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POLITICAL ECONOMY

Third World Debt Crushes World Trade

by Dave Goldman

NEW YORK, May 21 (IPS) — Without an immediate moratorium on servicing of the underdeveloped world's \$140 billion debt, and the creation of new financial arrangements such as the proposed International Development Bank (IDB), international trade will grind to a virtual standstill within weeks.

Like epidemic disease, the breakdown of world trade has started with the raw-materials producers of the Third World, and spread outwards to the underdeveloped sector. During the past year, the export prices of commodities shipped by this sector have collapsed by about half, destroying these countries' ability to import essential items and pay debt service. Depression production levels within the advanced sector have forced a general liquidation of corporations' raw materials stockpiles. This has overwhelmed new demand for industrial raw materials. Copper prices fell from \$1.30 a pound in mid-1973 to 55 cents a pound this week; tin from \$4.20 to \$3.20; cocoa from \$1.20 to less than 70 cents; cotton from 60 cents to 35 cents.

In turn, international banks and collaborating Third World governments have taken emergency triage measures to shut out "unnecessary" imports, producing chaos at the trading level. Turkish grain-importing companies, operating under government license, last week could not produce the cash needed to take delivery of 17 million bushels of wheat. A Brazilian manufacturer recently reneged on a contract to import copper from one of the world's largest metal trading houses, because the debt-strapped Brazilian government refused to grant a license for costly imports. South Korea, the Philippines and Taiwan are unable to pay for cotton contracted for shipment last year, and the cotton lobby in the United States is desperately trying to arrange government credits to finance the purchases.

The proliferation of these incidents has put the entire

structure of international trade at risk. "This is the nightmare we live with every day," a trader for the affected copper firm said. "We're big enough to take the loss. But no one knows who to trust anymore."

Trade Mechanisms Shot

The entire network of trading connections is now based on tens of thousands of individual deals conducted through commodity exchanges, such as the Chicago Mercantile Exchange, the largest agricultural handler, and the London Metal Exchange, which sets world prices for most industrial metals. Apart from planned trade between members of the Soviet-led Council for Mutual Economic Assistance, and a limited volume of bilateral deals between nations, all trade depends on the following process:

An importing firm obtains credit to purchase goods from abroad through a bank in his country, which guarantees payment to the exporter. A contract is arranged, after which a discountable bill of exchange (an agreement to pay at a future date which may be sold for ready cash) is presented to the exporter by the importer. In the case of most commodities, such contracts are themselves bought and sold on an open market.

This entire process has broken down, and a glance at the financial position of the countries where the break has come first shows why:

•Brazil has almost \$20 billion in outstanding debt. Cut-off of its export markets in the advanced industrial sector has lowered its exports to a level almost \$4 billion a year less than its imports. Emergency trade restrictions — of the type that forced the copper cancellation noted above — have "reduced" Brazil's external borrowing needs to an estimated \$4 billion this year, from \$6.9 billion last year.

•South Korea, which cancelled cotton imports, staved off national bankruptcy earlier this year with a \$200 million emergency loan from its creditor, First National City

Bank. During the first quarter, its exports amounted to half its imports. Western banks will no longer trust South Korean financial institutions for the value of an import contract, forcing a shutdown of its trade.

•Taiwan's credit standing has collapsed; during the first quarter of this year, its balance of trade deficit ran at an annual rate of \$1.6 billion.

IGLC Study Documents Whole Sector

According to a soon-to-be-published study by the International Caucus of Labor Committees, this picture applies to the entire range of underdeveloped countries. International banks are refusing to provide import credits — or even accept the credit guarantee of banks in third world countries. The desperation of the situation is indicated by the fact that even Algeria, with about \$7 billion annually in oil revenues, is behind in payments to French firms for its industrial imports.

During 1972 and 1973, speculation in commodities drove prices to their record mid-1973 levels. On this basis, raw materials producers contracted upwards of \$40 billion of new debt obligations from the private, mainly Eurodollar, banking sector. With the bursting of the commodity bubble last summer — the start of the industrial downturn in the advanced sector — most of the Third World went into the first stages of bankruptcy.

During the past few weeks, the breakdown of commodity prices has pushed trading companies, primarily from the sectors most

affected by the price drop, to throw away international trading contracts, pushing the commodity markets still deeper into disarray.

Rockefeller policy towards the commodity producers involves a large-scale replay of the triage of New York City. At the annual meeting of the Inter-American Development Bank this week, U.S. Treasury Secretary William Simon informed the assembled Latin American finance

ministers that the United States would provide funds for the Bank this year on condition that no new loans go to Mexico, Argentina, Brazil or Peru. These countries have the largest outstanding debt needs. To get through 1975 without these loans, and turned away by private bankers, these countries will be forced to impose a level of import-austerity sufficient to wipe out large portions of their population. At present, 30 million Mexicans now exist at the brink of starvation. A cutoff of funds will destroy 30 million Mexican lives.

As in the case of New York City, the objective from Wall Street and Washington is not to avoid Third World bankruptcies — this is impossible — but to force these countries through the sort of "orderly" bankruptcy

proceedings which European Jews were subjected to during the 1940s. Secretary of State Kissinger announced that the United States would engage in "case-by-case" negotiations with groups of commodity producers to prevent individual situations from getting out of hand.

In tandem, the International Monetary Fund (IMF) and World Bank are attempting to moderate the explosion. Last week the World Bank lent \$6 million to Bolivia to finance its contribution to a tin stockpile scheme designed to give the commodity a "floor price." The IMF lent \$58 million to Zaire, central Africa's near-bankrupt copper producer, to satisfy the country's creditors.

But the actual effect of the Kissinger-World Bank austerity demands will be to detonate the

world trade structure in general, an explosion which is already underway. Immediately, the effect of this explosion will be to shut down essential imports of food and other vital shipments to moneyless underdeveloped countries, putting hundreds of millions of lives in jeopardy — apart from wrecking the trade and industry of the advanced sector.

Apart from mere sane economics, the interest of the human race demands the scrapping of the teetering dollar monetary system, and immediate public discussions between advanced sector governments and industrial firms with leading Third World countries such as Algeria, Iraq, and India, toward the formation of an International Development Bank.

Arabs Abandon the Dollar; Must Go For The International Development Bank

by Dave Goldman

NEW YORK, May 24 (IPS)—Starting last Thursday, the U.S. dollar entered a further phase of collapse as Arab depositors began pulling out of the sinking currency en masse. Within a few trading hours of the Arab abandonment, the dollar plunged nearly 1 per cent against some of the major Western European currencies in the international foreign exchange markets. The plunge occurred despite the unprecedentedly large intervention on its behalf by a number of central banks.

Moments after the news of the dumping reached central banking authorities, the French central bank and the U.S. Federal Reserve rushed in to purchase \$100 million and \$40 million respectively to slow the collapse. Ironically, even the West German central bank, despite West German Finance Minister Apel's official declaration of opposition to the continued support of the dollar earlier this week, was forced to purchase an undisclosed amount of dollars in order to try to protect West Germany's export competitiveness.

Monetary Blackmail

Both Western European financiers and Arab sheikhs are trapped in the same self-aggravating cycle of capitalist collapse. Although triggered by this week's OECD report, which completely destroyed the carefully nurtured Rockefeller public relations campaign of the past few months heralding an economic recovery in the U.S. and Western Europe later this year, the Arab pullout from dollar deposits was fundamentally motivated by the threatened bankruptcy of the dollar sector as a whole. As world industrial output is currently declining at an annual rate of 40 per cent, commodity prices have plunged to half last year's levels, and the breakdown of international trade is well underway, their fear is utterly comprehensible.

Yet Arab abandonment of the dollar can only accelerate the process of collapse which caused the pullout in the first place.

World trade absolutely requires relative stability of dollar-valuations against other currencies at least over a period of months. Otherwise, import-export contracts usually concluded on the basis of delivery in 60 to 90 days, may be completely wrecked by currency fluctuations which completely alter the terms of the deals; chaos on the foreign exchange markets could bring production to a virtual standstill in the advanced sector almost overnight.

As it is, European central banks are forced to come to the aid to the sinking dollar to maintain their dollar reserves and competitive trade position.

The irony of the situation was best expressed by Paul Fabra's front-page article in today's Paris daily, *Le Monde*. Fabra points out that while the dollar crisis is sinking the world "into a depression whose end one does not see," debt-strapped major Western European central banks have been forced to spend upward of \$5 billion this year alone in dollar-support operations.

It is precisely this helplessness of the European and Arab depositors alike—either they support the dollar and its buffer reserve currency, the pound sterling, or sink with them—that sent them scurrying to the aid of the bankrupt pound sterling recently when Charles Coombs of the New York Federal Reserve Bank and other Rockefeller spokesmen arrogantly threatened to "let the pound seek its own level."

Thus the round of the dollar dumping on which the Arabs have embarked will spell catastrophe for the world economy. Unless appropriate measures are taken immediately to dump the present international monetary system, declaring debt moratoria on major categories of dollar debt and replacing the current mess with a Soviet transferable ruble-based currency system centered on the creation of an International Development Bank, international trade will grind to a standstill in a matter of weeks.

Even Rockefeller's own advisers can't help reflecting on the fundamental sanity of the viewpoints behind the IDB proposal. According to a spokesman of the oil consulting firm of Walter J. Levy, "If the Arabs could only stretch their imagination, they could use their wealth to either buy western technology directly for their own development or lend it to the Russians to buy western technology."

