



New Solidarity International Press Service

P.O. Box 1972, G.P.O.
New York, New York 10001

\$3.50 a copy

(212) 279-5965 TWX 581-5679

VOLUME II, NUMBER 2

JANUARY 5, 1975

IN THIS ISSUE:

JANUARY 5

500,000 LAID OFF IN FRANCE; SPEEDUP ESCALATED.....	A1
CIA PRESS MOOTS POSSIBLE CHANGE IN MIDEAST REGIMES.....	A2
EUROPEAN CP PRESS ATTACKS CIA MIDEAST STOOGES.....	A2
AUTO WORKERS SUE UAW.....	A3
ROCKY'S PANEL: CIA SELF-INVESTIGATION.....	A4

AGRICULTURAL REPORT

EDITORIAL: A QUESTION OF HUMANITY.....	AR1
FERTILIZER SABOTAGE THREATENS SPRING PLANTING.....	AR3
EPA COVERS FOR COLLAPSE OF TRACTOR PRODUCTION.....	AR4
TRACTORS NEEDED TO STOP ECOLOGICAL HOLOCAUST.....	AR6
CANADIAN GOVERNMENT SABOTAGES FOOD PRODUCTION.....	AR7
FAMINE PROSPECTS IN INDIA, PAKISTAN WORSEN.....	AR9

JANUARY 4

WEST GERMAN EXPORT DECLINE FUELS POLITICAL CRISIS.....	B1
JAPANESE INVENTORY SALE MAY SWAMP WORLD TRADE.....	B2
BANKRUPTCY THREATENS NORTH SEA OIL.....	B4
RIOTS IN CAIRO: SADAT REGIME CRACKS AFTER SOVIET SNUB.....	B6
CARLI MOVES TO RESCUE MAJOR BANKS FROM BANKRUPTCY.....	B8
DEADLY FLU EPIDEMIC ASSAULTS EUROPE.....	B10
ROCKY TO REVAMP U.S. GOVERNMENT.....	B11

JANUARY 3

MEXICAN POLICE KIDNAP COMMUNIST PARTY MEMBERS, SEEKING GUATEMALAN EXILES.....	C1
CIA ATTEMPTS TO UNDERMINE HARD-PRESS YUGOSLAVS.....	C2
SHAH TO LOSE HOLDINGS IN EUROPE?.....	C4
DANISH ELECTIONS PLANNED TO TRAP WORKERS INTO "WAR MEASURES" GOVERNMENT.....	C5
ROCKEFELLER AGENT REUSS CHALLENGES REP. PATMAN.....	C6

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Published by New Solidarity International Press Service, Inc.

500,000 LAID OFF IN FRANCE; SPEEDUP ESCALATED

Jan. 5 (IPS)--More than 500,000 French workers have been thrown out of their jobs for periods ranging from a few days to several weeks as a wave of holiday layoffs have hit French industry. Several hundred thousand other workers have suffered disguised unemployment in the form of short work weeks.

Meanwhile, workers lucky enough to keep their jobs have been subjected to killing speedup to meet previous production schedules with a reduced workforce.

Despite press reports and company announcements that the layoffs are only temporary, most French workers realize that many of these layoffs and short weeks will be permanent.

The metal industry has thus far been hit the hardest, with more than 160,000 auto workers suffering layoffs during the Christmas period. Last week Renault, the largest French automaker, laid off 80,000 workers for four days.

Five-hundred-thousand metal workers currently are now out of work--one-fifth of the industry's workforce--with the remainder forced to swallow the hated short week or face layoffs. At Lyon's Pont a Mousson steel plant, the company has announced plans to institute a 24-hour work week to begin later this month.

Other sectors are also being devastated. Rhone-Poulenc, a major textile manufacturer, laid off 20,000 workers for from two to four weeks while telling several hundred older workers that they should start looking for work elsewhere. Throughout the industry, the average work week ranges from 36 hours in the south to 24 hours in the east.

According to French industry sources, production is not falling proportionate to the massive reduction in the workforce. Citroen, the second largest automaker, has laid off 15 per cent of its workforce over the last several months; however, through intense speedup, it has managed to hold the decline in production to only 6.5 per cent. Kiebler-Columbe, a major tire manufacturer, laid off 200 workers while announcing that new production schedules would require its workers to produce 30 per cent more per day.

At such speedup rates, French workers will burn out quickly. Manpower planners are even looking beyond the growing pool of unemployed as a source for fresh replacement parts willing to work at low wages. Labor Minister Durafour announced recently that he would like to place French youth in apprenticeship brigades. As of last September, youth comprised 60 per cent of the French workforce. The National Employment Agency has given substance to Durafour's search for youthful bodies. It recently asked the parents of all unemployed youth to sign two-year apprenticeship contracts for their children. Under the terms of the agreement, the apprentice will work for no wages at all.

CIA PRESS MOOTS POSSIBLE CHANGE IN MIDEAST REGIMES

NEW YORK, N.Y., Jan 5 (IPS)--CIA press conduits speculated wildly this week on the highly unstable Mideast situation, reflecting the confusion of high-level Rockefeller strategists as a result of the unexpected Soviet snubbing of Egyptian President Sadat.

Mooting the possibility that Rockefeller may consider replacing some of his current Mideast pawns with a more progressive grouping to resuscitate an anti-Soviet bloc in the region was NATO-connected journalist Dieter Cycon. Writing in the Jan. 3 right-wing West German daily Die Welt, Cycon speculates that Sadat may be destroyed by a new war, and as a result, "a new radical movement will go from Cairo through the entire Arab world, and will also threaten Persia...and the Shah...who actually doesn't sit so firmly in the saddle." Furthermore, Cycon states: "For the moment, there are liberation movements under way especially on the Arabian peninsula which are supported by Baghdad, Moscow, and Peking."

Trilateral Commission member Michel Tatum picked up this line of reasoning in the French newspaper Le Monde, musing, "What would happen if Saudi Arabia and its fabulous riches and Iran with its new military strength were to fall into the hands of a new Qaddafi [the psychotic dictator of Libya] or even into the Soviet orbit?"

Laying the ground for the hardline, military scenario of possible Middle East confrontation with the Soviet Union, outlined earlier this week by Henry Kissinger in Business Week, New York Times hysteric C. L. Sulzberger fantasizes about the Kremlin's dilemma. Conjuring up the image of Russian and Arab demons threatening "the relatively poor industrial West," Sulzberger yelps, "What will the flood engulf next?"

EUROPEAN CP PRESS ATTACKS CIA MIDEAST STOOGES

NEW YORK, N.Y., Jan. 5 (IPS)--The West European Communist Party press was filled with articles this week supporting pro-Soviet Iraq and attacking CIA Mideast stooges Egyptian President Sadat and the Shah of Iran, following Soviet party chief Leonid Brezhnev's cancellation of his scheduled trip to Cairo.

The French Communist Party newspaper L'Humanite led the offensive with two articles blasting the Kurdish rebellion in north-eastern Iraq as being "aided militarily and financially by Iran and the CIA" and identifying it as "feudal revolts" and "intrigues that reaction and imperialism are fomenting against Iraq."

Expanding the attack to Sadat, L'Humanite targeted his attempts to blame recent food riots in Cairo on "communists," charging

that "Anti-communism can only be one of the most pitiful diversions which confront Egypt today."

These sentiments were echoed in the West German Communist Party's paper, *Unsere Zeit*. In an article in the Jan. 2 issue, author Hubert Reichel accused the Shahanshah of being a "despot on the peacock throne" to whom "democratic rights and freedoms are disgusting." Reichel graphically describes the Shah's regime: "the decay of labor, the brutal terror of the secret police, death to the democrats, political spies."

Even the Italian Communist Party newspaper *L'Unita*, which is controlled by the CIA-Amendola faction, carried an ambiguous editorial Jan. 4 on the Mideast. In response to Henry Kissinger's sabre-rattling against the oil-producing countries in an interview with *Business Week* magazine, *L'Unita* writes that, "It has yet to be seen how King Faisal and the Shah can be defined as stranglers, even potentially, of the industrialized world, that is, capitalism," since "the Arab states and the other Mideast countries (Iran) that most count in petroleum affairs are characteristically 'pro-Western,' have growing interest in the industrial banks of the U.S. and Europe, and receive arms and technical assistance from Western Europe and the U.S."

AUTO WORKERS SUE UAW

Jan. 5 (IPS)--Four auto workers from Michigan, Ohio, and New York City just joined the U.S. Labor Party as plaintiffs in the historic lawsuit against United Auto Workers (UAW) President Leonard Woodcock and his associates on charges of fascism, brainwashing, and anti-working class repression. The Labor Party will present its first papers in the case to Judge Pearce of the Federal District Court for the Southern District of New York, in New York City, Jan. 14.

Tens of other workers have given information to be used in the case.

Two of the four worker-plaintiffs were present, with Labor Committee members, at thug attacks through which Woodcock attempted to halt the sale of *New Solidarity* at factory gates, while the other two were victims of UAW mendacity programs through which Woodcock agents attempted to reduce their IQ so that they could no longer protest against homicidal speedup and in-plant conditions or understand the program of the Labor Party.

The suit against Woodcock stems from a \$30 million UAW suit against the Labor Party presented Nov. 23, which falsely charged that *New Solidarity* had libeled Woodcock and others, and had attempted to palm itself off as Woodcock's UAW "Solidarity" newspaper. This phony suit was a desperate expedient aimed at somehow halting the Labor Party's growth among auto workers.

