by "Vice President" Rockefeller:

"The U.S. government will need--and must soon develop--joint economic-political international machinery, capable of integrating our policies and mobilizing the best brains in the country into a bipartisan effort. This, perhaps, could best be done by the new Vice President....Placed in charge of the new global problems, the Vice President would be in a position to inspire the required confidence and to generate the sense of needed momentum. His office could become the source for the needed U.S. policy initiatives on global issues....Creating within the Vice Presidency a special suprdepartmental organ focusing specifically on global problems would give the U.S. government a tool which no other government possesses."

Rocky's One-Man Rule

This call for direct Rockefeller control over all "global policy"--meaning all "foreign" and "domestic"--is coupled with a proposal for a War Cabinet, also under Rockefeller direction. The two major cabinet policy positions, the Secretary of the Treasury and the Secretary of State, are to be made wholly subject to this new arrangement, says Brzezinski, because Treasury Secretary William Simon "has little international political sensitivity," while Henry Kissinger "is more concerned with traditional international problems." Rockefeller's Cabinet should be modeled on "what was done by Truman, and also by Churchill during the War," Brzezinski writes, and suggests "the creation of an administration of national unity capable of commanding national support for the critical, and even painful, choices ahead."

GISCARD, FORD REACH ACCORD

Dec. 17 (IPS)--President Gerald Ford and French President Giscard d'Estaing holidayed together this weekend on the sunny island of Martinique. This festive occasion marked the consummation of French-U.S. rapprochement, initiated last month when Giscard announced that France would play along with Rockefeller's supranational International Energy Agency.

In Martinique all pretense of an independent French energy policy and national sovereignty was dropped. According to the press, the climax to the meeting was a Giscard-Gerry joint swim in the local pool. David Rockefeller, also sunning at Martinique last weekend, photographed the event from the sidelines.

The summit accomplished nothing of political or economic importance. Giscard and the President agreed upon a timetable for making decisions on how to proceed with the gutting of Europe. As the New York Times put it, "France will agree to harmonize its policy with those of other industrial oil-consuming

nations." Under pressure from U.S. Secretary of State Henry Kissinger, Giscard also agreed to participate in the creation of a \$25 billion emergency fund for the oil-importing countries.

The U.S. agreed to the French proposal for a Tripartite Conference of major oil importers, producers, and developing nations but only after the advanced countries, including the U.S., have arrived at a joint energy policy. An initial meeting of oil-consuming and producing nations and a subsequent round of consultations between Europe and the U.S. will precede the Tripartite Conference. According to the agreement made by French Interior Minister Michel Poniatowski and Algerian President Hoari Boumedienne, such a conference would discuss not only oil but all raw materials.

The New York Times gloated, "The compromise reached in Martinique is almost identical to the plan suggested a fortnight ago by Helmut Schmidt."

In addition, France and the U.S. removed a long-standing bone of contention with the French agreement to pay \$100 million for the removal of NATO troops from France in 1967. Gaullists denounce this move as a "national humiliation."

In exchange, Giscard asked for a little help in implementing austerity at home in the face of hardening resistance from the French Communist Party. Declaring "the unity of Europe cannot be achieved without normal relations with the United States," Giscard begged for a loan to tide him over until French Socialist Party head and CIA agent Francois Mitterrand and Poniatowski complete their two-pronged attack on the French working class. So far there is no report of Giscard's success or failure.

COFFEE CARTEL PLANS WITHHOLDING

Dec. 17 (IPS)--Following the Rockefeller "anti-imperialist" script directed by Mexico's President Echeverria, Mexico, Columbia, and Brazil recently formed a coffee cartel "to stabilize prices at high levels and handle the huge surplus in storage." The venture, agreed upon several weeks ago, is financed by oil-rich Venezuela. The International Coffee Agreement which historically has regulated the coffee trade was terminated recently.

Currently a large surplus of coffee hangs threateningly over the market. Latin American coffee producers hope that a dose of Third World militance similar to that of the Rockefeller-controlled OPEC will guarantee their profits, and they have announced plans to withhold 30 per cent of this year's crop from the market.