Dollar Bind

As for the Western Europeans, the best efforts of Rockefeller's factional opponents in the bourgeoisie—the schlotbarone allied Stoltenberg faction in West Germany, the Fanfani Banca Commerciale Italiana faction in Italy, the industrialists and bankers following the lead of the Caullists in France, and certain Swedish industrialists—were directed at pressuring their Rockefeller-controlled governments into a flat rejection of a French proposal to institutionalize a Europeanwide support of the sinking dollar by establishing a fixed parity with the European currency float. The worth by itself of the healthy resistance was starkly revealed when the French and West Germans had to support the dollar on the currency markets. Meanwhile, the viability of East-West trade was sharply underlined when it was reported that West German exports to the U.S. fell by 50 per cent for the month of March—while their exports to the Soviet Union increased at the same rate!

The Rockefeller forces are simply shoring up the liquidity of their banks in preparation for the coming defaults and searching for the opportunity to push the button. What else can they do?

As the market price of copper, tin, lead, wheat, sugar, soybeans, and other assorted commodities plunge precipitously, thereby threatening to unleash a wave of Third World defaults on the \$20 billion due in debt service payments from that sector this year, municipalities like New York City and entire nations from Britain to Italy are on the verge of

bankruptcy. To this, combined with 48 per cent of all corporate income by June 30 due for debt service, Manufacturers Hanover Trust chief economist Tilford Gaines could only "The best thing is to do nothing." Actually, the Rockefeller-connected banks are desperately shoring up their liquidity with the help of the Federal Reserve in anticipation of what is to come. But despite the massive liquidation of commercial and industrial loans as well as tax-exempt securities (municipal bonds) over the past few months by the U.S. banking system, the magnitude of losses it faces from defaults by municipalities, REIT (Real Estate Investment Trusts), Third World countries and corporations, is driving investors away from bank certificates of deposits in favor of equally doubtful corporate commercial paper, according to the head of the commercial paper department at the New York brokerage house of Goldman, Sachs.

Even more precarious is the Eurocurrency banking network—the *raison d'être* of which is to supply the dollars (and, to a lesser extent, pound sterling) for international trade in the dollar sector. With trade badly hit, the recent bankruptcies of major importing companies in Italy and elsewhere, a capital-to-asset ratio of 50 to 1, and the very real prospect of a huge mass of uncollectable funds from the Third World countries it lent subsequent to the Great Oil Hoax, the \$360 billion Eurocurrency market is a powder-keg that can go up in smoke anytime.

In short, trade and investment conducted in dollars, along with the associated speculation in commodities and currencies, that has until now held the dollar relatively stable despite the mushrooming of the number of dollars in circulation, have now turned around and are signalling its very downfall. Without the IDB, there is no alternative.

'Neue Ostpolitik' in Europe

NEW YORK, May 26 — In a development which creates the basis for finishing off Rockefeller in Western Europe within weeks, a significant faction of the French Communist Party (PCF), the leading Communist Party in Western Europe, has espoused expanded East-West trade and Third World development platforms, with first priority to meeting world food needs, patterned after the programs of socialist Iraq. The PCF faction is putting this forward as the necessary international programmatic alternative to the Party's present Program Commun. These PCF programmatic statements, made May 24 in an address by Central Committee member and Party economist Jean Fabre to 1300 leading Party cadres at the PCF cadre school in Nanterre, constitute de facto acceptance of the call for an International Development Bank initiated by the European Labor Committees at the April 24 Bonn press conference given by U.S. Labor Party Presidential candidate Lyndon H. LaRouche, Jr.

The next, vital step must be official PCF endorsement of the IDB alternative. This will serve as the working-class pressure needed to push to successful conclusion the methodical efforts of the anti-Rockefeller bourgeois forces, centered around the Gaullists in France and Gerhard Stoltenberg's CDU faction in West Germany, to rid Europe of Rockefeller. The power of a working-class organization around a PCF official endorsement of the IDB will enable the anti-Rockefeller bourgeois faction to conduct fruitful diplomatic-political talks with the Soviet Bloc and Third World governments.

The endorsement by a sizable section of the PCF of the major aspects of the IDB call is exemplary of the expanding process whereby the concepts embodied in ICLC strategic perspectives and programmatic initiatives are assimilated by

strategically key massed-based working-class forces. This process effects rapid transformations in favor of the world's working class in the global correlation of forces. It is precisely in the immediate potential for just such a rapid transformation in Europe that the significance of Fabre's speech is located.

Fabre's speech stressed, in the context of "exchanges which mean real mutual advantages" between Western Europe, the Soviet Bloc and the Third World, "a new superior technology, new employment and utilization of national resources for mutual advantage." Fabre concluded with a flat statement that only a unified fight of the world working class can achieve such programmatic goals. The immediate potential now exists for an IDB development perspective to become official PCF policy — the crucial precondition for Third World governmental endorsements of the IDB alternative to the bankrupt IMF-World Bank.

PCF official adoption would also transform the present unfocused character of the massive yet semi-amorphous European bourgeois factional opposition to Rockefeller into a necessary synchronized component in the drive for a "new Ostpolitik." European bourgeois politicians, industrialists, and military figures, are fighting for economic and physical survival against the collapse of the dollar-based world monetary system and the Schlesinger Doctrine, which if implemented will turn Europe into a nuclear rubble heap. These bourgeois elements continue to mount increasingly successful "spoiling attacks" which are considerably delaying and sabotaging Rockefeller. But the French Gaullists and West German and Italian Christian Democrats centered around Stoltenberg and Amintore Fanfani, respectively, have not had the political clout on their own to kick Rockefeller out of Europe.

IDB: Key to Neue Ostpolitik

Bourgeois opposition to the Schlesinger Doctrine is swelling, particularly in France, where most of the Gaullist Party (UDR) has joined forces in Parliament with the PCF in a debate on the defense question and in West Germany around Stoltenberg's CDU faction, which is groping in a pro-IDB direction. The ELC's thorough penetration of the ranks of leading Gaullists with material on Rockefeller-Schlesinger plans to obliterate Europe was decisive in the coalescing of the PCF-Gaullist bloc in Parliament, which publicly demanded that French President Giscard d'Estaing execute an immediate 180 degree turn from support of Schlesinger. The PCF-Gaullist bloc was able to force Giscard to back down, publicly, from his prior commitment on a secret agreement involving the stationing of French nuclear weapons on West German soil and Franco-German sharing of nuclear weapons. Thus, the blatant moves by Giscard and West Germany's radioactive Grand Coalition duo, Bavarian NATO-Maoist Franz-Josef Strauss and RAND-Social Democratic Chancellor Helmut Schmidt, to provoke immediate nuclear war through arming West Germany with nuclear weapons, are stalled, for the time being.

The short breathing space offered by the PCF-Gaullist rearguard action in France has allowed factional opposition to consolidate in West Germany and Italy with the beginning of international cross-organizing between the various anti-Rockefeller groupings. The shaping of such international factional opposition through those factions' increasing assimilation of the ICLC-initiated IDB concept is pronounced. For example:

* A leading spokesman from the West German war production firm Krauss-Maffei last week addressed a gathering of top-flight industrialists from the CDU Economics Council with a plea in

support of Iraqi development proposals.

* The CDU, through CDU member of Parliament Todenhoefer, today delivered a full-scale blast at the Schmidt government's refusal to commit funds or resources to development, and — in a major tactical initiative — Todenhoefer demanded a full discussion in the Federal Parliament within 30 days on the question of development.

* The series of open statements from Italian Conservative opposition to Rockefeller, centered around the Fanfani wing of the Christian Democracy and the Cefis-Montedison industrialist group, in favor of expanded East-West trade. The assimilation of the ELC analysis of the Italian factional situation has been joined by a spokesman for the Fanfani group who blasted Europe's Maoists as criminals

trying to sabotage East-West relations.

Tentative moves are being taken to consolidate an all-European factional opposition, whose core of necessity would have to be a Franco-German bloc — a fact distinctly recognized by the enemy as well.

The potential programmatic bloc on the working-class side, between combined PCF, ELC, West German Communist Party and pro-IDB Social Democrats in France and West Germany and, on the bourgeois side, a Gaullist-CDU anti-Rockefeller consolidation around a new Ostpolitik, would guarantee Rockefeller's elimination from Europe within weeks at most.

It is also of urgent tactical importance that the French Gaullists spearhead a pro-IDB sane capitalist faction. Unless the West German CDU has the framework of a Franco-German alliance within which to pose a

development-Neue Ostpolitik movement, the CDU is seriously hamstrung in launching any such initiative publicly on its own. It was expressly for that reason that Stoltenberg visited Paris last week to consult with Gaullists, including left-Gaullists with extensive ties to the PCF. The Stoltenberg visit is now being counterorganized by a Rockefeller-ordered Bonn-Paris shuttle of the agents that nominally occupy most of the key posts in the CDU — led by CIA agent Karl Carstens, who will lead a delegation to Paris on Wednesday.

Rockefeller will throw whatever he has left into the breach to keep Western Europe. His weakness precludes that such counterorganizing by itself will save his position. He has only one significant weapon: the danger that his strategically-placed opponents will succumb to inertia.

Schlesinger Document Confirms: Nuclear Strike Plan Operational

May 25 (IPS) — While U.S. Defense Secretary Schlesinger used this week's NATO meeting in Brussels to literally buy off growing European opposition to Rockefeller's "limited nuclear war" confrontation with the Soviet Union, a document has been given to IPS by sources in Washington which confirms that the mechanism for such a unilateral U.S. first strike is fully operational within NATO.