Because of the U.S. law governing such civil suits, Woodcock gave the international working class a unique opportunity to put the crimes he has committed for Rockefeller on trial before a jury --before having the power to set up a Nuremberg Tribunal for these Nazi criminals. By foolishly suing the Labor Party, Woodcock has given workers the opportunity, through counter-suit, to bring him to trial for the high crimes of fascism, brainwashing, and repression--not only against UAW workers but against the entire working class.

ROCKY'S PANEL: CIA SELF-INVESTIGATION

Jan. 5 (IPS)--The eight-man panel appointed today by President Ford to "investigate" the CIA is a blue-ribbon panel of CIA agents and collaborators. Headed by Nelson Rockefeller, the self-investigative body includes C. Douglas Dillon, Chairman of the Board of the Rockefeller Foundation and top cabalist; General Lyman Lymnitzer, Chairman of the Joint Chiefs of Staff during the Bay of Pigs CIA operation, later Supreme Commander of NATO; John Conner, who helped ransom the Bay of Pigs "gusanos" through his position as head of Marck and Co., a "pharmaceutical firm"; Erwin Griswold, "prosecutor" of the New York Times as chief attorney for the government in the Pentagon Papers CIA-hoax; Lane Kirkland, Secretary Treasurer of the AFL-CIO and member of the Rockefeller's Trilateral Commission under CIA agent Zbigniew Brzezinski; Edgar Shannon, liberal president of the University of Virginia; and Ronald Reagan of California.

The obvious nature of the panel has even provoked the cautious New York Post to quote a government source: "It's not exactly like putting the fox in charge of the chicken coop...but it comes close."

AGRICULTURAL REPORT

EDITORIAL

A QUESTION OF HUMANITY

Jan. 5 (IPS)--This Christmas there was no Santa Claus for hundreds of thousands of North American farmers. Try as he might, even the roly-poly National Farmers Organization (NFO) head Oren Lee Staley can't convince farmers otherwise. Staley's hysterical "Think Thirty" foolishness is falling flat on its face. Exhorted to "corner 30 per cent of the market" in exchange for a rosy future, farmers across the country rightly suspect that the only "30" in sight is something like 30-acres-a-mule might -- with luck -- end up with if they follow the know-nothing Staley at a time when worldwide depression threatens agricultural production with total destruction.

Over the next three months, farmers will be faced with the toughest decisions of their lives. Like the ten million industrial workers who will be unemployed by the end of January, North American farmers are faced with the end of life as they have known it. They, like the industrial worker, must decide whether or not they will commit themselves to a serious political fight or knuckle under to Rockefeller's destruction of their lives and the wholesale starvation of millions throughout the world.

Within the next three months the desperation of the situation will be crystal clear: Smothered in debt, with declining farm prices and still-soaring operating costs, with no prospect for low-interest credit, or any credit at all, with a burgeoning natural gas hoax that threatens to bring fertilizer production to a standstill, the farmer will be forced to ask himself whether he can afford another harvest. Should he cut back his operation drastically -- as livestock farmers have already done -- or should he sell out altogether -- as thousands of dairy farmers did this year -- getting out before he is caught owing interest on a dust bowl?

Staley's "Think Thirty" hoax, and similar populist "fair price" schemes, are designed to conceal this reality. It is a campaign dedicated to preventing farmers from focusing on the real problems they face in common with North American workers and peasants and workers throughout the world. That is precisely why the criminal Staley dutifully mobilized his NFO machine to squelch the real news from the NFO national convention -- the fact that a formal resolution calling for an emergency moratorium on farm debt was passed overwhelmingly.

Right now farmers aren't falling for the Staley hoax. They are shell-shocked, in some cases buoyed by fantasies of emergency measures coming down the pipeline from Washington. For the most part they have managed to get by this year -- they have managed to make partial payment agreements or get

adjustments on their loan repayment schedules, they have gained a little breathing space -- but not for long, for the question of new credit and operating supplies looms ahead.

"Think Thirty" or the U.S. Labor Party

The lines are being drawn. In the coming months farmers will have to choose between the "Think Thirty" gimmick and other suicidal, populist rallying cries aimed at isolating farmers in a rearguard battle against the rest of the population, or the growing farmer-worker alliance of the U.S. Labor Party. Only such alliances can mobilize the necessary mind and muscle power to defeat the Rockefeller clique and reconstruct the world's economy, starting with an emergency moratorium on farm debt and the massive expansion of food production. Right now workers in and around the U.S. Labor Party across the continent are discussing and planning a campaign to convert the same auto plants which Rockefeller is rapidly emptying to tractor production, productively employing the masses of now-unemployed workers in this required first step to expand food production worldwide.

Commitment to Progress

To make this choice in favor of humanity farmers need only draw on a quality within themselves which both the Rockefeller attack on agriculture and Staley's demagoguery are designed to annihilate -- that is the North American farmer's longstanding and very practical commitment to progress. The typical farmer has based his existence and the expansion of his productive powers on the steady assimilation of new skills and technologies. This and the resulting, phenomenal productivity of U.S. farming has widened the farmer's horizon, forcing him to view himself in terms of his very real contribution to human existence worldwide. The typical farmer sees his creativity in terms of employing these skills and technology to increase his contribution, and thus his vital role together with the world's productive working class, in sustaining and enriching human life.

It is from the emotional and intellectual resources located in the farmer's actual human identity, that the real solutions to the agricultural crisis will be forthcoming. Rockefeller is determined to cripple world food production, sending agriculture back to the stone age. Mr. Staley, with his jiggery-pokery, is dedicated to enlisting farmers in their own destruction. The U.S. Labor Party's farmer-worker alliance, dedicated to the realization of expanded food production and fusion power technology, is the only way out.

FERTILIZER SABOTAGE THREATENS SPRING PLANTING

Jan. 5 (IPS)--This week a clear pattern of Rockefeller sabotage emerged--involving a series of natural gas cut-offs and Environmental Protection Agency rulings--which could seriously disrupt fertilizer and tractor production. If farmers fail to obtain necessary amounts of fertilizer, or if scarcity-induced high prices prohibit them from buying new farm equipment or parts needed to make repairs, this year's harvests will be severely curtailed. This new crisis in agricultural inputs comes just at the point when farmers must meet a staggering \$65 billion in debt payments which simply cannot be covered by their reduced cash receipts. The credit and cost-squeeze currently engulfing the farmer threatens the entire working class with looming massive food shortages.

Fertilizer in Danger

Nitrogen fertilizer production was sharply curtailed at two North Carolina plants this week, following the announcement of Transcontinental Gas Pipeline Co. that it will cut the state's natural gas supplies by 45 per cent. Natural gas is the essential feedstock used for ammonia production, the intermediate product in the production of nitrogen fertilizer. The two affected plants--Farmers' Chemical in Tunnis, N.C., and the Rockefeller-controlled W. R. Grace Co. in Wilmington, N.C., supply all of North Carolina's fertilizer needs! W. R. Grace stated that it has cut production by 30 per cent and--as if this were not enough--that the Environmental Protection Agency could shut the plant down completely since pollution is worse at lower production levels. Farmers' Chemical, which supplies the Southern states with 55 per cent of their nitrogen, announced it will close its Tunnis, N.C. plant for three-and-one-half months.

North Carolina Commissioner of Agriculture Jim Graham, extremely upset over the prospective devastation of next year's crop due to the fertilize shortage, was briefed by U.S. Labor Party organizers on the Party's Emergency Food Program. Graham's response was: "I understand what you're saying, but this isn't at all political. Believe me, it's a matter of survival."

The fertilizer shortage exacerbates the risk associated with spring planting causing crop yields to plunge. One of the Commissioner's assistants later outlined the extent of the upcoming crop shortfalls, predicting a 50 to 60 per cent cut in the corn crop and a 50 per cent decline in sweet potatoes. Soybeans need little nitrogen, but farmers cannot afford to buy seed. He reported that farmers have taken heavy losses and credit is "even more difficult than we thought it would be."

Other fertilizer production is bound to be affected as severe natural gas cuts at the behest of the Transcontinental Gas Pipeline Co. and East Tennessee Natural Gas Company are now rippling

through 11 other states, including New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, South Carolina, Georgia, Alabama, Mississippi, and Tennessee. This disruption of fertilizer production is calculated to drive prices sky-high on a scale comparable to last year's oil hoax, which raised fertilizer prices by 80 per cent. Last year's price robbery directly reduced fertilizer usage by 10 per cent. This time many farmers wonder whether they can afford to buy any at all.

Rockefeller's hand in this affair is unmistakable since natural gas production and distribution is owned lock, stock, and barrel by Rockefeller interests. Over 60 per cent of natural gas production is concentrated in the hands of Exxon, their Rockefeller companies, and the rest of the Seven Sisters in the oil cartel. Chase Manhattan, Morgan Guaranty Trust, and First National City Bank between them control practically every major utility and gas pipeline company through interlocking directorates.

The just-released Federal Power Commission report alleging that natural gas is "a resource being pushed toward exhaustion" is a patent lie. According to the oil and gas industry itself, there are proven reserves in the ground sufficient for 12 years more of consumption at the current rate, 22 trillion cubic feet per year, or about 250 trillion cubic feet in areas with wells already drilled and in use. Estimated reserves in addition, including Alaska, bring this figure to 2,300 trillion cubic feet, which have not been drilled.