EUROPEAN RIGHT-WING PRESS SHRIEKS AT CP LEFT TURN

WIESBADEN, BRD, Dec. 17 (IPS)--The right-wing Springer press empire of West Germany leaped onto the Cold War bandwagon today, decrying the European Communist Parties' left turn as the "most widespread plot of the Marxist-Leninists against the bourgeois-democratic system to date."

According to the hysterics on the Die Welt editorial board, the European Communist Parties are "taking heed not to reveal their intentions in clear language in order not to show their faces before their potential collaborators and fellow-travelers in the socialist and trade union camps of Western Europe." The dark unveiling of this grand conspiracy to topple the "western defense alliance and the multinational industrial concerns" is said to be scheduled for the Dec. 16 Budapest preparatory conference of the European Communist Parties.

Overnight, Die Welt degenerated to the rantings of the 1950s as soon as it caught wind of the effective resistance being generated throughout European Communist Parties against Italian Communist Party Central Committee member and CIA agent Giorgio Amendola. Skilled in the chaotic reasoning of Red Scares from their extensive propaganda ravings throughout the 1950s, the Springer house immediately noticed that no real Red Scare is complete unless it goes after the domestic "commies" too.

"We will have to be alert with the hundred eyes of Argus," commented Die Welt, "whether and how eastern contact specialists in the trade unions, whether and how left and young socialists, and even more those Moscow-inspired 'peace forces,' as well as innumerable other front organizations will follow the siren calls of the Marxist-Leninists."

HUDSON SAYS BROOKINGS OUT; HUDSON TO RUN THE WORLD NOW

Dec. 17 (IPS)--Rockefeller's Hudson Institute conservatives are gloating over the fact that Brookings Institution liberals have finally fallen from Rockefeller favor. "We are the ones handling strategic weapons and naval studies; they [Brookings] handle land-based forces and the air force," boasted Hudson's Soviet military studies expert to IPS.

The Hudson expert was referring to the halting of the Rockefeller's forces' advance toward establishing "fascism with a democratic face" from the top due to their inability to pull off yet another Mideast war. Now, Rockefeller is focussing on a holding action. Stepped-up strategic and conventional weapons manufacture is one option being seriously considered to maintain a handle

on the deepening depression which threatens to go out of his control any moment.

There is even the possibility of an early death for Rockefeller's "anti-imperialist" OPEC. Hudson's commodity expert was ecstatic: "Didn't I tell you! Didn't I tell you these commodity cartels will not work? I always disagreed with Fred Bergsten [Brookings commodity expert who supported the cartels and had a leading role in organizing some of them] on this issue."

Clearly the Hudson conservatives intend to make the most of their coveted new position as Rockefeller's pet "think tank."

CANADIAN WORKERS AND TECHNOLOGY TO BE SHIPPED TO IRAN

Dec. 17 (IPS)--Iranian Premier Amis Hoveida ended a six-day visit to Canada this weekend, arranging for the export of both Canadian technology and workers to Iran. Hoveida expressed interest in investing in the energy development programs of Ontario and Quebec and in purchasing nuclear power plants from Ontario. As Hoveida commented, "We are interested in importing foodstuffs and skilled personnel as well as investing in Canadian pulp and paper and mining."

A press representative in Ottawa told IPS that the main line of speculation circulating throughout Hoveida's visit was that Iran wanted to establish joint ventures with Canada in both Iran and Third World nations, using Canadian technology and Iranian money.

Iran, securely under CIA control, is slated as a recipient for much of Rockefeller's relocation of the advanced sector industry. Hoveida also intends to have Canadian workers train Iranian workers.

A joint commission of senior government officials was established to arrange the details of the investments. Hoveida promised that \$1 billion was now appropriated for Canadian industry.