The document, an unclassified statement by Schlesinger entitled "The Theatre Nuclear Force Posture in Europe," exposes the RAND-Rockefeller insanity in detail. Correctly noting that the Warsaw Pact is still fully committed to and trained in full nuclear retaliation in the event of nuclear attack by anyone on Pact territory, the document goes on to claim — in spite of evidence to the contrary — that the Soviets would back down from such a strike and that it is therefore "impossible to rule out NATO first use of theatre (tactical) nuclear forces."

Transcontinental Brainwashing

Press reports from Brussels indicate that the NATO Military Committee meeting this week was nothing more than a brainwashing session to enforce acceptance of the most-manifestly insane elements of the Schlesinger document. Armed with fraudulent RAND Corporation studies, Schlesinger — backed by the British and Dutch Defense Ministers — attempted to convince the rest of NATO's European contingent that the Alliance enjoyed "a slight advantage" over the Warsaw Pact in conventional forces. The reaction to this by IPS Weekly 5/27/75

Europe's anti-Rockefeller military officers — all of whom know that the Pact effectively outnumbers NATO five to one — has not yet been reported.

Also, the fictional question of the Warsaw Pact's new "offensiveness" — one of the rationales of the Schlesinger document — was discussed at length.

Most importantly, all debate on the insane strategy was couched in terms of increased conventional arms production — an attempt to buy off the growing resistance to Rocky's military and economic suicide by European industrialists with the promise of vast new arms contracts. Schlesinger demanded that NATO military budgets would have to be maintained even at the expense of social services, and was backed in this by the West German and Belgian Ministers before he led a goulsh discussion on all the new — completely useless — weapons systems that the Alliance would need. Discussion of standardization of NATO weapons was coupled with how this huge boondoggle could be split up among European sub-contractors.

A coordinated action to squelch or brainwash opposition was also carried out in the U.S. Although the report has allegedly been made available to five Congressional Committees, known foes of Schlesinger — most of them extensively briefed by the ICLC — have been kept in the dark. House Armed Services Committee member Ron Dellums told IPS this week that he had never seen the document; so did Senator Joseph Biden of the Foreign Relations Committee.

Other potential opposition was hustled out of the country on Defense and State Department-sponsored junkets to NATO bases and the Mutual Balanced Force Reduction Talks in Vienna. There, such Rockefeller opponents as James Leggett (D, Cal) will be purposely terrified by tales of imminent Soviet invasion. A Defense Department spokesman was forced to admit to IPS this week that "Trips like this aren't usual."

Although the publication of the document at this time is an attempt by Rockefeller to present the world's parliaments with a thermonuclear fair accompli, it effectively aids only the Great Debate on Rocky's policy now being opened by the ICLC and Communist Parties internationally. All of the last several weeks' propaganda by the ICLC on the Rockefeller push for such a doctrine is now corroborated in depth. More importantly, every parliamentarian and military official within and without NATO now has a signed confession by Rockefeller and his RAND henchmen that they are irretrievably insane — that they believe their own myths of a Soviet backdown and have already set into motion the mechanism that would bring this psychotic fantasy to its thermonuclear conclusion.

In addition to the above-cited, hysterical assertions of a change in Soviet policy and the possibility that NATO would last more than 24 hours under a general Warsaw Pact assault, the document confirms that the "communications for command and control of nuclear forces" is key to the mechanism to launch a nuclear strike. The document does not mention that such "command and control" — the means by

which Rockefeller, using a puppet like NATO Supreme Commander Alexander Haig, could unilaterally order such a strike — has been in effect for 18 months since the creation of a new tactical air command structure directly under Haig.

This is all completely known to every rational military officer in the United States and Europe. This faction of the military — which had already leaked and confirmed a version of the document to IPS several

weeks ago — can now only become enlarged and emboldened by Rocky's dash for suicide.

The same is true for the industrialists that Schlesinger has so assiduously attempted to buy off: they came to their original position of opposition to Rockefeller around the realization that his policies meant their destruction. The bribery is already offset by the necessitated public corroboration by Rocky of all that the ICLC has said.

These two elements combine with the now-massive working-class pressure to stop Rocky cold, and have begun to effect the parliamentarians who are now seeing the Great Debate on its appropriate life-and-death terms. One of the first to break has been Congressman Dellums, who declared to IPS on Thursday, "I've always thought of myself as a humble man. I never thought of myself as an internationalist; but I have to do whatever is necessary to save people from being blown up."

SPECIAL REPORT

NCLC Conference Plans Rockefeller's Defeat

The following are excerpts from USLP Presidential candidate Lyndon LaRouche's speech before the NCLC Conference May 24:

Rockefeller's power represents control of a policing apparatus from the top, a vast concentration of financial and police powers based to a large degree upon a supine, compliant, obscenely prostrate bunch of Congressmen and political machines in this country. But the very fact that Rockefeller maintains this type of control only by the most manifest use of hideous repressive power means that — like the French regime of 1789 and regimes of similar fates — all it's going to take is one good push and the whole blasted thing is going to fall. Come August, provided we exercise our capability as a catalytic force in utilizing the 95 per cent chance that we can save the human race from nuclear war, then one strong push can make Rockefeller fall.

It's not a certainty we can save the human race. We could lose. There could be nobody in the Northern Hemisphere to speak of come June 30. That is a reality. There's a possibility that could happen, because the people in power, including Rockefeller, are absolutely insane. There is no rationality in Rockefeller circles. Anybody kooky enough to advertise that he spent \$35,000 for a mink-covered bed with tinted mirrors at the age of 67 has got to be a raving idiot. Rockefeller is drunk and insane.

The reason for this is not what he finds in the bottom of the bottle. The real reason is what he finds in the bottom of Chase Manhattan Bank: A pile of paper which has the highest illiquidity in the history of capitalism, at least since Phillip II of Spain. He perceives that his species, the Rockefeller financier species, is about to go the way of the last Mesozoic dinosaur; with the mice eating his eggs in the bottom of Chase Manhattan.

The son-of-a-bitch regards any alternative as superior to simply letting his lawful extinction occur. The argument that nuclear war capabilities are a deterrent, the rational consideration of capitalists which will prevent them from going to war, does not apply to Rockefeller at this point. Because what will happen — unless Rockefeller could succeed in bullying the Soviet Union into a backdown, which he cannot do — is that there'll be a thermonuclear war, unless we stop it. This creature, this Mesozoic obscenity called Rockefeller, is confronted with the imminent extinction of his species, and any desperate course of action is therefore

acceptable to him. The son-of-a-bitch will punch the button at the first opportunity.

As I mentioned at the Boston City Council, the problem we face in organizing in the streets is that, since 1952-1953, when the Soviets were the first to develop an operational thermonuclear bomb, the world has lived under the background threat of Mutually Assured Thermonuclear Destruction. In the course of this process, among the populations of Western Europe, the United States and so forth there has developed a reaction formation. This compensatory consoling hysteria says that no matter what proof there is that these guys are about to make a thermonuclear war, "What I learned at my mother's knee tells me it could never happen. Something will go wrong with the circuits...God will intervene!" This reaction formation says that this ultimate power of making thermonuclear war is against our paranoid laws of the universe, and therefore it could never happen.

Now, given that we get by June 30 with the human race still around, the effect at about that time, is that Rockefeller will be finished. His machine will totally collapse at the first push. Because what's he got? He has no mass-based fascist movements outside of the Social Democracy, and Common Cause, and a few rigged Maoist riffs and raffs. So this machine has got to collapse, without thermonuclear confrontation as a means of enforcing fascism by terror from the top.

Without the means to enforce fascist austerity upon Western Europe, Japan, and the United States by thermonuclear confrontation, Rockefeller is confronted with the horns of a dilemma. The ratio of debt rollover and debt service required to current income is so vast that simply printing enough money to roll over the debt, or even the major portion of the debt, and debt service, would generate a Weimar-style hyperinflationary explosion.

Several years of Weimar would be condensed into a couple of months. That's total chaos. Paper declares itself worthless. You don't even have to bankrupt it. Under those conditions nobody thinks of debt moratoria anymore, because the debts are simply ridiculous. Only a madman would try to pay a debt.

Under depression, the short horn of the dilemma, they don't print enough paper to cover the debt because of the danger of hyperinflation, and then in a couple of weeks or a few days the whole thing collapses. In this case the paper has some nominal value and you have to declare a debt moratorium. Rockefeller's so-called

military solution to the value of the dollar, as it's being called around Wall Street and other circles these days, is out. You say to Rockefeller: "Look you son-of-a-bitch, it's you or us. There's only one thing we can do. We've got to have a debt moratorium on major categories of international debt and we've got to go to the people who know how to make it work."

That's exactly what is understood among a core of the capitalist forces who are presently mobilizing in resistance to Rockefeller, notably in Europe. They understand that the Rockefeller machine is weak precisely to the extent that it seems strong. A regime which depends upon 1789 Louis XVI methods is headed for the guillotine. These European capitalists are not moving in a desperate fashion. They're moving in a methodical fashion, like a steamroller which expects to get a few more pieces of equipment and win, because they know that Rockefeller is defeatable in the immediate future. Furthermore, they are doing things which signal publicly their open recognition of our expert authority on questions of military and economic strategy. They know that beating Rockefeller confronts us with the horns of this dilemma: hyper-inflationary collapse a few weeks ahead or deflationary collapse immediately.