Abundant reserves are also available in Canada, simply waiting for a continental working class strike force to free production from Rockefeller control and tap them for a massive industrial expansion.

EPA COVERS FOR COLLAPSE OF TRACTOR PRODUCTION

Jan. 4 (IPS)--Federal Environmental Protection Agency (EPA) rulings were used this week as the pretext for the partial closing of the U.S. Steel plant in Gary, Ind. and layoffs at Wisconsin Steel in Chicago, both key suppliers of the agricultural implement industry. The steel layoffs are part of an emerging pattern of deliberate sabotage of existing tractor manufacture essential to maintaining food production. The three major tractor producers, International Harvester, Deere, and Caterpillar, are all de-emphasizing farm equipment and reorienting production to heavy construction and earth-moving equipment tied to the still doubtful Rockefeller slave-labor development projects.

Workers in the Quad Cities area on the Illinois-Iowa border report that layoffs have already begun at International Harvester due to the partial closing of Gary Steelworks, the only producer of a special alloy used in the rear assembly of tractors. Inter-

national Harvester announced ominously that it will stay in operation on a "day-to-day basis." Wisconsin Steel, a wholly-owned subsidiary of International Harvester, supplies practically all the steel to International Harvester's Pullman works in Chicago, their main tractor parts producer.

Pollution Cover

The coincidence of the EPA decisions affecting two, tractor-related steel plants indicates that this is merely a cover story needed to justify the phase-out of this crucial sector of production. In each case, the steel layoffs appear to have come as the result of long-pending EPA suits. Gary Steelworks has been threatened with the shutdown of its open hearth operations for years. The EPA has admitted it would be far less expensive for U.S. Steel to pay the fines and keep production going than to pay the heavy unemployment compensation resulting from layoffs, implying there is indeed "some other yet unknown reason" for closing the plant's open hearth furnaces. Wisconsin Steel has slid by the EPA before, acquiring an extension in July 1974.

The EPA decision affecting the Gary Steelworks immediately threatens the jobs of 2,500 steelworkers, another 1,500 in related industry, and 2,050 at International Harvester plants in the Quad Cities. The extent and impact of the Wisconsin Steel layoffs has not yet been determined.

In a related development, workers at the Fafnir Corp. in New Britain, Conn., one of the major producers of ball bearings for agricultural equipment, report they are working a shortened workweek.

A month ago, International Harvester, Deere, and Caterpillar reported a booming business in construction, industrial, and earth-moving equipment geared toward production for the now-threatened slave-labor development projects. For example, International Harvester arranged a \$50 million deal to produce 2,000 heavy-duty truck-tractors for the Iran Ministry of Roads. International Harvester reported its heavy construction equipment business was "solid, with a good strong demand." The construction equipment is used in developing open pit coal mines, pipelines, and other energy resources.

Deere, whose export sales increased last year to 20 per cent of total business, is planning a \$450 million expansion program and new plant construction, allowing it to increase its industrial and construction equipment capacity. Even this production, however, is jeopardized by the cabal's failure to get large-scale development projects off the ground.

Farmers throughout the continent increasingly report difficulties in obtaining the necessary farm equipment and tractor parts. In Indiana, there is heavy speculation in used tractor

parts because of the difficulty of finding new equipment, and repair is made impossible without parts. In Alberta, Canada farmers report that tractor prices have risen dramatically because of the shortage.

The U.S. Department of Agriculture's recent report on Agricultural Finance shows a devastating fall in the amount of credit made available in 1974 by farm machinery manufacturers to retailers for loans to farmers. Loans supplied dropped from \$1.3 billion in 1972 to only \$881 million in 1974 despite the 20 per cent rise in tractor prices.

TRACTORS NEEDED TO STOP ECOLOGICAL HOLOCAUST

Jan. 5 (IPS)--At its historic year-end conference Dec. 28 and 29, the U.S. Labor Party embarked on an international campaign to massively expand food production and create new jobs by reconverting idled auto capacity to tractor production, increasing fertilizer production, and a crash program to develop nuclear fusion power.

The initiation of this massive program of expanding tractor, truck, and agricultural implement production through conversion of idle auto industry plant and through the construction of additional new plants is not by any means a "make-work" solution to the problem of mass unemployment. On the contrary, the working class must move immediately to mechanize agriculture if mass starvation and an ensuing ecological holocaust of epidemics and death are to be avoided.

In expanding food production to meet the already critical needs of both the starving millions of the Third World, especially in Sahelian Africa and the Indian subcontinent, and the need for increased nutritional levels in the advanced countries, we must focus on those means which will most rapidly expand food production globally, and then supply the food to those areas in greatest immediate need. In this way, we will gain time to implement more complete expansion in areas where greater inputs are needed. The key to this whole process is the increasing of yields through mechanization of agriculture, including the expansion of fertilizer production and the rapid increase of land area under cultivation.

Tractors for Advanced Sector

The areas which can most immediately contribute to expansion of food production lie in the already developed countries, whose farmers are best educated and most ready to handle mechanized agricultural technology. Advanced sector economies also have the general infrastructure capable of supporting such technology. On this basis, the major areas in need of immediate tractor inputs are the United States and Canada, Southern and Eastern Europe, the Soviet Union, and Australia. Northwest Europe and Japan,

although advanced areas, are already nearly fully equipped with tractors and other inputs of mechanized agriculture.

Based on research already completed by the U.S. Labor Party, the tractor needs of these sectors can be estimated. In the United States, to bring into production an additional 100 million acres of good land now lying fallow, about 1.5 million new tractors will be needed. Similarly, for Eastern and Southern Europe, to bring these areas of fertile soil but labor-intensive agriculture to the levels of maximum yield another 2.5 million tractors and associated equipment will be necessary. By far the largest immediate potential for expanding agricultural production, and thus the largest immediate necessity for mechanization, lies in the Soviet Union, where six million tractors, one million combines, and three million new trucks are necessary.

Rapid Food Increase

On the basis of these inputs of some 10 million new tractors and other equipment, together with necessary expansion of fertilizer production, production of vital grains in the Soviet bloc countries alone could be tripled, adding 400 million tons per year to total world production and completely eliminating starvation and gross malnutrition worldwide through massive exports to food-deficit areas. Together with the contributions of Southern Europe, Australia, and the United States and Canada, more than 600 million tons of grain, an increase of nearly 50 per cent in world production, would be possible. Crude estimates indicate that such an expansion in the number of tractors, trucks, and combines could be produced in about two years if 50 per cent of U.S. and Western European auto production were converted over to agricultural inputs.

Obviously, this is not quickly enough, especially when it is considered that the production of nearly 150 million tractors will be needed to similarly mechanize the entire world's agricultural production and supply an optimal diet to the entire world population. To accomplish this task, massive new production of tractor factories and massive expansion of the workforce in tractor, truck, and fertilizer production is essential.

CANADIAN GOVERNMENT SABOTAGES FOOD PRODUCTION

Jan. 2 (IPS)--Informed sources in the Canadian Department of Agriculture stated today that ten million bushels of wheat, barley, and oats are being stored as "reserve" feedgrains in Thunder Bay, Ontario. In a related move aimed at sabotaging Canadian food production, yesterday the Canadian government imposed a 30 per cent freight increase for slaughtered meat and other foodstuffs. Provincial government officials are warning that the rate increase will wipe out many livestock farmers, further decimating the

country's agricultural sector, one of the world's key food exporters.

Transport Hoax

The government-controlled grain is being stockpiled as part of Rockefeller's genocidal policy of grain hoarding. The government's cover story, that the grain is being reserved in case of "transportation difficulties" in the coming months, is nonsense. Great Lakes shipping, closed for the winter, and expensive and inefficient rail service, make it obvious that this grain will go nowhere. As for possible "transportation difficulties," the only one which occurred in Canada last year was the mysterious disappearance of hundreds of boxcars used for shipping grain, which New Solidarity exposed as a hoax.

The government's hypocrisy is blatant--and criminal. The grain reserves could avert the agonizing death-by-starvation of 100,000 people in the famine-ridden Fourth World for at least a month. If diverted to Canadian livestock farmers, the grain supplies would alleviate the grave shortage of cattle feedgrains which is threatening the country's meat supply.

The effects of the freight rate hike and the grain withholding will be devastating for farmers, consumers, and workers in the meat-processing industry alike. It will force cutbacks in meat production, send meat prices sky-high, and cause widespread layoffs in related industries.

Livestock Industry Collapses

Indicating the impact which the rate hike will have on the livestock industry, an Alberta Agriculture Department marketing adviser commented that it would "seriously hurt farmers." The Saskatchewan Agriculture Minister warned that farmers in his province stood to lose \$6.5 million as a direct result and predicted that it would force many into bankruptcy.

An extremely tight credit squeeze combined with skyrocketing feedgrain prices has already forced cattle ranchers to the wall. The country's future meat supply is threatened since farmers, unable to maintain their cattle to maturity because of prohibitive feed prices, are sending calves to slaughter.

The higher freight costs will compel many livestock producers to expand this practice, reduce their herds, pass on their increased costs to the consumer, or go out of business altogether, further jeopardizing meat supplies.

On top of this, meat quality is falling, as farmers revert to grass-grazing their cattle, instead of feeding them grain; the country's feedlots, where cattle are normally sent for fattening before slaughter, report a 30 per cent drop in population since last year.

Because farmers are being forced to sell off their herds, temporarily glutting the market, the prices they are getting for them have sharply fallen to 14-21 cents per pound, compared to 28-33 cents last year. Pork production is in even greater danger, with government officials estimating that 1975 output will drop 10-20 per cent.