GERMAN NEO-FASCIST STRAUSS
TRUMPETS FOR RIGHT-WING ALLIES

WIESBADEN, BRD, Dec. 16 (IPS)--Franz Josef Strauss, corpulent chairman of West Germany's neo-fascist Christian Social Union (CSU) and former Defense Minister during the 1956-63 peak of cold war hysteria, has picked up the unmistakable odor of an international Red Scare from the recent meeting of NATO Defense Ministers. Hoping to use the NATO disposal of detente as the catalyst for consolidating political allies in West Germany, Strauss will be representing the Christian Democratic Union and Christian Social Union at an "informal consultation" with the Free Democratic Party (FDP) Federal Cabinet members, Agricultural Minister Ertl and Foreign Minister Genscher Dec. 19. According to CSU and FDP sources, the topic of discussion will be the possibility of creating CDU/FDP and CSU/FDP coalitions or party agreements in the states of Rheinland Pfalz and Bavaria.

The FDP, present coalition partner of the mass working class based Social Democratic Party (SPD), was purposefully established in 1949 to practice the art of making and breaking government coalitions. Sometimes liberal, at other times right-wing, the FDP albatross has barely maintained its popular vote above 9 per cent in the last few years.

A New Harzburg

In distinction to its collapsing popular base, the FDP houses a core group of Rockefeller-allied economics specialists and bankers, who wield disproportionate political power through an extensive, internationally prominent press apparatus--Der Spiegel, Die Zeit, Sued-Deutsche Zeitung, and others--and through direct links to the United States based cabal. Theo Sommer, chief editor of Die Zeit, and Otto Graf Lambsdorff, FDP parliamentary Economics spokesman, are members of the Rockefeller Tri-lateral Commission.

Franz Josef Strauss' strongest political base rests with a mass of impoverished farmers and part-time industrial workers in his backward Bavarian fortress. In the last Bavarian state elections in October, Strauss' CSU won more than 60 per cent of the popular vote there. Yet, he has welcomed overtures by FDP right-winger Josef Ertl, chairman of the almost invisible Bavarian FDP, to enter into an informal state coalition.

Strauss recently has been allowed by leading, traditionally conservative leaders in the CDU to gain increasing hegemony over the party. Carl Carstens, leading spokesman for the German Council on Foreign Relations, threw himself behind Strauss two weeks ago in preparation for the 1975 elections in North Rhein Westfalen. Conservative northern CDU leader Stoltenberg immediately followed Carstens' example.

The social chemistry of widespread Rockefeller support falling in line behind Strauss, now emanating from the FDP and CDU, is a modern-day reworking of the 1931 Harzburg Front--when the IG Farben empire and its banker allies threw in their weight behind Adolf Hitler.

CHASE ADMITS WORKERS' OPPOSITION BLOCKS ENERGY STRATEGY

NEW YORK, N.Y., Dec. 16 (IPS)--A Chase Manhattan Bank energy expert admitted to IPS today that workers' opposition to energy austerity and slave labor jobs has blocked progress on Chase's energy plans.

Since Chase spokesman John Winger estimated last week that \$3.1 trillion would be spent worldwide on energy projects during the next ten years, the expert admitted there has been "nothing" new in the doldrums which have afflicted the labor-intensive energy field.

He said, "It's a very complex problem and the solution will take a long time. The solution is not going to come from the Camp David meeting" of government energy experts yesterday. "President Ford wasn't even there," Chase complained. "There will have to be quite a few tough sessions of the new Congress, and quite a few sessions of the International Energy Agency, and consumer-producer meetings, and so on before anything gets done."

Asked whether popular opposition to a conspiracy to impose appropriate kinds of austerity was really the problem, he said, "I agree. The population has real problems believing this. It's very difficult to get people to believe that there is a serious problem."

He added that apart from a tough government energy policy, plus relevant legislation, the key to "unclogging" energy development was a "massive education problem on energy."

RESTRUCTURING THE STEEL INDUSTRY: ROCKY'S "CHOICE"--LAYOFF OR LABOR POOL

Dec. 16 (IPS)--Workers at the U.S. Steel plant in Gary, Indiana, told U.S. Labor Party organizers today that they have been given a critical choice: either take a 30-day layoff (politely termed an "unpaid vacation") or be assigned to a labor pool in which all job classifications have been eliminated.