In Germany they went through this three times already. In 1923, they wiped out credit, they wiped out debt. In 1933 they went through the situation, but they didn't actually wipe out debt. They tried to prop up German financier credit, and that's why the Nazi regime developed the way it did. World War II, and fascism, and holocaust, developed from that attempt to pay debt. The Germans went through it again in 1945-47. So the German industrialist has gone three times through the collapse of financial structures, and he's sort of used to it. He says, "Well, okay, it's not the worst thing in the world; we've survived it." This is a case of German "Smokestack Baron" survival. That same kind of thinking affects the Gaullists. A similar kind of thinking is present among the Italians. The British regret that they were not permitted to participate in the general collapse of credit at the end of World War II — they'd be much better off today. Therefore a small faction in Britain is eager to go through the process to see how it feels. That's the reality.

The fact that we know how to put the world together in such a way that the capacity of existing industry can not only be geared up to full levels of production,

but must be expanded, means to these people, as it will mean to workers, that we can put the thing together. The fact that we have arrived at a correct analysis of this process over a period of over a decade, that we have a unique standing in understanding this crisis, understanding capitalist economy and how to deal with the problems presented by the collapse of military and economic strategy. They know that beating Rockefeller confronts us capitalist economy, is also a consideration for these circles.

Now what does this do? This does not put us on the verge of having the bourgeoisie come up to us sometime in July — say July 4 — and say, "We give up. We just burned Rockefeller. It was an accident, we were burning up the beetle collection and he got involved.... We're gonna give you socialism. We give up. Take it!" The bourgeoisie isn't going to do that. That's not the way Krupp thinks. They're going to say, "What can we get by with? What can we hornswoggle you into?" So the immediate prospects, say in July-August, are that a significant proportion of the major capitalist forces (the rational type which does not identify itself as being of the Rockefeller species) will turn to us in the same way a defeated corporate leadership turns to a trade union leadership. They're gonna say, "Look, we want to get the plants open again. What do we have to come down to to get these plants open?" So our position, in Western Europe and the United States, will be the political equivalent of that kind of trade union leadership — in which we are negotiating with the bankrupt capitalists on reopening the plants; in which we represent the objective and subjective interests of the world's working class. The significant thing about those negotiations, when the ruling class or the surviving faction of the ruling class of Western Europe, Japan, and North America sits down to negotiate with the Labor Party, will be the absolute principled uncompromisable interests of the working class in the advanced sector and our allies throughout the Third World.

Now, at the point that we settle this temporary arrangement with the remaining capitalists, that will pose the question of the debt. At the point we settle the International Development Bank — in which, because the working class isn't prepared yet to establish a workers' government, we negotiate the terms of the continued existence of the working class under a bankrupt capitalism undergoing financial reorganization — then that will pose to the entire world population the

immediate question of whether we're going to pay back those blasted debts.

The capitalists will act the way Krupp acted with the institution of the Weimar Republic. They will begin preparing to cut our throats. We will proceed to prepare to repudiate the debts. And to establish once and for all a workers' government.

We are caught at a strategic point in the evolution of history in which we have a unique position in the course of determining human history as a whole. Without us at this point as a keystone catalytic factor, there would be no reasonable assurance of the continued existence of the human race. This is not simply our potentiality; we have already exercised a significant part of that role. If the human race and civilization exist today, this is in significant part a result of our keystone catalytic role in affecting decisions and deployment of forces respecting the corridors of power throughout the world. We're caught in a point in history where the human race cannot survive without our intervention. Only we represent the working class with a perception of its objective interests, and only we have the combined competence of that representa-

tion of workers with which we can intervene to save the world from disaster.

Unfortunately, the requirement of action occurs at a point when we don't yet have the resources to establish workers' government. It would be much simpler to establish workers' government and get this thing over with; not having to go through another year or two of playing around with these capitalists. But we do not have those resources. We do not yet have the mass organized commitment of workers to the establishment of a workers' government in the United States. But we cannot wait to act, or there'll be nothing to act on.

Therefore we have to intervene in the situation, making compromises with the capitalists analogous to those made in the economic struggles by trade unionists. We have to negotiate absolutely principled demands of the working class as the preconditions for the temporary existence of that system, under financial reorganization.

However, it is obvious that, with us acting as a catalytic force to save the human race, **there isn't much doubt of the outcome of the forthcoming elections!** Thank you.

Introduction

A special investigation carried out under the direction of this office into the circumstances of the alleged seizure of the U.S. ship SS Mayaguez by the Cambodian Navy, and the subsequent actions of the Ford-Rockefeller Administration, have produced conclusive evidence of a planned and calculated provocation of the incident by the U.S. Administration designed to result in a test-run of military confrontation in "crisis" situations. The objective of the Administration's provocative actions was to ensure "blank-check" acquiescence of the U.S. Congress to such U.S. actions in far more serious direct confrontations planned against the Soviet Union. The completion of this test-run, and the capitulation of the Congress to the war hysteria created by the Administration, has increased the immediate danger of planned nuclear confrontation with the USSR, most likely in Europe and/or the Middle East, within the next days or weeks.

For the past few months, the U.S. Labor Party has warned of the existence of operational plans, implemented under the direction of Vice-President Nelson Rockefeller and his immediate associates in the Administration, Secretary of State Henry Kissinger and Secretary of Defense James R. Schlesinger, to seize the first opportunity to stage a "Cuban-missile crisis"-type confrontation with the Soviet Union. The operational doctrine of Schlesinger for such crises is the doctrine of "limited nuclear warfare" (also known as "flexible response" or "tactical nuclear warfare"), which envisions a staged nuclear provocation involving a "limited exchange" of nuclear strikes. The Rockefeller cabal is firmly committed to the psychotic belief that the Soviet Union will back down in the face of such provocation; such a hypothetical capitulation would result in a major strategic defeat for the socialist countries and would enable the U.S. dollar empire, which is dominated by the Rockefeller financier faction, to maintain itself as the economy collapses.

This psychotic belief that the Soviets will back down persists, and has been incorporated into existing NATO operational planning (NATO document MC-14/4), despite the repeated clear statements (for example: May 8 and May 10) by the Soviet Union that their response to "limited nuclear warfare" provocation will be "Mutually Assured Destruction" (MAD). The Soviet Union stands by the accepted strategic doctrine of MAD with the sane knowledge that this provides the only actual deterrent to nuclear holocaust. Therefore, it must be clearly understood that the provocative intentions of the Rockefeller cabal, as carried out in a "dry-run" during the Mayaguez incident, are the actions of an insane clique that, if allowed to remain in power, will bring about thermonuclear destruction of humanity.

The immediate result and the actual objective of

the Administration's actions during the Mayaguez incident, were the destruction of Congressional control over the Defense and Foreign Policy of the United States Government. The staged atmosphere of the "crisis" was designed to create a controlled psychological environment of war hysteria and terror, on the model of the Tonkin Gulf incident, to ensure Congressional surrender to the Executive. The Mayaguez operation successfully accomplished this objective. As certain Congressional representatives have themselves stated, and as certified by the unanimous approval given the President's actions by the Senate Foreign Relations Committee, the 1973 War Powers Act (and accompanying legislation) restricting the Executive power to initiate U.S. military actions in Indochina have been effectively abrogated.

This brief presents conclusive evidence demonstrating the nature and objectives of the Mayaguez incident, as stated above. The brief is organized in the following form: First, the political context for the incident; second, the internal evidence drawn from the details of the incident itself; third, the Congressional response to the Administration's actions.

Part I. The Political Context for The Mayaguez Incident

The immediate political context for the Mayaguez provocation follows the defeat of the Rockefeller cabal in Vietnam (the seizure of power by the Provisional Revolutionary Government of South Vietnam — PRG — on April 30) and the international strategic implications of that defeat. Since that historic event, the Rockefeller Administration has made numerous public pronouncements of "the necessity to prove the willingness of the United States to...fulfill its commitments" in the world. The Rockefeller faction is determined to initiate strategic confrontation with the Soviet Union in particular, in a desperate effort to reverse what they correctly perceive as the tidal wave of collapse, politically and economically, of the dollar empire in the non-socialist world.

The intended nature of the Rockefellers' planned nuclear confrontation — which, to be effective, must be staged in a region the Soviet Union considers vital to its strategic interest (the Middle East, Central Europe, the Balkans) — necessitates destruction of any opposition from North America or Western Europe to this policy. Such opposition in North America and Western Europe is based on the understanding among anti-Rockefeller capitalist and military circles that the Schlesinger Doctrine will mean the thermonuclear extinction of the U.S. and all of Western Europe. The Mayaguez incident, which occurred outside an area of direct confrontation with the Soviet Union, provided the perfect "test-run" context, with minimal military risks, to force the capitulation of internal opposition (mainly U.S. Congressional and military opposition, and Western European opposition

from layers of politicians, industrialists and professional military men concentrated in West Germany and France).

The immediate impetus for such a staged "proof" of confrontation capability was produced by the organizing initiatives the Soviet Union and its allies have taken to undercut and eliminate the political environment for nuclear war in the coming weeks. This initiative was clearly presented in the Open Call issued to the world on May 9 jointly by the Central Committee of the Communist Party of the Soviet Union, the Presidium of the Supreme Soviet and the Government of the Soviet Union (full text is appended). The Soviet Call clearly stated the immediate danger of nuclear war and outlined the basis for world peace in a program for world development: the eradication by science and technology of famine, poverty and epidemics throughout the world. The powerful nature and proposals of the Open Call parallel the International Caucus of Labor Committees proposal for the formation of an International Development Bank, a proposal now circulating throughout the advanced sector with the support of key Third World forces and the socialist movement.