The rate hike also threatens to gut the Alberta meat processing industry, which handles 40 per cent of the country's meat. A wave of layoffs will hit the industry as farmers begin to send live animals, rather than slaughtered ones, to slaughter yards in the east.

FAMINE PROSPECTS IN INDIA, PAKISTAN WORSEN

Jan. 5 (IPS)--Following last year's famine in India--the worst in 30 years--this year's early crop promises to fall far short even of 1974's tiny yield, severely exacerbating the already disastrous food situation in the Indian subcontinent. Late and inadequate rainfall, coupled with Rockefeller-engineered fuel and fertilizer shortages and a dangerous wheat rust, ensures that India's total harvest for 1974-75 will fall 10 to 12 million tons below last year's and 17 to 19 million tons below the 110 million tons needed for bare subsistence in the country. In Pakistan, last year's wheat harvest of 7.5 million tons is certain to fall well below seven million this year, more than a 10 per cent decline.

India's main summer-fall crop was severely damaged by the floods of last summer, and the harvest was officially reported at 55.5 million tons, down from 65 million last year. Last year's spring crop was a dismal 22 million tons, reduced from the 27 million tons of two years before by a combination of fertilizer shortages, fuel shortages, and the wheat rust. This year, a very late rain--which delayed the winter wheat planting throughout the India-Pakistan wheat belt areas of Haryana, Uttar Pradesh, and the Punjab by a crucial month--means that a vastly reduced area had to be planted in wheat, and that the average yields will be lower due to the shorter growing season.

Compounding the crisis, the major dams of the subcontinent--the Bhakra in the Indian Punjab and the Mangala in Pakistan--are far below normal in water because of skimpy rains. This will directly reduce water for irrigation and also severely reduce the hydroelectric power available to run pumps for the tube wells which supply water needs not covered by the dams directly. As a direct result of Rockefeller's Oil Hoax, there is no fuel to run generators and pumps for land irrigation. Moreover, the Bhakra Dam provided the power for the major fertilizer plant in Nangal, where output correspondingly will be down.

The destructive effects of the wheat rust in India will further reduce the crop. With the right weather conditions, the rust

pathogens can be expected to infect wheat-growing areas in neighboring countries like Pakistan, Afghanistan, Iran, etc. A rust epidemic would quickly sweep westward and devastate those Middle East countries which are most dependent on wheat.

No Miracle

Under the Ford Foundation-World Bank's Operation Bootstrap, India was forced to adopt the so-called miracle grains which are known to have a high genetic vulnerability to rust. Over 75 per cent of the major wheat regions are planted in these miracle grains, which require more water than normal strains. Thus, with the shortfall in rain, irrigation, and pumped water, the area will face even worse shortages by summer than last year. This year, India was able to cover only about 4.5 million tons of a more than 10 million ton deficit by imports. With prices still rising--another direct result of Rocky's Oil Hoax--India can be expected to be able to cover even less of an even larger deficit this year, unless massive food aid, along the lines of the Emergency Food Program proposed by the International Caucus of Labor Committees, is adopted before that time.

WEST GERMAN EXPORT DECLINE FUELS POLITICAL CRISIS

WIESBADEN, West Germany, Jan. 4 (IPS)--West German industrialists and their major political mouthpiece, the Christian Democratic Union, are contemplating in panic an export trade collapse, an imminent production collapse, and the sudden financial collapse which will necessarily follow them both. They are gasping in desperation at the governing Social Democratic/Free Democratic coalition's fantastic claim that the crisis doesn't really exist and that the paltry emergency job program for 1975, announced by the government last month, will soon bring an economic upswing.

The severity of the situation was dramatized last week by the publication of plummeting export trade figures in the fourth quarter of this year for machine tools, chemicals, and steel. The industrialists know all too well that 25 per cent of all West German production lives off exports, and that throughout 1974 only a grab-bag boom in exports of specialized steel and chemical products kept the entire economy afloat. Now this boom is over.

Rumblings have been going around West German capitalist circles that what is needed is a revaluation of the D-mark, the national currency. This would support a tentative maneuver which some of these industrialists have picked up: scooping up commodities from low-wage countries and dumping them at a profit, while forcing domestic layoffs, in a desperate effort to maintain cash accounts. Last week this fancy form of barter was endorsed by a government advisory board, mystically titled the Five Wise Men. The Five Wise Men recommended that the revaluation be firmed up by holding wage increases to 6 per cent in upcoming steel, chemical, and public service negotiations. After inflation is accounted for, this would actually mean a 10 per cent wage reduction. The steel barons of the Rhein and Ruhr regions have already welcomed the 6 per cent guideline, while the head of the Chemical Workers' Union, Trilateral Commission member Karl Hauenschild, has told his union that 1975 will be a year of zero-growth wages.

Austerity in Any Case

Meanwhile the Christian Democrats, the largest opposition party in the parliament, are demanding that the coalition of the Social Democrats (SPD) and the Free Democrats (FDP) immediately implement the new austerity. Gerhard Stoltenberg, chairman of the CDU in Schleswig-Holstein, has extended the plan for wage theft to include an attack on the jobs of public service workers. For the next two years, according to Stoltenberg, the state and federal governments must refuse to hire any new workers.

The governing SPD/FDP coalition has responded in total disarray to the CDU/industrialists' efforts to find some detour off the path to economic disintegration. Social Democratic Chancellor Helmut Schmidt greeted 1975 on national television with a lengthy

account of the virtues and strengths of the West German economy. Early this week, the national newspapers mockingly quoted him as saying, "We will shortly be over the hill."

Every Man for Himself

Ignoring Schmidt's Pollyanna routine, federal Interior Minister and FDP'er Hans Maihofer supported Stoltenberg's demand, telling the press that if the Public Service Union were to win its skimpy 10 per cent wage demand, there would be layoffs of public employees. But the sedate chairman of the Federal Bank, Karl Klagen, in the midst of considering how to finance the government's 50 billion D-mark budgetary deficit, has announced in the financial journals, "There will be [an economic] upswing in the summer of 1975."

The industrialists' pessimism about their ability to force government implementation of a focused austerity policy is intensifying the political confrontation around the six upcoming state elections. Up until this week the FDP, a tiny party backed by a marginal group of "liberal" industrialists and professionals, was attempting to maneuver an experimental state-level coalition with the CDU, hoping to dump the blame for economic chaos into the lap of the working-class based SPD. But the CDU is too worried about its own collective neck to be concerned about the fate of the FDP.

Mourning the possibility of open conflict between the CDU and the government on social and economic policy, SPDer Heinz Kuehn, an elderly spokesman for compromise and social order, summed up the inevitable effects, "Circumstances could emerge in West Germany such as presently exist in Italy."

JAPANESE INVENTORY SALE MAY SWAMP WORLD TRADE

Jan. 4 (IPS)--Japan is threatening to launch a gigantic going-out-of-business sale which could precipitate a complete deflationary collapse of the already disintegrating world economy--something Japan's Trilateral masters want very much to avoid.

Recent world trade statistics indicate the Japanese are already dumping steel on the U.S. market. Last summer, when Japan unloaded 200,000 tons of copper, copper prices were cut in half, billions of dollars invested in copper development projects were wiped out, and the profitability of the entire Chilean economy, heavily dependent on copper exports, was destroyed.

The consequences of the similar actions on an even larger scale which the Japanese are now contemplating would obviously be devastating. It is just this "beggar your neighbor" trade policy which totally wrecked world trade and destroyed capitalist

investment possibilities in the 1930s, sending the economy into the depths of the Great Depression.

The immediate cause of the prospective Japanese going-out-of-business sale: in the past year, the Japanese have built up a whopping \$60 billion worth of accumulated inventories. The Japanese must refinance a major portion of this inventory to prevent widespread bankruptcies.

In addition, the Japanese owe Rockefeller financiers some \$20 billion borrowed to pay their oil bill--which quadrupled after Rockefeller's original Oil Hoax during the winter of 1973-74. The entire \$80 billion--inventories and oil bill--is short-term debt which must be refinanced every 60-90 days.

From the standpoint of the individual capitalist--even from the standpoint of the Japanese economy as a whole--the only logical course of action if Japan cannot roll over this enormous debt by borrowing funds from Rockefeller-controlled banks is to sell off accumulated inventories at bargain basement prices--or default.

The Rockefeller forces are desperately anxious to avoid either action--the ensuing sharp deflationary collapse would ruin any form of their "development projects" strategy once and for all. Why invest in capital goods to build energy projects if the market for energy created by capitalist industry has been destroyed?

Refinancing?

But lending the Japanese the money to refinance their debt and inventory accumulation is nevertheless "bad business" for the Rockefeller banks as capitalist financial institutions. The risk is not commensurate with the return.

When queried on how the tottering international banking system would refinance the Japanese debt, a spokesman from the Asian desk at David Rockefeller's Chase Manhattan Bank replied, "If I knew the answer, I wouldn't be sitting here....I could say the same [about the inventories] for U.S. Steel."

Ironically, the Rockefeller cabal itself has forced their Japanese errand boys into this corner. In order to borrow the money from Rockefeller to pay the bill for the original Oil Hoax, the Japanese were forced to maintain a "presentable" balance of trade--dollar income from exports exceeding outgo from imports.