This criminal choice has been posed again and again to steelworkers as part of Rockefeller's Brazilian-style restructuring of the steel industry, a restructuring which calls for large-scale layoffs, intensive speedup, and the breakdown of job seniority and job classifications--all of which have been aided and abetted by steelworkers' union leader, I.W. Abel, the Tri-lateral Commission's chief productivity expert.

Mine Construction Strike Covers for Layoffs

The process is now being noticeably intensified. The Big Two steel companies, Bethlehem and U.S. Steel, are using a mine construction workers strike to force steelworkers into submitting to speedup under threat of being laid off--without Supplemental Unemployment Benefits (SUB) pay. The strike, which began Nov. 11, is a continuation of the United Mineworkers (UMW) strike which Rockefeller had set up to cover for mass layoffs, especially in auto and steel.

Prevented by Labor Party organizing from keeping the UMW strike going long enough to achieve its desired results, Rockefeller is apparently depending on the less-publicized mine construction workers strike to recoup his losses. Sam Littlefield, the head of the 4,500-man mine construction workers bargaining unit, died under suspicious circumstances during the UMW negotiations. This week, the Sparrow's Point steel plant in Baltimore announced 2,700 more layoffs, while steel companies in Bethlehem, Pa. and Lackawanna, N.Y. announced approximately 500 layoffs each.

IPS investigation, however, shows this strike to be just as much a hoax as the parent UMW one. The CIA-controlled Associated Press issued a release, dated Dec. 16, alleging that continued picketing by the mine construction workers at coal sites has idled half of the country's 120,000 coal miners. But UMW representatives contacted by IPS contradict the AP release, stating that its figures are exaggerated. At Bethlehem Steel in Baltimore, company spokesmen told IPS that employment figures would be changing daily because of the strike; but workers at the plant told Labor Party organizers that the company had more than enough coal stockpiles to continue production at present rates.

Despite this, steel companies have lost no time in using the new strike and resulting coal shortage to lay off more workers and to refuse to rehire those who have already received their pink slips. U.S. Steel, for example, has rehired only 10 per cent of the 18,000 workers who got the boot since November. Mr. Starkbury, U.S. Steel executive, reports that the company's "coal pipelines are still empty" as the excuse for the "more firing-no rehiring" policy. In addition, the company has curtailed production by restricting the use of blast furnaces and coke ovens. Those steelworkers lucky enough to get their jobs back face the same choice confronting the Gary workers.

Preliminary indications are that some of these workers may be absorbed back into the industry--under harsh working conditions and poor wages--as it gears up for Rockefeller's economic restructuring and expanded military production. A U.S. Steel spokesman told IPS today that the 8 per cent-plus price rises announced by the concern yesterday were for structural steel--the kind of steel that would be used for the conversion of a substantial portion of U.S. industry to war production.

N.Y. BUREAUCRATS HELP EMPLOYERS PUT SICK TO WORK

Dec. 16 (IPS)--Under a program set up by area unions here, members whose doctors have recommended surgery are now required to undergo a "second screening" or face loss of hospitalization benefits. Union officials have boasted that in that way they have managed to cut down on surgical operations recommended by the original doctor by 28 per cent.

The "second screening" program is already compulsory for the members of Local 2 of the Storeworkers Union and is voluntary, "though strongly recommended," for other unions, including District Council 37 of AFSCME, the city's largest municipal union. According to the New York Times, New York City is thinking of adopting the program for its more than one million employees to cut its health insurance costs.

Nazi Model

The program is explicitly based on methods employed by the Nazis during the 1934-45 period to attempt to cut down on man hours lost due to sickness. Under Nazi law, workers were required to see "company doctors" if they felt sick. The doctors, under pressure from Labor Front kapos and the company "Fuehrers," told workers that they weren't sick and that they should stay on the job. With a general decline in nutritional and other living standards, the effect of workers "working sick" was to destroy the health of the German working class. Eventually, with epidemics of influenza spreading through the population, the Nazis were forced to make allowances for sick workers: they set up special work areas for those who were sick or "recovering," so that they would not affect the productivity of their comrades.

The butchers who run the program are aware of its implications. Dr. Eugene McCarthy, the doctor from the Cornell Medical School which designed the program, has publicly bemoaned the fact that there is "no systematic followup" on the cases whose requests for surgery were turned down. According to Dr. McCarthy, the doctors in charge don't have any real idea what happens to them.