The impact of the Soviet Call, and the direct transmission of that call to parliamentary representatives and governments, has accelerated the emergence of resistance to the Rockefeller nuclear strategy, particularly in parliamentary layers in West Germany and France (along with the efforts of the French Communist Party — PCF). Among military professionals, who previously voiced opposition within NATO to the Schlesinger Doctrine, the restatement of the Soviet commitment to the doctrine of MAD, in a speech by Leonid Brezhnev, General Secretary of the Communist Party of the Soviet Union, May 8 (see appendix) on the occasion of the 30th anniversary of the victory over fascism had a similar catalyzing effect. In the United States, and especially among anti-Schlesinger factions in Congress (see Part III), a similar process has been underway.

The response of the Rockefeller Administration to the Soviet Call was clear and immediate: provocation and nuclear confrontation. This response was expressed by Secretary of State Kissinger on several occasions May 12 - 15, timed to coincide with the Mayaguez incident. The first occasion was a Kissinger interview with Thomas Ross of the Chicago Sun Times, printed May 12 but (by internal reference) given at least a day earlier. According to the interviewer, Kissinger outlined the following "new" foreign policy: "Kissinger is urging President Ford to respond to the defeat in Vietnam with a tough, even abrasive, foreign policy....Kissinger is pressing Ford to adopt an even more forceful foreign policy so as to deter the Soviet Union from attempting to exploit presumed U.S. weaknesses....Kissinger expects the Soviets to exploit the slightest chink in U.S. defenses. For example, he foresees a possible crisis in the Middle

East this summer and expects the Soviets to be much tougher than they were in the 1973 war....Colby's statement (referring to a speech by CIA Director William Colby May 7 in San Francisco) can be read as a signal that Ford and Kissinger are again unleashing the CIA as a major tool of foreign policy."

Following this major attack on detente, which effectively announced the end of official U.S. foreign policy, Kissinger directly attacked Congress: "Kissinger also has been complaining that Congress is intruding too deeply into the details of foreign policy, depriving him and Ford of the ability to move swiftly, powerfully and secretly...."

This Kissinger threat was followed May 12, the day the Mayaguez incident was begun, in a major policy speech which Kissinger gave in St. Louis, Missouri before the St. Louis World Affairs Council. The references were similar and in certain respects more pointed with regard to the Mayaguez test case and its significance: "The willingness of the Soviet Union to exploit strategic opportunities — even though some of these opportunities presented themselves more or less spontaneously and not as a result of Soviet action — constitutes a heavy mortgage on detente. If detente turns into a formula for more selective exploitation of opportunities, the new trends in U.S.-Soviet relations will be in jeopardy. If our contention in peripheral areas persists, even more if it becomes exacerbated, the progress achieved in some other areas of detente (like nuclear disarmament — Ed.) will ultimately be undermined....It (the U.S.) is equally determined to resist pressures or the exploitation of local conflict."

The implementation of the Kissinger policy began with the Mayaguez incident. There can be no doubt (as Part II of this brief demonstrates) that from the very beginning of the incident Kissinger, Schlesinger, and Nelson Rockefeller were determined to stage a display of military force. This has been indicated and referenced by numerous press reports on the incident; for example, on May 14, New York Times correspondent Philip Shabecoff, citing "high-ranking Administration sources" (a phrase often used in referring to Kissinger), revealed that "the seizure of the vessel might provide the test of American determination the U.S. had been looking for" since the Vietnam revolution succeeded.

Secretary Kissinger's gloating comments May 17 at a State Department press conference following the Mayaguez incident provide further confirmation of the intentions of the Administration in conducting the Mayaguez provocation. Kissinger said: "It (the incident) ought to make clear that there are limits beyond which the United States cannot be pushed, and that the United States is prepared to defend those interests, and that it can get public support and *Congressional support for those actions*" (emphasis added).

The internal evidence of the incident itself — as assembled by our investigation from available press

and other sources — provides definitive proof of the objectives of the Administration's actions. Despite the controlled flow of "information" from the White House concerning the incident, the following picture is available.

Part II. Grid of Internal Evidence in Mayaguez Incident

This grid analyzes the evidence surrounding the Mayaguez incident. The evidence demonstrates 1) that the incident was deliberately created by the Ford-Rockefeller Administration; 2) that the Rockefeller forces' intention from the outset was to use the created incident as a pretext for military action, and that no diplomatic avenues whatsoever were pursued; and 3) that a spurious atmosphere of "crisis" (used, as Part III shows, primarily to terrorize Congress into submission to planned nuclear confrontation against the Soviets) was deliberately generated by the Administration to justify provocative military confrontations in the immediate weeks.

The reactions of the Press Affairs Representative of the National Security Council, in an interview with IPS during the Mayaguez incident, themselves lend considerable weight to this analysis. The IPS correspondents had not mentioned nuclear war, nuclear confrontation, and so forth at the point in the interview when the National Security Council spokesman burst out "We are not engaged in some kind of Dr. Strangelove thing...We're not going to nuke Cambodia...(The U.S. is) not planning nuclear confrontation." The spokesman's train of thought was unmistakably suggested by what he knew to underly the incident.

Events before Mayaguez Incident

The evidence shows that the Administration knew of earlier reports of firings on and detention of ships by Cambodia in the same area where the Mayaguez was detained; however, these incidents were deliberately blacked out of the U.S. press and no U.S. government warnings were issued to ships using the sea-lanes to steer clear of the area.

On May 3 a South Korean ship was fired on in the area. This was reported in the South Korean paper *Dong A Ibo* May 5. The same day the South Korean Transport Ministry issued a warning to all ships in the area. Also May 5 Agence France Presse wire service carried the story, which was printed May 6 in the English-language edition of the major Japanese newspaper *Asahi*. On May 5 and May 6 the U.S. Central Intelligence Agency's Foreign Broadcast Information Service (FBIS), which is published daily, monitored and reported the attack on the Korean vessel. On May 6 the FBIS monitored the South Korean warning bulletin to local shipping firms and maritime offices.

Also on May 6, a Panamanian vessel was fired on, boarded, and detained for 36 hours before release in the vicinity of Poulou Wai, the island near which the Mayaguez was detained.

The Administration claims that it lacked knowledge of these incidents in time to warn U.S. ships away. The Mayaguez was seized May 12 — a full week after the CIA's FBIS monitored the earlier incidents.

It is normal U.S. Government practice for the Defense Mapping Agency-Hydrographic Center to inform ships of such incidents (broadcast via Merchant Marine Radio). Mr. Glenn De Young of the Defense Mapping Agency, upon being questioned, stated that they had received no reports of such incidents in the past two weeks. De Young said if such an incident had occurred "We would be told...the State Department or the U.S. government would put out such a message." The Defense Department replied to questioning that a Notice to Mariners (No. 45) had been released. The date of the notice — May 12 — was after the Mayaguez was seized.

The Administration has attempted to cover for deliberately withholding this information (and thereby creating the Mayaguez incident) by claiming (in the words of White House Press Secretary Ron Nessen): "This word took some time to get back to the U.S." The international press coverage — outside the U.S. — of the Korean vessel incident, and the fact that the CIA's FBIS had that information by May 5, prove that this is a lie. The Administration permitted U.S. ships to travel those waters (within Cambodia's publicly claimed 12-mile territorial limit) in order to create the pretext for military action.

As was the case with the events preceding the Mayaguez incident, throughout the Mayaguez test-run itself the White House — that is, Henry Kissinger and other Rockefeller operatives — maintained tight control over the flow of all so-called "information." Congress and the public were fed a stream of conflicting lies by Kissinger.

By Tuesday it became clear that the lower levels of the State Department and the Pentagon were being fed only very minimal information to maintain White House control of the entire incident. On Monday, a spokesman from the East Asian and Pacific Affairs Bureau of the State Department said that he had gotten no information on the incident until the White House statement, and that he had no information beyond that statement. "No comment"; "I don't know"; or "Call the White House" were the responses from almost all government quarters when questioned by IPS correspondents.

Seizure of Ship; U.S. Military Retaliation

At 5:03 a.m. EDT Monday, May 12 the State Department, or at least the Secretary of State, was informed that the Mayaguez had been seized and boarded within the claimed 12-mile limit off the Cambodian island Poulou Wai. Captain Miller of the Mayaguez has since stated that the ship was six and a half miles from the island.

President Ford's reference May 12 to "piracy on the high seas" were supposedly explained May 13 by a State Department representative who stated that it is not clear if the United States recognizes the Khmer

Rouge as a government. If not, the seizure could be considered piracy and the Executive could act without consulting Congress.

Cambodia gave its grounds for the seizure in the Cambodian government's charge, seconded by the German Democratic Republic (East Germany) on radio broadcasts, that the Mayaguez was engaged in espionage or espionage-related activities.

It should be noted that this type of investigation of suspicious ships in territorial waters is extremely commonplace internationally. For example, on Saturday May 17 the U.S. Coast Guard stopped, boarded, and brought into San Francisco harbor a Polish fishing vessel which had strayed into the 12-mile limit claimed by the U.S. The Administration used such an unremarkable event in Cambodia to precipitate a "crisis" and a military adventure.