Initially (beginning in February 1974) this was accomplished by "suppressing demand" in the consumer goods sector--raising prices, shutting down plants, slashing imports. Trilateral capitalists including the Japanese were not unduly alarmed, as they planned to recoup on their investments in this sector by shipping out plants and workers in heavy industry to slave-wage development projects. Meanwhile, in Japan as elsewhere, layoffs and rising

prices sharply reduced workers' standard of living with little apparent resistance from the working class.

Cutting Your Nose

But reducing workers' ability to buy automobiles, electrical appliances, clothing, etc., worldwide effectively acted to curtail Japanese exports in this sector--by December Japanese exports as a whole were down 10 per cent over the previous year, causing a doubling of normal inventory levels.

More important, the Rockefeller development projects stalled, and inventories began to pile up in the capital goods sector. Aluminum inventories have tripled, copper smelting has been slashed by 40 per cent--the list goes on and on. Industrial production in Japan has declined 14 per cent over last year.

Even with these huge production cuts, and the resulting lay-offs and consumer shortages, Japanese inventories have continued to mount at an annual rate of 50 per cent. And the interest on the current \$60 billion inventory--computed at a special Rockefeller interest rate for poor credit risks--is \$2 billion every three months.

Unwilling to trigger a collapse by launching the going-out-of-business sale to pay it off, Trilateral Commission liberals in the Japanese cabinet, acting through Prime Minister Miki, have recently begun to buck the "tight money" line of Rockefeller's Japanese hard cop, former Finance Minister Fukuda. Miki is demanding that Japanese printing presses produce the yen necessary to ease the debt crisis. But this policy, if pursued as anything more than a temporary, carefully controlled expedient, would result in six months or so in an inflationary explosion and an equally devastating collapse.

Moreover, even a temporary reflation will not prevent the major part of the debt from coming due again in another 60-90 days. The pressure for the inventory sell-off will continue.

BANKRUPTCY THREATENS NORTH SEA OIL

Jan. 4 (IPS)--The increasingly hasty retreat of the international Rockefeller banks from further investment in the North Sea oil development projects threatened to turn into a full-scale rout this week with the narrowly-averted bankruptcy of Britain's Burmah Oil Company. The collapse of the North Sea projects will not only precipitate the final breakdown of the British economy but will also have repercussions on West German supplier industries.

The Burmah Oil Company, deeply involved in the development of the Ninian and Thistle off-shore oil tracts in the North Sea

and expected to be a heavy borrower in the upcoming year, barely avoided defaulting on its \$650 million loan from a banking consortium led by Chase Manhattan Bank. The Bank of England stepped in at the last possible moment, guaranteeing payment on Burmah's outstanding loans and opening up a \$2 billion line of credit to the company.

From the point of view of the international Rockefeller banks which have financed the bulk of the North Sea slave-labor development projects, this maneuver served to shift the threat of bankruptcy back to its actual main center of focus--the British government itself.

Going Down Under

The financial life expectancy of that institution continues to shorten. Within the month of December alone the Bank of England compounded the accumulated \$15 billion balance of payments deficit by spending over \$2.5 billion in stabilization operations on behalf of the British pound sterling--reducing Britain's total gold and currency reserves by over 14 per cent in a single month! Within a day of the Burmah bail-out announcement, the Financial Times index of government securities prices had fallen to a new all-time low.

No conceivable rate of North Sea oil development can now be expected to overtake Britain's trust toward outright bankruptcy. For their part the Rockefeller cabal bankers have made it clear that they will not continue a policy of throwing "good money after bad." "One of the biggest and most influential" New York banks has let it be known that it is no longer interested in accepting oil still under the sea as collateral for loans. From now on only loans secured against balance sheet assets will be considered.

Squeeze in New York

In large measure, however, the current reversion to "solid banking principles" on the part of Chase Manhattan, Morgan Guaranty et al. vis-a-vis the slave-labor projects in the North Sea is a policy which has been forced upon them. Given the need to "buy time" by means of a massive refinancing operation involving almost all the sectors of the world capitalist economy, the New York-based international Rockefeller banks simply do not have the ability to continue financing the projects in the North Sea.

The scale of the financing required to maintain the scale of expansion of the North Sea projects is enormous--an estimated \$3.5 billion for 1975 alone, compared with a total investment to date of \$2.8 billion. With nearly the whole of the December oil payments diverted for emergency balance of payments aid to France, Italy, and a host of Third World countries, the New York banks are now experiencing an acute shortage of investable funds.

If the North Sea bubble collapses, projections of a mere one million unemployed in Britain are a gross underestimation. Fully 10 per cent of Britain's investment goods industries are now directly tied to supplying the North Sea energy development, and a much larger proportion of Britain's industry is indirectly tied to the projects. For West Germany, which now produces more of the drilling rigs, platforms, and pipeline for the North Sea projects than any other single national sector, the 8 per cent decline in exports registered this November will be multiplied geometrically. But most critical is the fact that cut off of funds for further North Sea development would rapidly translate into a run against the British pound, placing in immediate peril the 30 per cent of world trade financed by sterling.

RIOTS IN CAIRO:
SATAT REGIME CRACKS AFTER SOVIET SNUB

Jan. 4 (IPS)--In an obviously well-coordinated display of anarchist rage, 1,000 Egyptian industrial workers rampaged through downtown Cairo Wednesday morning to protest the skyrocketing cost of living and miserable working conditions. The riots come after the sudden cancellation of the much-heralded visit of Soviet party chief Leonid Brezhnev to Cairo, a rude diplomatic snub by the Soviets which has vastly reduced Egyptian President Sadat's usefulness to the CIA and may signal efforts by Rockefeller to reorganize and prop up the wobbly Sadat regime.

As the political cornerstone of U.S. "Arab policy," Sadat represents the weakest link in a four-pole structure of CIA-controlled Middle East countries--Iran, Saudi Arabia, Turkey, and Egypt. By abruptly cancelling Brezhnev's stop in Cairo, the Soviets have kicked the underpinnings out from under the left side of the Sadat government. In this instance, Rockefeller's choices are three: (1) improvise a new left cover for Sadat; (2) dump him altogether; (3) reveal the Egyptian leader in his full nakedness as a pro-American rightist thug. Otherwise, the weakened Egyptian regime might in turn pull down the increasingly vulnerable Shah of Iran.

The published circumstances behind the riots leave no doubt that the upsurge was not the result of a spontaneous working-class outburst nor of any underground Communist network. Angry and vastly exploited Cairo workers, excited by rumors of a planned strike at the huge Helwan steelworks south of Cairo, were kept waiting at a Cairo train station, then told that the trains were not running. Probably led by government provocateurs, the workers spilled out onto the streets of central Cairo, where their rioting achieved maximum visibility for eager Western journalists, who rarely visit the isolated Helwan complex. In their rage, the mob smashed Soviet bookstores, Libyan airline offices, and Western businesses alike.

The demonstrations were the first major sign of mass discontent in tightly controlled Egypt since the workers and students movement was provoked and smashed exactly two years ago during Sadat's drive to consolidate power after expelling 20,000 Soviet troops and advisers in July 1972.

The lack of a coherent strategy among Rockefeller-CIA thinkers since the Soviets moved to break the Middle East controlled environment has been reflected daily by the disarray among the Western press. Cued by the riots, Cairo correspondents for the Western newspapers and wire services seized upon and inflated the hot-air spectre of a red scare, ascribing the riots to mysterious "left-wing circles" and "Nasserist" elements. The CIA-run Egyptian Interior Ministry suddenly announced the discovery of a Communist cell in Alexandria last week, and then arrested several members of the pro-Communist MDLN among the 47 demonstrators seized on Wednesday, according to the Lebanese daily Al Anwar. Al Anwar is known throughout the Middle East for its unswerving faithfulness to Sadat.

By suddenly resurrecting the defunct MDLN and bothering to arrest the normally tolerated Communist "underground," the Egyptian regime has opened the path to Rockefeller's trio of options.

Sadat the Dispensable

Sadat's value to the Rockefeller cabal as a credible ruler lies in the decades-long connection that he has among the political and military elites in Egypt, as well as his association with Egyptian idol ex-President Gamal Abdul Nasser. Sadat has long inhabited the shadowy swamp of the Nazi/CIA Middle East underground and was a leading member of the paramilitary, right-wing Muslim Brotherhood secret society, from which netherworld emerged nearly the entirety of the Egyptian ruling group in the 1950s.

Despite these credentials, however, Sadat would quickly become expendable in the face of growing worker and student unrest, especially given Rockefeller's desire to recreate a new controlled environment in which to ensnare the Soviets. Should the CIA choose to seemingly weaken its hold over Cairo by replacing some or all of the Sadat government--with the primary aim being the seduction of the Soviets--a readily available "alternative government" can be inserted.

A leading member of Rockefeller's Council on Foreign Relations identified the collection of forces which would comprise this replacement regime: the "militant" army officers grouped around ex-Chief of Staff Saadeddin Shazli, the Nasserists led by former Al Ahram editor Mohammed Hassanein Heykal, and assorted leftists and ex-Communists such as present Al Ahram boss Ahmed Bahaeddine.

If Sadat is to be dumped, the likely replacement is Shazli. Shazli is reportedly popular among the junior army officers for

his alleged heroics as commander of the Egyptian army during the October 1973 "Oil Hoax War." Recently he has been quoted making pro-Soviet grunts from his current post as Ambassador to Great Britain. What is not often reported is that upon his nomination as ambassador in London "pro-Soviet" Shazli was nearly refused entry by the British government for his past ties to the British fascist movement!