The push to keep patients out of the hospital has been under way nationally for some time. Typical of these efforts is the program under way to deal with Massachusetts Medicaid "chiselers." Set up several years ago, this program involved a board of doctors who screened patients before they entered the hospitals, deciding how long the patient should remain there. A second meeting of the board was required if the patient, once admitted, needed to remain longer than his original recommended stay; doctors were subject to reprimands if they consistently recommended longer hospital stays for their patients than the board considered necessary. The savings from this program were also reported as "impressive."

CIA ACTIVATES RIGHT AGAINST LABOR PARTY ORGANIZERS

Dec. 16 (IPS)--After the recent wave of official harassment by local and Federal police agencies failed to deter U.S. Labor Party organizing, those agencies' coordinators in the Central Intelligence Agency this week have activated their controlled terrorists of the right wing. The activation of right-wing extremists--against the Labor Party and generally--comes simultaneously with an increased possibility of a "war footing" for the U.S. economy.

Starting with an attempted assault on Labor Party organizers in Union City, N.J. last week by Cuban refugee ("Gusano") anti-communist groups, right-wing harassment continued on Saturday as three members of the National Socialist White People's Party (the American Nazis) tried to attack Labor Party members in Chicago. The Nazis were dressed in full homosexual regalia: leather jackets, swastika armbands, and jackboots.

The Nazis, deeply infiltrated by the FBI for years, are more directly controlled through their relationship with the Fascist International, an international umbrella organization controlled by ex-SS Colonel Otto Skorzeny, an Allied Intelligence agent who helped turn over the former Nazi wartime intelligence network to the Anglo-Americans. The "Gusanos" have been notoriously controlled by the CIA since the CIA's abortive Bay of Pigs invasion.

In Syracuse, police arrested Labor Party organizers one minute into a distribution Saturday on the complaint of an undercover cop whose family is in the CIA-controlled Minutemen. In Seattle, police claiming to be a John Birch faction of the police department ranted and raved at an older black worker who organizes with the Labor Party about his being a "commie."

These attacks by the right-wing "nut groups" follow a major heightening of their exposed political posture. The National Socialist White People's Party who attacked Labor Party organizers in Chicago are running supposedly anti-Rockefeller candidates

in the 10th and 18th City Alderman districts, an Eastern European and a recently integrated black and white working class district. Simultaneously, the National Knights of the Klan, headed by James Venerable, announced autoworker Dale Reusch of Lodi, Ohio as their 1976 Presidential candidate because "no one had the guts to stand up to Rockefeller," while opening their membership up to Catholics and immigrants. The major CIA sewer press and media gave extensive coverage to Rockefeller's polishing of these psychotics and semi-psychotics for public consumption.

BRITISH FASCIST-IN-TRAINING CALLS FOR LABOR RELOCATION, PRODUCTIVITY HIKES

Dec. 16 (IPS)--Sir Keith Joseph, leading contender for the leadership of Britain's Opposition Conservative Party, told a demoralized British working class yesterday that British industry's problem is that it is severely "over-manned." For British workers this can only be a sick joke as they, like workers throughout Western industrialized nations, face short-term work and massive unemployment.

Joseph was advocating a serious plan for the relocation of labor. He said, "It would be better all round if fewer men using more investment could produce greater output for higher earnings, while the redeployed men were transferred so as to meet wants not now satisfied to other work."

Joseph continued, "Job security, in the sense of the men being guaranteed continuous work at the same job in the same place, even the same department and at rising wages, is the enemy of long-run full employment and rising living standards.

"The working population must choose between narrow illusory job security in one place propped up by public funds or the real job security based on the prosperous dynamic economy."

Joseph is pushing his "progressive"--social fascist--ideas at a time when there is a universal call for a more efficient use of labor as a way of paying off British industry's debts to Rockefeller.

Joseph is not a newcomer to Rockefeller-style fascism with a democratic face. During the election this fall, Joseph pushed the economic line of Britain's leading fascist Enoch Powell, while Powell concentrated on regaining a seat in Parliament.