The Administration responded immediately and provocatively to create a military incident. By noon May 12 (seven hours after the first report; before U.S. reconnaissance planes had located the ship) the National Security Council had convened for the first of four meetings in the next two days. At 2:00 p.m. Monday Ron Nessen gave the first White House briefing, at which he quoted Ford on "piracy on the high seas"; Nessen declared that no matter what Cambodia claims as territorial waters, "we consider the ship to have been in international waters." This posture was adopted from the outset as the pretext for military response.

No Diplomatic Efforts: No diplomatic channels were pursued by the Administration except a cover-up diplomatic feint. On Wednesday, May 14 it was revealed that the State Department had taken only the following diplomatic steps; One note was dispatched to the Chinese envoy in Washington to relay to the Cambodians; one note was allegedly given to the Cambodian legation of Norodom Sihanouk in Peking. Both were reported returned undelivered Wednesday morning. Early in the week the Administration claimed diplomacy was being used and that "third parties, including the Chinese" were being contacted. This is a lie. No other "third parties" were contacted. Ford acknowledged Wednesday, as Nessen reported, that "he had no idea whether the messages he had sent" had been delivered.

By Tuesday morning Cambodian Time (CT) (Monday evening EDT) U.S. reconnaissance planes had located the Mayaguez making its way to Koh Tang, 30 miles from Poulo Wai, and the crew being moved into Thai fishing boats.

U.S. military operations began during the day Tuesday. U.S. bombers reportedly sank three Cambodian vessels and damaged several more. This bombing and strafing commenced after a National Security Council meeting called at about 10:30 a.m. EDT Tuesday, at which Ford issued orders (according to the May 17 Washington Post) "for U.S. forces to interdict any boats coming from or going to Koh

Tang." According to evidence from Captain Miller of the Mayaguez, the bombing started about 7:00 p.m. EDT Tuesday. Nineteen hours later the White House first announced the U.S. bombing, lying about the chronology to make it appear as if the bombing took place two and a half hours after it did (according to Miller's evidence), and to make it appear as if the bombing of the ships came in response to Cambodian groundfire, rather than the other way around.

U.S. Knows Crew Is On Mainland: About 11:00 p.m. EDT Tuesday, according to Miller, the crew of Mayaguez reached Sihanoukville on the Cambodian mainland. The U.S., whose reconnaissance planes maintained constant surveillance, knew this. According to Miller, the U.S. jets strafing the Cambodian vessels flew 70 feet above the boat carrying the Mayaguez crew and hit to within 10 feet of it, but never hit that ship: "It is clear they saw we were in the boat." Miller also reported that "After we got in close to Sihanoukville the jets left us alone and they put the (reconnaissance) plane on top of us again" (from the New York Times).

The U.S. knew on Tuesday during the National Security Council meeting of 10:20 p.m. EDT that the crew was on the mainland; on Wednesday the U.S. sent Marines into the island of Koh Tang to stage an invasion to "rescue" the crew — which the Administration knew was not there.

Marines Sent on "Rescue"....to Koh Tang: The fourth National Security Council meeting convened at 3:52 p.m. EDT Wednesday May 14; orders were issued at 4:45 p.m. from that meeting for the beginning of military operation. Twenty-nine minutes later assault forces (Marines who had been flown in from Okinawa to Thailand Tuesday) lifted off en route to Koh Tang. The National Security Council meeting ended at 5:40 p.m. EDT.

Cambodian Message Before Invasion: At 7:07 p.m. EDT, 13 minutes before the first Marines landed on Koh Tang, the Cambodian government began broadcasting a message that they would release ship and crew soon. The scheduled U.S. invasion proceeded.

The Administration has claimed two different cover stories as to why the attack proceeded. One is that the CIA did not transmit a translation to Kissinger and Ford until about 8:15 p.m. EDT — a full hour after the Cambodian broadcast began. This "delay" which the Administration reports is absolutely not credible. Even assuming that CIA monitors and simultaneous translators did not communicate the full text of the Cambodian message before 8:15 p.m., the Secretary of State must have received word of the message's existence and summary content.

The second cover story is that the attack proceeded after the Cambodian message was broadcast because the message mentioned releasing the ship but not the crew! This is an equally obvious lie. The Cambodians referred to "evicting" the ship, which is not possible without a crew to man it. The tone of the message — "Wishing to provoke no one nor to make trouble, we

will release this ship" — finishes off the Administration's public so-called "analysis" of the message's intent.

The White House claims to have gotten the full message by 8:15 p.m. Wednesday. Marine fighting on Koh Tang, continued for 11 hours thereafter; two bombing raids were conducted against Sihanoukville thereafter.

Crew Released: The crew was released about 8:20 p.m. EDT on a Thai fishing boat sailing under a white flag. The Administration claims first knowledge of the release at 10:30 p.m. EDT when the destroyer USS Wilson sighted the boat. Miller, however, reports that **shortly after** he and his crew were released "A radar reconnaissance plane flew over and wiggled its wings. We all knew we were identified." The Administration to date has refused to admit that the U.S. knew of the release shortly after 8:20 p.m.

Mainland Bombing Begins: At 10:30-10:45 p.m. the Wilson reported sighting the crew. Between 10:57 and 11:09 p.m. Wednesday night the first air strike against the airfield at Sihanoukville began — although the crew was known to be safe. At 11:14 Schlesinger reported that the full crew was aboard, safe, accounted for. Two minutes later, the Administration reports, Ford ordered an end to all offensive operations and withdrawal from Koh Tang. And at 11:50 p.m. — 35 minutes after the crew was in U.S. hands — came a second air strike against Sihanoukville. During the fighting on Koh Tang the U.S. dropped the largest conventional bomb in its arsenal—15,000 pounds — on the island.

Schlesinger and Kissinger subsequently attempted to distort the chronology of events to account for the two heavy air strikes against Sihanoukville by implying that the air strikes caused the release. However, even as reported in the Rockefeller-controlled press, the crew had been identified from the Wilson before the first of the two above-mentioned bombings.

Schlesinger, Thursday, May 15: (The crew) arrived at the Wilson as a result of what is presumed to be the decision of the Cambodians to deliver them in order to terminate combat activities directed primarily at the mainland."

Kissinger (Thursday, May 15) : "There seems to have been some relationship between the release of the crew and the attacks on the mainland. That is to say, some crew members were told that they should tell the Wilson that they were being released on the assumption that this would end the bombing attacks."

Either (a) Schlesinger and Kissinger are lying to imply that the release of the crew was brought about by bombing documented to have occurred after the release; or (b) there were earlier air strikes — so far entirely blacked out by the Administration and in the press — before the two strike reported. Cambodia has charged that there were earlier air attacks.

Marines Sacrificed: At 12:31 a.m. EDT Thursday May 15, Ford announced that lift-off of the Marines from Koh Tang was about to begin. Not until 7:13 a.m.

did it begin. During the prolonged fighting on Koh Tang an estimated 21 Marines were killed and 70-80 wounded. Miller reports seeing five or six dead Marines on board the Wilson. About 16 were killed as helicopters crashed into the sea. These relatively enormous casualties were sustained by men sent to fight to "rescue" a crew which was **known not to be** on Koh Tang. The Marines were sent in in haste: without proper air cover, insufficient helicopters, without prior "softening up" bombardment of Koh Tang. At least 21 Marines were sacrificed — sent in to be slaughtered — and an unknown number of Cambodians, in order to ensure the Rockefeller forces their planned provocation and test-run.

The evidence shows: (1) the Rockefeller faction created the incident; (2) planned military action from the outset; (3) proceeded with military action despite the release of the Mayaguez and crew; (4) proceeded with military action entirely unrelated to the supposed objective of "rescue."

The two-day "crisis" prepared by Schlesinger and Kissinger included four National Security Council meetings, invasion of Cambodian territory, use of the largest U.S. non-nuclear bomb, and heavy loss of life. It resulted in subjugation and terrorization of Congress (see Part III) and immeasurably increased the Rockefeller forces' freedom to maneuver the United States into nuclear confrontation against the Soviet Union.

Part III. Congressional Response

On Monday May 12, the government of the Soviet Union took a nearly unprecedented step in "open diplomacy." The Soviets' "Open Call" for international economic development and disarmament, which was issued by the Central Committee of the Soviet Communist Party, the Supreme Soviet of the Presidium and the Soviet government on May 9, was hand-delivered to Speaker of the House Carl Albert and President of the Senate Nelson Rockefeller, along with a communication from Premier Kosygin asking for the response of the United States government to the initiative. Representatives of the Soviet embassy also delivered the "Open Call" and the telegram to members of the Senate Foreign Relations Committee and the House International Relations Committee. Journalists from TASS followed up with calls to key members of Congress asking for their reaction to the Soviet initiative. The message was unmistakably clear—the Soviet government, recognizing the threat of nuclear war provoked by the Rockefeller faction's intention to prop up their disintegrating economic order, was moving decisively to offer minimally sane factions of the U.S. government a basis for opposing Rockefeller.

The Soviet move intersected with and implicitly supported the organizing drive of the U.S. Labor Party on Capitol Hill which over a period of weeks has

demanding that the Congress act on two proposals:

1) the establishment of an International Development Bank which would preempt the June 30 international economic collapse and disintegration of production.

2) open a "Great Debate" on United States strategic doctrine which would culminate in the removal from the government of the advocates of the so-called Schlesinger doctrine (variously identified as "counterforce," "tactical," or "limited nuclear warfare" or NATO document MC 14/4") before its ongoing activation leads to the total annihilation of the human race.