Rather than lose Sadat entirely, however, Rockefeller might wish to "rearrange" the Cairo Cabinet, dumping Premier Abdelaziz Hegazi, singled out by the Western press as the supposed target of the demonstrators for his austerity policies. A new Egyptian government under a repentant Sadat, perhaps headed by a premier like Heykal, would severely challenge the Soviets to make a final break with the sort of right-wing Arab nationalism which the USSR disastrously has supported consistently in the past. The temptation would be severe for the Soviets to again enmesh themselves in a rerun of a "Nasserist" Egypt.

Should the Soviets make a steady push to topple Sadat and the Shah, however, coupled with a call by the USSR for a real Geneva Conference to discuss the socialist development of the Middle East, the only remaining "rational" CIA alternative would be straight hardline military consolidation of the Teheran-Cairo axis, behind the current Iranian and Egyptian dictators. The implicit threat of the extension of NATO into the Middle East--raised today by reports that NATO-controlled Turkey was planning to train Libyan troops!--combined with a provoked Rockefeller monster both in Europe and the Middle East would be immediately raised by any sign of hubristic Soviet moves in the area. As the Labor Committees have shown, it is precisely this which the situation demands.

CARLI MOVES TO RESCUE MAJOR BANKS FROM BANKRUPTCY

Jan. 4 (IPS)--An authenticated leak from an aide to the Shah of Iran has revealed that a highly-placed source close to Italian Central Bank head Guido Carli assured the former that Carli's policy is entirely dedicated toward the avoidance of defaults on Italy's international debts, come what may.

Last Thursday's announcement of Rome's new monetary policy is aimed precisely toward that end. The Central Bank, in a move preceded by Nazi Finance Minister Schacht's policy in the 1930s, will channel newly printed paper to the export-oriented industries to hopefully improve Italy's balance of payments position and thereby enhance Italy's ability to repay its massive debt to the international financial cabal. To ensure that none of this new liquidity ends up in the wrong hands, the Central Bank will strictly monitor the process carefully to assure that only "Italy's semi-public biggest banks" are the primary beneficiaries

of the additional funds. These banks will own shares of the debtor corporations.

This move by Rockefeller-ally Guido Carli is an integral part of a desperate international "rescue operation" designed to salvage these key national and corporate sectors.

"There will be no defaults....The whole country will go under before we let a [major] bank be bankrupted. That I can assure you. That's Mr. Carli's policy," the Shah's aide was told. Carli is aiming for a stratification of the banking and industrial sector by providing large banks with cheap funds and thereby increasing their profit margins. By favoring some industrial sectors over others, a selected core of the economy is to be allowed to scramble aboard Noah's Ark. In short, the capitalist system is carrying out triage against itself.

However, pump priming will open up the Italian economy for total collapse. The "non-essential" industrial sector, and Italy's large state agencies sector, will, in a matter of a few short weeks, be forced to close shop and lay off millions of workers, leading to mass social upheaval. Next, at least in the short run, any addition of credit into the economy is bound to be inflationary and will further fuel the raging official inflation rate of 24.8 per cent. This in itself is bound to cause bankruptcies of such major proportions that the primary Italian banks cannot remain unaffected. In addition, even the bureaucrats at the International Foreign Trade Council have finally conceded that over the next few months international trade will fall drastically. The question then is: who is going to buy the expanded exports of Italy when demand is dropping everywhere?

This dilemma has not escaped Mr. Carli. As he publicly patted himself on the back last week for nearly balancing Italy's non-oil foreign payments position, his close associate was privately pleading with the Shah's aide: "There are a lot of problems. You can't move workers from Turin to Mezzogiorgo overnight. It takes time, but it will happen. Just give us time." Carli's associate is referring to the slave-labor development plants scheduled for southern Italy. Without the rapid massive relocation of a crushed and disciplined workforce to development projects, there is no short-term financial procedure which can bail out the economy.

Mr. Carli's associate, however, took special pains to assure the Shahanshah's aide that there would not be a repeat of last June's debt moratorium "hysteria." With the growing influence of the International Caucus of Labor Committees and its allies in the Socialist and Communist Parties in Europe, this is a possibility Mr. Carli is ill-advised to rule out.

DEADLY FLU EPIDEMIC ASSAULTS EUROPE

Jan. 4 (IPS)--In the last three weeks, a wave of flu has attacked tens of thousands in Hungary, Italy, and Spain, It is expected that when the flu hits Britain and Ireland after the New Year, the severely low social conditions will cause an horrendously high rate of fatality, as in the 1918 worldwide epidemic (pandemic) of flu.

In the last week, 300 Nigerian pilgrims died in a cholera outbreak in Mecca, Saudi Arabia, causing the Nigerian government to quarantine the Moslem population in seven of 12 provinces. Other cholera outbreaks in Rhodesia and Kenya have been fed by the growing epidemic infecting thousands in Bihar and West Bengal in the wake of the Indian drought. Africa has historically been a jumping-off point for explosions of cholera from its endemic focus on the lower Ganges and Brahmaputra rivers into a worldwide epidemic.

Merida, Venezuela suffered a typhoid outbreak when water treatment facilities failed for a few days. Both typhoid and cholera swept through the broken survivors after the cyclone in Darwin, Australia.

Why Now?

This rise in widespread disease is the initial results of Rockefeller's annihilation of working class living standards in the advanced sector and brutal murder of millions in the Third World. Rockefeller's ecological holocaust is now advancing.

An outbreak of body lice in Britain in the last months is testament to the severe social collapse in which epidemics breed, where public health and municipal sanitation has broken down. Coupled with the severe fall in nutrition levels, the initially non-virulent Hong Kong flu coming from the continent will develop ferocious strains devastating the defenseless British working class. Once a new strain is incubated in Britain, it will sweep the continent and spread to North America. There is no vaccine against new strains of flu. Once it has passed through the population, practically all survivors will have immunity to that particular strain, but when another wave of a new strain takes off, death will again come knocking at the door.

Cholera is one of the easiest of man-to-man diseases to control. It appears only in areas where there is no sewage treatment or chlorination of drinking water. As Europe and North America are deindustrialized under Rockefeller policies, measures normally taken for granted will be eliminated, immediately exposing urban populations to certain outbreaks of water-borne cholera and typhoid. In the absence of immediate hospital care, a danger already existent in Italy where hospitals have been gutted all year, infected individuals will die of acute circulatory failure within 24-72 hours.

ROCKY TO REVAMP U.S. GOVERNMENT

WASHINGTON, D.C., Jan. 4 (IPS)--In two weeks, Nelson Rockefeller will be assuming control of the Murphy Commission, a body whose function is to reorganize the United States government into a satrapy of Rockefeller controlled supranational institutions. Dr. Stanley Wagner of the Murphy Commission revealed that the Commission has postponed a meeting of its Intelligence Subcommittee until Jan. 20 and changed the agenda of a full Commission get-together, also set for Jan. 20, to accommodate the Commission's self-appointed head, Nelson Rockefeller.

It has been learned that staff members of the Murphy Commission played a major role in creating the crises which have helped discredit constitutional government. Additionally, key members of the Commission received their experience in government reorganizations overseeing the decimation of U.S.-occupied Europe under the Marshall Plan.

Proposing that this gang of thugs, now headed by Rockefeller, investigate the crisis in government is like asking Al Capone to investigate the St. Valentine's Day massacre.

Congress Profiled

Wagner also revealed that the Commission has targeted key members of the U.S. Congress for a RAND psychological profiling project, similar to that carried out against European political leaders by the U.S. Army of Occupation in the post-war period. The Congressional profiling, undertaken by Murphy staffer Peter Szanton, formerly of RAND, the Department of Defense, and the President's Task Force on Government Reorganization, was accomplished by means of questionnaires and personal interviews administered to over 200 Congressmen.

These profiles will be used to target recalcitrant Congressmen for psychological manipulation: the brainwashing of Wilbur Mills, the once powerful and intractable chairman of the House Ways and Means Committee, demonstrates how far this crew is willing to go. Most Congressmen, they hope, will succumb to more subtle forms of arm-twisting.

The collection of staffers and commissioners assembled from such Rockefeller stables as the Brookings Institution, RAND, and assorted university think tanks have a dual function: first they churn up evidence and research to create a crisis, then under the auspices of the Commission they propose the solutions.

Ray Cline, former CIA deputy director of Intelligence from 1962-64 and currently Murphy Commission staff member, is a case in point. Cline, who served as Secretary of State Henry Kissinger's intelligence briefer during the 1973 Mideast war, resigned

in a huff from the Kissinger retinue. Months later he opened up fire on both Kissinger and the intelligence community, claiming that the Oct. 24, 1973 worldwide U.S. military alert was a totally unnecessary and irresponsible act by Kissinger and intelligence circles. Later Cline pushed the line that the CIA should be re-organized as an information agency.

Now after providing some impetus for the current wave of Rockefeller-directed CIA investigations, Cline along with Tri-lateral and Murphy Commission member David Abshire is putting the finishing touches on a report appropriately entitled "The Overhaul of the Intelligence Community." The Commission has timed its release for late February or March--precisely the time that the latest scandal should be peaking.

Cline previewed his proposals in the Winter issue of Foreign Policy, attacking sitting duck Kissinger, who has come under fire for CIA operations, for his extraordinary secrecy regarding intelligence affairs. Cline echoed the recent statements of his boss Rockefeller who said last week, "The CIA is in Mr. Kissinger's area and I don't intend to interfere." Cline calls for an open streamlined National Security complex, coupled with the separation of the posts of Secretary of State and Assistant to the President for National Security Affairs--both jobs held by Kissinger.