More recently, Joseph called for mandatory birth control for "lower social groups" in Britain as a way of stopping the spread of more degeneracy--dissolution of the British stock--by the poor, unemployed, unwed mothers, etc. His comments caused much moral indignation, but more than one commentator has since lamented the hysterical reception his ideas received at the time, given the current vacuum of real leadership in British government.

BRITISH CAPITALISTS CALL FOR WAGE FREEZE

Dec. 16 (IPS)--While neighboring European governments are moving to implement their own versions of the British social contract--self-policed austerity--British government sources are already preparing to dump the social contract for more harsh measures. This week, in the aftermath of a sterling crisis which shook the British economy to its roots, leading cabal propagandists sounded the death knell for the social contract and hysterically demanded an immediate wage freeze. They are the first European government to call for such severe measures.

Citing the example of the "Communist-dominated" miners--whose mild militancy has demonstrated that within the ambiguous terms of the social contract the working class still has too much room to maneuver--the press eagerly retailed the line: the social contract is a luxury that Britain can no longer afford.

Leading the call in its usual grim assessment of the economic situation is the Bank of England's Quarterly Bulletin, which speaks directly for Rockefeller interests in the United Kingdom. Since "no more can be expected of price controls," the Bank warns, inflation can be checked only if wage restraint is achieved and most of the population accepts a cut in living standards. Otherwise, "it is doubtful whether a satisfactory pattern of expansion can be achieved."

Echoing the Old Lady, as the Bank of England is fondly called, the prestigious Economist, leading weekly journal of British capitalists, hysterically ranted that there is only "one crisis measure" which can ease the pressure on the pound--that is "a return to the wage freeze." Otherwise, the only thing left of the British economy, which the Economist likened to a dinosaur with a pea brain, will be its fossilized bones.

Miners Take Blame, Again

The leading bankers' daily, the Financial Times, pins the flagging confidence in sterling directly on the miners' "tragic farce." This week the miners' Communist Vice President Mick McGahey walked into a set up by trying to commit the miners to a 60 per cent wage claim in the absence of moderate President Joe Gormley. When moderates walked out in protest that McGahey was trying to establish a "dictatorship" by flouting a previous commitment to an unspecified but "substantial" wage claim, Gormley had to be called in from his sickbed to set the matter straight. When the dust had settled, a clear, if shaky, victory for the social contract was on the table. Nevertheless, the miners' latest fracas caused the Financial Times to claim that the social contract, whose mere existence only goes to show the reluctance of politicians to spell out the necessary austerity, was "never a promising child." Now, the Times feels obliged to deliver this deafening pronouncement: "The social contract, quite simply, is no longer relevant."

Communist "intrigues" in the trade unions also provoked the right-wing porno sheet, the Daily Express, into calling for an immediate wage freeze to be pushed through Parliament, similar to the way that anti-terrorist laws were enacted within hours a few weeks ago.

SPECIAL FORCES STAGE SPECIAL FARCE

Dec. 16 (IPS)--A United Press International (UPI) dispatch from Miami, dated Dec. 15, tells an intriguing story of a shootout between a Dade County game warden armed with a shotgun and 30 Green Beret troops firing blanks.

The warden, not tipped off that the Rangers were staging war games in the area, opened fire on the "shadowy figures" and they fired back, thinking he was "the enemy." The warden summoned the Sheriffs' Department, which sent a helicopter and 23 deputies into the woods.

"For 30 minutes, the police and the Army reservists... stalked one another in the underbrush" without firing any shots, until a police lieutenant demanded over a bullhorn that the bandits identify themselves. "The officers in charge of both groups met and both units retreated," according to the UPI dispatch.

The Dade County Sheriffs' Department stated today that the Miami Herald had learned about the incident on Dec. 7, the night the battle took place. No newspaper reported it until Dec. 10, when the Miami News ran a story furnished by the Sheriffs' Department. A spokesman for the Sheriff said, "The media didn't seem interested in the story."

An editor at the Miami Herald denied that military authorities had advised them not to publicize the incident.