Factional opposition within the Congress was beginning to coalesce. In the preceding weeks both Senators Thomas McIntyre (D-NH) and George McGovern (D-SD) had made speeches strongly attacking the Schlesinger doctrine, for placing a "hair trigger on nuclear war." A group of Senators loosely including McIntyre, McGovern, Adlai Stevenson (D-Ill), Edward Kennedy (D-Mass), Gary Hart (D-Colo) and others was preparing to attack the counterforce doctrine—first, in the context of the defense appropriations bill debate (to be held during the week of May 18), and with a call for open debate on overall United States strategic doctrine (to be held in three or four weeks). A similar group led by Rep. Robert Leggett (D-Cal) was operating in the House of Representatives.

The limitation of this incipient factional opposition was severe (both in allowing the debate to be defined in the context of future appropriations for tactical nuclear weapons, when in fact, the tactical nuclear warfare doctrine is already operational; and in holding off on open strategic debate for a critical three or four weeks). However, the Soviet initiative on May 12 threatened to force this Congressional opposition immediately into the open and push it onto the appropriate factional footing.

On Monday May 12, within that explosive potentially factional atmosphere, the Mayaguez hoax exploded. The hoax was explicitly aimed at destroying that potential opposition and at turning the United States Congress into Rockefeller's doormat. Congress responded totally according to its psychological profile and disintegrated. On the pretext of the most outrageous dirty tricks operation in post-war history, Congress stood either mute or approvingly as the Administration tore up the War Powers Act and the Case-Church Amendment (as documented in the preceding section of this brief). The Senate Foreign Relations Committee, including such formerly outspoken doves as Senators McGovern, Church (D-Ida), and Mansfield (D-Minn) voted unanimously to uphold the Administration's blatantly illegal actions. Senator Clifford Case (R-NJ), co-author of the Case-Church Amendment prohibiting the use of force in Indochina without Congressional approval, openly condoned the emasculation of his own amendment at a

May 14 press conference. When asked by IPS, "Does that mean you don't give a damn about the constitution or your amendment?" Case retorted, "Put it anyway you like."

In the face of this complete capitulation to the Administration's use of a "blank check" in the use of military power anywhere in the world, the potential factional advocates of a great debate on strategic doctrine were driven into hiding. Those advocates were now openly organizing to postpone the debate until early in June so that they "could mobilize their forces," which had just been rolled over by the Administration steamroller. An aide reported that the Senators felt it would be "counterproductive" to call for the resignation of Secretary of State and madman Kissinger at this time and that the Senators wanted no publicity for their upcoming call for an open debate because they were "very frightened." The leading spokesmen of the anti-Schlesinger faction, Senator McIntyre and Representative Leggett, retreated to fight on the defensive, limited issue of appropriations for tactical nuclear weapons.

The Rockefeller Administration accomplished this successful pacification of Congress by isolating Congressmen within a controlled environment of terror and war-mongering and by forcing them to capitulate to the same RAND print-out to which they had capitulated during the 1964 Gulf of Tonkin incident. Rockefeller was aided massively in this operation by the press, by Congressional allies, and by agents operating within Congress in the guise of aides and "Common Cause" lobbyists.

The essential element of Rockefeller's psychological manipulation is forcing the legislator to function within a strictly controlled, shrunken, unreal world. Congressmen were suddenly yanked away from considering the crucial, world-historic issues put forth by the Soviet Union's call and by the U.S. Labor Party's proposed legislation, into a "deja vu" fantasy world of a fabricated Gulf of Tonkin crisis. Congressmen were isolated from any information on the incident, from each other, and, most importantly, from the growing rage of the population at Rockefeller's brinkmanship.

The press and the Administration worked hand in hand in a "black propaganda" operation to intensify the Congressmen's sense of impotence and isolation. Throughout the three day period, the press presented a picture of overwhelming Congressional support for the Administration's moves. The remarks of Rockefeller allies such as Senators James Buckley (CONY), Hugh Scott (R-Pa), Jake Javits (R-NY) and others, which advocated the use of force, were played up prominently throughout the media. Remarks opposing the use of force were significantly downplayed or ignored. Senator McGovern, when asked why he hadn't publicly raised an outcry over the Administration's actions early during the week, shrugged his shoulders and responded, "Well, you know that the

press wouldn't report it."

The most vicious fabrication came mid-day Wednesday after the Pentagon announced the use of United States military forces to sink three Cambodian patrol boats the night before. Presidential Press Secretary Ron Nessen stated that the Administration had briefed Speaker of the House Carl Albert and Senate Majority Leader Mike Mansfield prior to the military attack and had attained the "firm agreement of both." Shortly thereafter, Mansfield angrily reported to the press, "I was not consulted, nor was I briefed either before or after the attack. I did not give my approval. There are a lot of unanswered questions." Albert's office responded in kind. Nonetheless, the press either ignored the Mansfield-Albert denial or only touched on it briefly—and continued to report that the President had the "overwhelming" support of Congress.

In addition to the "black propaganda" operation straight from World War II OSS manuals, overt arm-twisting was brought into play. Immediately after issuing the above mentioned denials, both Mansfield and Albert were yanked over to the White House to be whipped into line. Several hours later, Mansfield voted with the rest of the Senate Foreign Relations Committee to support the President's actions.

Other closed door brow-beating sessions occurred throughout the three-day period. Probably the first took place a few hours after the first "emergency" National Security Council meeting adjourned on Monday May 12. An unidentified high-ranking Administration figure, flanked by secret service men, (possibly Rockefeller himself), conducted a heavily guarded meeting with Congressmen in the Rayburn House Office Building and laid down Rockefeller's marching orders to Congress.

At the same time, Rockefeller's personal arm-twisting and extortion service—John Gardner's Common

Cause Organization—was deployed heavily onto Capitol Hill to practice its usual thuggery. From the frightened and hysterical responses of Congressmen when confronted, especially in public, by U.S. Labor Party Washington organizers, it is clear the Gardner's covert agents were supplemented by overt CIA agents who ordered Congressmen to steer clear of the Labor Party and the Soviet Union's proposals.

When handed a packet of USLP material containing the Soviet proposals, Senator Kennedy immediately sought out the nearest security guard and obediently turned in the packet. Big Brother was watching.

The final nail in the coffin of the dying Congress was provided by Congressional aides (over 100 of whom come directly from a Rockefeller-funded internship program) who deliberately misrepresented the mood of their constituencies to Congressmen. While over 50,000 workers have been directly mobilized against Rockefeller's nuclear policies by the U.S. Labor Party in the first four days since the Congressional collapse on May 14, most Congressmen feel that their constituencies are far to the right of their own timid protestations.

A few Congressmen are now, five days after the fact, beginning to demand an investigation into and accounting of the Mayaguez affair. Such actions are according to the RAND computer print-out — to fixate Congress on an endless, useless, impotent post-mortem while Rockefeller faction races ahead with its plans to provoke a nuclear confrontation with the Soviet Union in another part of the world. The issue is not the Mayaguez affair, the issue is not the War Powers Act, the issue is not defense appropriations for tactical nuclear warfare.

The only issue facing Congress and the human race is the immediate removal of the Rockefeller clique from the government.

THIS WEEK'S HEADLINES

ROCKEFELLER AGENTS PUSH FOR NUCLEAR CONFRONTATION PORTUGAL AND KOREA SINGLED OUT AS TRIGGER POINTS; COMMUNIST PARTIES, ICLC LEAD COUNTERTHRUST

ROCKY MOVES TO COOPT "GREAT DEBATE"

May 19 (IPS) -- The Rockefeller-Schlesinger forces are moving rapidly to coopt the timid move by some Congressional opponents to openly debate the Rockefeller nuclear showdown policy on the floors of Congress. Last Wednesday, a group of 24, mostly liberal, senators, many of whom are opposed to Schlesinger's tactical nuclear warfare doctrine, sent a letter to Senate Majority Leader Mike Mansfield (D-Mont.) requesting that the debate on the new defense budget be postponed until after the Memorial Day recess to permit a more thorough-going debate on U.S. strategic policies generally.

On Thursday, May 15, Senators Javits, Goldwater, Kennedy, Cranston, H. Byrd Jr., and McClure issued a bi-partisan call for a "great debate" on U.S. foreign and military policy in the context of the military budget. The debate, to begin June 2 and span two days, will be tightly structured to preclude any meaningful discussion.

PCF WARNS KISSINGER: SOVIETS AREN'T BLUFFING

May 19 (IPS) -- Today's L'Humanite, the French Communist Party daily, carries a front-page warning to Kissinger that if he does not choose detente and cooperation, he will get Mutually Assured Destruction (MAD) since the Soviets will not tolerate any "limited nuclear warfare."

Max Leon, the L'Humanite correspondent in Moscow, writes on the Kissinger-Gromyko meeting: "The events of the past months have demolished the illusions that were fostered at the White House and the American Congress on the chances of success of the blackmail policy towards the USSR, of diversion in the Middle East and utilization of brute force in Indochina.

ROCHESTER PRESS DEMANDS OPEN DEBATE ON SCHLESINGER DOCTRINE

May 19 (IPS) -- The Rochester Democrat and Chronicle, part of the New York State based national Gannett newspaper chain, has broken the press black-out on the U.S. Labor Party call for an open debate in Congress on impeaching Rockefeller, Kissinger, et al. for nuclear war crimes. In its lead editorial May 18, the Democrat and Chronicle denounced Defense Secretary Schlesinger and called for open debate on nuclear policy, particularly on the need for a clear policy on "what stakes we have in South Korea and Lebanon."