More Dirt

Morton Halperin, another Murphy Commission staffer, has also helped fuel the CIA scandal. In 1972, Halperin helped draft the first edition of the Pentagon Papers expose of the blundering and atrocities carried out by the military neanderthals who ran the Vietnam war--atrocities that were in fact contrived by the CIA. In the aftermath of the scandal which helped Rockefeller make a thorough housecleaning of the deadwood in the Pentagon, Halperin accused the intelligence establishment--the CIA, National Security Council, et al--of carrying out spying operations against American citizens. As evidence he showed records of CIA taps on his phone while he was working on the Pentagon Papers. Not coincidentally, his charges were used for ammo in last spring's initial attacks on CIA illegal domestic activity.

Halperin is currently at work remodeling democratic institutions to accommodate the influx of Rockefeller's supranational agents, including "ex"-CIA agents, into what poses as the government of the United States. His report, like most Murphy Commission work, is regarded as supersensitive and has been "embargoed for release" until sometime in June.

The Commission was set up in 1973 to streamline the government to enable it to implement Rockefeller's supranational policies as made clear by the recent draft proposal, "The Future World Environment: Near Term Problems for U.S. Foreign Policy," which states that U.S. officials will probably be faced with the

"likelihood of ceding elements of national sovereignty to international entities....Congressional difficulties in accepting such sacrifices will be severe."

Ready to Move

After assembling a membership and staff of top supranationalists, the Commission spent its time procuring funding from State Department appropriations and drafting substantive policy statements, some of which have been described above. With the ascension of Rockefeller, the Commission is now slated to go into what its members describe as its active phase. According to its published timetable, which has obviously taken into consideration the ability of its members to lay the seeds of various government crises, the time is right for the Commission to begin to flex its muscles.

IPS will make available this week a documented brief on the origins, personnel, and activities of the Murphy Commission.

MEXICAN POLICE KIDNAP COMMUNIST PARTY MEMBERS,
SEEKING GUATEMALAN EXILES

NEW YORK, Jan 3 (IPS)--International Press Service learned today that two members of the Mexican Communist Party, Eusebio Martinez and Hilario Moreno, were kidnapped on Dec. 30 by several armed men. They were taken to a secret prison where they are being tortured by one of the repressive arms of the Mexican government, probably the Federal Security Office.

The Mexican Communist Party (PCM) denounced the kidnappings in an urgent telegram dated Jan. 1, which was directed to the President of Mexico, Luis Echeverria. That telegram, published today by the Mexican daily Excelsior, affirms that the reason for the "arrest" given by the agents who kidnapped Martinez and Moreno was the agents' pursuit of Guatemalan political exiles. This, the telegram states, violates international agreements on political asylum and violates the constitutional rights of Mexican citizens.

Information was also given of the kidnapping of Mrs. Lilian Jimenez, born in El Salvador, who was taken on the same day along with two of her children to an unknown place and interrogated intensively. The interrogators, who threatened to beat her children, told her to confess to "having relations" with a Guatemalan who was totally unknown to her. She and her children were released two days later.

Mrs. Jimenez, in a letter which also appeared in Excelsior, related how the agents came to her house at 6:00 a.m. Holding pistols to the chests of her and her children, the agents took them away in different cars, after sacking the house and taking 25,000 pesos (given to her by the University for the recent death of her husband, the Guatemalan poet Raul Leyva).

These kidnappings are identical to the Federal Security Office's kidnapping of Carlos de Hoyos Perez, leader of the Latin American Labor Committees in Mexico, on Dec. 11, 1974. They are part of a broader campaign on the part of Echeverria's political police and army to repress any opposition to his fascist policies. Several days ago a peasant march was attacked, for example, as it went from the state of Veracruz to Mexico City. Various leaders of the Socialist Workers' Party (PST) were jailed and charged with gathering and carrying forbidden arms.

The recent kidnapping and repression are taking place at the same time as President Echeverria cynically declared in his year-end message to the armed forces: "It is worth more to be excessive in liberty than to sin by authoritarianism."

Echeverria is manipulating the right wing reactionary Monterrey businessmen's group, calling them "dark forces which are colluding with the foreign enemy, trying to create chaos through criminal rumors against the Mexican revolution and its institution." Echeverria thus portrays himself as impartial protector of the "national

sovereignty." His police state measure will continue until he is stripped nationally and internationally of his left cover. This left cover is vital for him to present himself as an anti-imperialist and Third World leader for the Rockefeller Cabal. Yet he is instituting bald police-state measures domestically while collaborating with Guatemalan fascists responsible for the recent assassination of a leader of the Guatemalan Communist Party.

The International Caucus of Labor Committees has launched an international campaign to show the working class of the world the real nature of "fascism with a democratic face" in Mexico. At this moment the campaign is focussed on rescuing the two members of the PCM from the hands of the police by making Echeverria responsible for the fate of comrades Martinez and Moreno. The ICLC has sent a telegram to this effect to the Mexican Communist Party, urging them to join the international campaign to expose Echeverria's fascism.

CIA ATTEMPTS TO UNDERMINE HARD-PRESS YUGOSLAVS

Jan. 3 (IPS)--Yugoslavia and its socialist leadership under Marshal Joseph Broz Tito are facing the worst economic squeeze in that country since the immediate post-war reconstruction period. Its hands tied by foreign debt obligations, the Yugoslav League of Communists (LCY) is constrained from expanding production and is struggling to keep the country from going bankrupt. These conditions are making more difficult the implementation of the LCY's Tenth Congress decisions, based on Marshal Tito's program of strengthening the working class' position through the conscious Marxist leadership of the LCY.

Yugoslavia, located at the head of the Balkan peninsula, plays a major role in NATO strategic thinking for control of Europe. Moreover, even a modicum of success for Tito's relatively advanced ideas could give a boost to the left faction in European Communist Parties. Motivated by these considerations, the CIA and other Rockefeller political agents are taking the opportunity presented by Yugoslavia's dire economic straits to undermine LCY rule through subversive activity and an anti-LCY campaign in the world press.

Trade Deficit

From 1971 to 1972, the Yugoslavs had begun to decrease their payments deficit through rising "invisible income" from tourism and gastarbeiter, Yugoslav workers living and employed in European capitalist countries. Simultaneously a program of planned reduction of imports contributed to building up the country's international currency reserves.

This precarious stabilization of Yugoslavia's foreign liquidity was shot to hell with the October 1973 oil hoax price rise,

the main factor in sending the deficit far above previous high levels. The effect of inflated prices on oil and other raw materials imports was compounded this past summer when Yugoslavia's customers for agricultural products in Western Europe closed their borders. The projected result for 1974 is a total \$4.2 billion in imports and \$2.2 billion in exports. The difference is partially offset by \$1.4 billion "invisible income." But invisible income has fallen since Western European workers can no longer afford vacations in Yugoslavia and Yugoslav gastarbeiter, particularly in West Germany, are being laid off. This \$600 million deficit for 1974 comes on top of the \$3.5 billion debt accumulated over the previous period.

Yugoslavia is currently paying over \$100 million per month to service this massive debt. The matured debt from the 1968-1972 period, much of it from West German credits for industry and infrastructure development deals of the type where repayment begins with a given project's completion, presents an enormous repayment demand for 1975 and subsequent years.

Austerity Program

This monster-debt has its claws on the entire Yugoslav planning perspective or the 1975 economy. The LCY Presidium program formulated in November 1974 linked "the restriction and reduction of consumption" to reducing the payments deficit. Many LCY leaders are stressing this austerity orientation, to "reduce home demand to realistic limits so enough goods will be left for export ...[while the] republics and provinces engage themselves in extending support to the export sector of the economy." (Federal Executive Council President D. Bijedic) In a last-ditch effort to pull the country up by its own bootstraps, the Presidium plan resolution calls for expanding production in sectors where the deficit is worst, and somehow reducing expenditures on raw materials imports.

The prospects for 1975, however, remain grim. Gastarbeiter have been pouring back into the country at the rate of 10,000 per month in 1974. Yugoslav industry has neither expanded nor advanced enough to employ the skilled returning gastarbeiter. Next year's harvest is presently off to a dismal start; flood disasters disrupted the planting of winter grain crops this fall. The world depression promises neither favorable markets for Yugoslav exports nor any letup in the price of absolutely necessary imports, starting with oil.

Political Tension

With no illusions, an LCY Executive member stated in November that "The country's...external liquidity is a basic question of not only economic, but also political importance." Gearing the economy to meet debt payments represents a tremendous strain on the starved provinces, a situation in which the latent nationalist

divisions in the Yugoslav population can flare up. Prior to the Tenth Congress, Tito waged a victorious two-year fight against nationalists and parochial technocrats in the LCY itself, but in Yugoslavia, where over five nationalities coexist, the nationalist disease is an abiding problem for communist organizing.

The CIA is aware of this weakness and prepared to exploit it fully. Just in the last half of 1974, members of the CIA-backed Ustashi organization of Croatian fascists infiltrated Yugoslavia from Austria to commit terrorist vandalism.

To complement such provocations, CIA international press outlets have whipped their anti-Yugoslav propagandists into an unprecedented frenzy. One newspaper after another has run features on "Yugoslavia after Tito," in which takeover by the Soviet Union figures prominently. The Financial Times and Corriere della Sera repeatedly display with gloating satisfaction Tito's difficulties in implementing the Tenth Congress program.

In the last month, the so-called "Humanist International," led by zero-growther Sicco Mansholt, has come into action against the LCY. The arrest of several self-proclaimed "Marxist humanists" at Belgrade University, including actual members of the bogus Humanist International, brought a letter to the New York Times from Trilateral Commission chief Zbigniew Brzezinski, whose professional reputation is based on his anti-communist works.

SHAH TO LOSE HOLDINGS IN EUROPE?

Jan. 3 (IPS)--Sources high in the Italian government today confirmed widespread rumors that Western European states are actively considering the nationalization of Iranian holdings in Western Europe.

Nationalization would completely pull the rug out from under the Shah of Iran, Rockefeller's major operative in the Mideast.

The sources emphasized that discussions on nationalization were occurring at the Common Market level. No "wildcats"--nationalization on a country-by-country basis--are expected, the sources said.

The immediate impetus for the discussions may have come from the Shah's recent moves toward taking over the European industrial sector, as well as the billions of dollars of oil ransom which Western Europe currently owes to the Shah and other Rockefeller sheikhs in the Mideast.

The Italian sources disclosed that Iran has already purchased the entire Shell gasoline distribution network in Italy. This

follows published reports in the French daily Le Monde and the Frankfurter Allgemeine Zeitung, a West German newspaper, that the Shah intends to buy 50 per cent of Giovanni Agnelli's Fiat. It is this news which originally triggered the nationalization rumors.

DANISH ELECTIONS PLANNED TO TRAP WORKERS
INTO "WAR MEASURES" GOVERNMENT

COPENHAGEN, Jan. 3 (IPS)--With unemployment levels soaring to more than 20 per cent of the Danish workforce this month, the Liberal minority government of Poul Hartling has set parliamentary elections for Jan. 9 in order to establish a new, ruling coalition with the Danish Social Democratic Party. Prime Minister Hartling intends to use the largest Danish working-class party, the Social Democrats, to form a coalition "war measures" government with the muscle to enforce austerity as Denmark's economy spirals downward into collapse.

Calling for a "Comprehensive Crisis Plan," Hartling proposes a 20 per cent reduction in real union wages by eliminating the automatic cost-of-living escalator in the current Labor Federation national wage agreement with the Employer Federation. Anker Jorgensen, the Social Democratic leader, already has publicly accepted this principle of wage reduction in his sham campaign, while quibbling about the extent the state should be allowed to intervene in labor/employer negotiations.

Fascism or Socialism?

Jorgensen's self-destructive campaign not only calls for drastic cuts in construction and public services, but is putting forward a program to "restructure" Danish society into decentralized "small societies" to "bring government closer to the people." This outright social-fascist scheme, pitting atomized social units against one another, expresses exactly the helplessness and dejection the Liberals are counting on to draw the Social Democrats into an austerity government that can implement co-participation policies and break the workforce completely.

Since the December 1973 elections, when the Liberals--with barely one-eighth of the seats in parliament--formed a government more or less by default, Prime Minister Hartling has manipulated the Danish working class into a mood of utter demoralization. In collaboration with his Economics Minister Nybo Anderson, a member of David Rockefeller's supranational Trilateral Commission, Hartling provoked strikes and wildcats over the summer and then slapped fines and penalties on the militants to show them that no tactic could bring any positive change.

Now, the only possibility for breaking through this demoralization and the certain destruction of living standards that will follow the elections is the organizing around the Unity for Socialism faction spearheaded by the European Labor Committees. Already, a small but significant layer of secondary leadership in the Social Democratic and Communist Parties and the trade unions is seriously studying the Unity for Socialism program.

Looting Workers to Pay Debt

Over the past year, the Danish economy was turned into a looting apparatus to repay the gigantic debt to the multinational banks. Credit was virtually shut off to domestic consumer sectors, housing construction, municipal services, and other consumer-oriented production and shifted to maintain export production, in Banana Republic fashion. Since Denmark is dependent on Mideast imports for more than 90 per cent of its oil and petroleum-related products, such as fertilizer, Rockefeller's Oil Hoax and its 400 per cent rise in the cost of oil forced a seven billion Danish kroner deficit in the balance of payments. Meanwhile, consumer inflation skyrocketed to 18 per cent annually, and unemployment jumped from 2 per cent last November to its present 20 per cent.

The demoralized Social Democratic Party, which lost a significant number of voters last December, sat on the fence through the last election with no programmatic alternative to the collapsing economy. The center faction split from the party, while a populist-anarchist tax lawyer, Mogens Glistrup, captured a large number of voters on a meaningless "no tax" program. In this political vacuum and deathly afraid of the galloping unemployment, the Social Democrats clutched onto local control like a hot water bottle, while the trade-union hack leadership eagerly advocated co-determination because it seemed to give them a following.

ROCKEFELLER AGENT REUSS CHALLENGES REP. PATMAN

WASHINGTON, D.C., Jan. 3 (IPS)--With Congressman Wilbur Mills out of the way, the Rockefeller interests are moving against another old-line committee chairman widely-known as an opponent of major financial interests. It has been announced that Rep. Wright Patman (D.-Tex.) will have his chairmanship of the House Banking and Currency Committee challenged by none other than Henry Reuss (D.-Wisc.), one of the Rockefellers' key Congressional cadre and a member of David Rockefeller's Council on Foreign Relations. If the Rockefellers succeed in this effort to dump Patman, then his Banking Committee--long a muckraking watch-dog over the banks--will become under Reuss a rubber-stamp for the dictates of Chase Manhattan.

In hearings before the Joint Economic Committee in December, Reuss was the major supporter of the Kissinger-Simon \$25 billion

recycling facility, with the stipulation that the facility should not be established until strict measures against the working class were enacted in the industrial nations.

Accordingly, Reuss has co-sponsored the Full Employment Act, which legislates the relocation of workers to Rockefeller-financed slave-labor projects. This act, which is the organizing focus of every major social fascist in the United States, would set up an integrated slave-labor apparatus, involving corporativist community job boards under tight national control of the U.S. Employment Service.

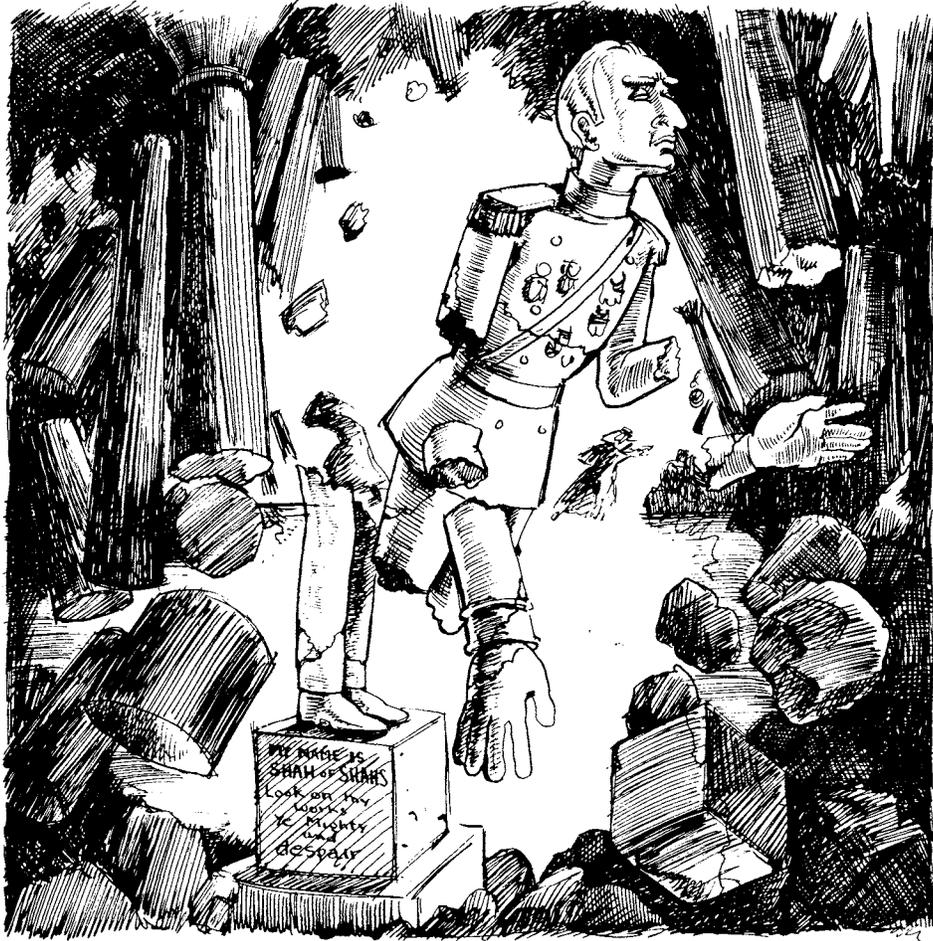
Reuss' other important quality to the Rockefellers is his "flexibility." While Patman, whose past populist style has been considerably tamed, may not actually prove to be much of an obstacle to the Rockefellers' financial proposals, the extreme delicacy of the Rockefellers' political and financial situation demands a committee chairman more able to shift with the changing requirements of the Rockefellers' conspiratorial plans.



CIA INVESTIGATION

Wasserman

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Persian Rug Slipping Out From Under the Shah