EAST GERMANS BACK SOVIETS ON MAD; STRESS INTERDEPENDENCE OF PEACE, SECURITY, AND ECONOMIC COOPERATION

WEST BERLIN, May 19 (IPS) -- The East German military has reaffirmed its full support for the Soviet nuclear doctrine of "Mutually Assured Destruction" (MAD). Simultaneously, the East Germans have posed economic cooperation between East and West as the only alternative to war.

In a special 12-page supplement to the East German weekly Horizont, Vice-Defense Minister Waldemar Werner states that a resolute struggle for detente "presupposes the capability of the united armed forces (of the Warsaw Pact) to deliver an annihilating blow to any aggressor."

DREW MIDDLETON WARNS OF NUCLEAR WARFARE THREAT IN EUROPE

May 19 (IPS) -- New York Times military fetishist Drew Middleton warns today that any outbreak of war in Europe will rapidly develop into tactical nuclear warfare because of chaos in NATO's military arsenal. Middleton declares that there could be "an early recourse to tactical nuclear weapons" in any fighting in Europe, triggered by war setbacks resulting from shortages of supplies and repair parts because of lack of standardization of NATO equipment.

NORTH KOREA'S KIM: "NO INTENTIONS OF WAR"

May 19 (IPS) -- North Korea's President Kim Il Sung clearly stated in an interview to the Japanese paper Yomuiiri Shimbun that his country has "no intentions of provoking a war in Korea since the majority of the population is busy planting crops," according to UPI reports today.

BRD DEFENSE COUNCIL MEMBER CONFIRMS MC 14/4

WIESBADEN, BRD, May 20 (IPS) -- A member of the defense council of the Federal Parliament in West Germany told IPS today that he had corroborated information given him by the ICLC on both the existence and the contents of the NATO policy document MC 14/4. The official confirmed with certainty that the document sets forth the Schlesinger doctrine, a policy of thermonuclear confrontation with the Soviet Union as soon as possible.

BALL REVEALS KISSINGER AIMS TO FORCE "LIMITED NUCLEAR" DEAL ON GROMYKO

WIESBADEN, BRD, May 20 (IPS) -- In a commentary today on Secretary of State Kissinger's advisor, George Ball, the daily Frankfurter Allgemeine Zeitung leaks the content of yesterday's discussions between Kissinger and Soviet Foreign Minister Andrei Gromyko. The FAZ report reveals that Kissinger will attempt to force the Soviet Union to "deal" on the issue of tactical nuclear warfare.

KISSINGER VISIT TO WEST BERLIN AN ANTI-SOVIET PROVOCATION

WIESBADEN, BRD, May 20 (IPS) -- The visit of U.S. Secretary of State Henry Kissinger to West Berlin is intended as a provocation against East Germany and East Berlin, according to today's Die Welt. Reporter Friedrich Kenna claims that the Soviet Union is attempting to "isolate East Berlin from the free part of the country." Revanchist Kenna concludes, "If the communists set their hopes on a new test of the (four-power) agreement and steadfastness of the allies, Kissinger's trip could bring swift and fundamental enlightenment."

CUNHAL CRITICIZES PORTUGUESE ARMED FORCES MOVEMENT FOR DISMANTLING POLITICAL PARTIES

May 20 (IPS) -- In an unprecedented move, Portuguese Communist Party (PCP) head Alvaro Cunhal criticized the Armed Forces Movement (MFA), the NATO-controlled military junta currently ruling Portugal. "We believe the general condemnation of the political parties by the military is a grave error," Cunhal said, in a speech quoted today in the Washington Post and on French radio.

NORTH KOREA CLAIMS U.S. THREATENS NUCLEAR ATTACK

May 20 (IPS) -- In a radio broadcast yesterday, North Korea charged that the United States - which it said was behind the recent increase in tensions on Korea and South Korean President Park's latest anti-communist drive - had threatened use of nuclear weapons in Korea. The broadcast said in part, "Of late, Ford and others in U.S. authority proclaimed South Korea as their forward defense area... and went to the extent of openly making aggressive outbursts that they would not withdraw U.S. troops, launch all-out military interventions if necessary, and would not hesitate in the use of nuclear weapons."

BALTIMORE SUN CRACKS BLACKOUT, DEMANDS "GREAT DEBATE" ON FOREIGN POLICY

May 20, (IPS) -- The lead editorial in today's Baltimore Sun, "toward a post-Vietnam policy," states, "What Congress must consider carefully is whether the only lasting alternative is the quintessential Pentagon strategy enunciated by Mr. Schlesinger. Many Americans who opposed the Vietnam war are probably not ready to seek this strategy adopted on the basis of the emotions aroused by the Mayaguez incident. If the nation is to have a 'Great Debate' on foreign policy and security that means something, its legislators should see whether other alternatives are available that would provide more hope of a peaceful world."

NEW YORK TIMES EDITOR WARNS SOVIETS TO DROP MAD

May 20 (IPS) -- In a signed Op-Ed piece in today's New York Times,

Robert Kleiman, a member of the Times editorial board, comments on "Detente: Past and Future."

Noting that during the 1940s the Soviet lost 15 million lives to fascism, Kleinman asks, by inference, whether the Soviets will continue to risk such losses by sticking to their MAD (Mutual Assured Destruction) nuclear deterrent policy.

JACKSON REAFFIRMS COMMITMENT TO NUCLEAR WAR

May 20 (IPS) -- Senator Henry Jackson (D-Wash), declared yesterday before a gathering of 1,600 Essex County, N.J. Democrats that he opposes the reconvening of the Geneva conference to take up peace initiatives proposed by Soviet Foreign Minister Gromyko. Gromyko's proposals would immediately defuse the threat of nuclear war in the Mideast.

In response to questions from IPS about the Schlesinger "MC 14/4" strategy of confrontation with the Soviet Union, now in operation, Jackson lied, "I don't know anything about MC 14/4.... I believe the U.S. should go ahead with its development of nuclear weapons." He admitted the de facto anti-Soviet alliance of Rockefeller and Mao Tse-Tung, saying "The strongest supporters of a strong NATO are the Chinese of Peking."

WEST GERMAN COMMUNISTS PRESS SOVIET PROCLAMATION

WIESBADEN, WEST GERMANY, May 21 (IPS) -- A call to the West German government and parliament not to allow themselves to be hindered by opponents of detente from a positive response to the two-week-old Soviet proposal for international development appears in today's issue of Unsere Zeit, the daily newspaper of the Communist Party of West Germany (DKP).

SOUTH KOREA ASKS U.S. TO PROVIDE MORE MILITARY "BACKUP"

May 21 (IPS) -- According to today's Washington Post, the National Assembly of South Korea unanimously passed a resolution ordered by dictator Park Chung Hee, which called for more U.S. military aid and asked the U.S. to move its forces closer to Korea -- a reference to the Seventh Fleet and strategic aircraft.

SOVIET CONSUL WARNS OF DANGER OF NUCLEAR WAR "MADMAN"

SAN FRANCISCO, May 21 (IPS) -- Vladimir Kuleshov, Deputy Consul of the USSR, spoke here yesterday before 100 people in commemoration of the victory over fascism in World War II. He echoed the statement of the USSR's highest Party and Government bodies in their recent "Open Call to Governments, Parliaments, and Peoples" for world economic development, and their commitment to a policy of "Mutually Assured Destruction" in the face of Vice-President Rockefeller's drive for nuclear war.

Citing the equal nuclear capacities of both countries, Kuleshov

warned, "Only a madman would put them to a test of thermonuclear war. Today a spark anywhere in the world can begin a confrontation that can spread beyond control."

SOARES CALLS FOR CIVIL WAR

May 21 (IPS) -- Mario Soares, head of the CIA-run Portuguese Socialist Party (PSP), has just declared, "We have to mobilize the country in an open war against the power of the military," according to the May 19 issue of Lisbon's Diario de Noticias.

PCF CONTINUES ATTACK ON FRENCH NUCLEAR POLICY

May 22 (IPS) -- In the latest of a series of public statements against the French government's criminal nuclear policy, former French Communist Party Politburo member Pierre Villon blasted France's adoption of the Schlesinger doctrine in the National Assembly yesterday. "The new commandment doctrine coldly envisages that France use the nuclear weapon first (i.e. as a provocation -- ed.)... the constitution of a new nuclear European Defense Community would be a real provocation against the socialist camp," Villon warned.

Villon also cited final proof that this policy of provocation is in fact official French policy: "The official National Defense Review in December 1974 described in derail the way to operate the constitution of a nuclear Anglo-Franco-German force and practically, France's return to NATO."

SOVIETS SCORE GENSCHER PROVOCATION

May 22 (IPS) -- The embassy of the Soviet Union in the German Democratic Republic (East Germany) today issued a press statement charging West German Foreign Minister Genscher with violating the four-power agreement on West Berlin by his appearance in the West Berlin parliament when U.S. Secretary of State Kissinger was speaking there. The Soviet Embassy declared its commitment to uphold the agreement, which the Soviet Union co-signed, for the sake of its importance for European security.

MFA CONDEMNS PORTUGUESE SOCIALIST PARTY FOR ANTI-COMMUNIST PROVOCATIONS

May 22 (IPS) -- A General Assembly meeting of Portugal's ruling Armed Forces Movement released a communique condemning the Portuguese Socialist Party for its anti-communist provocations during the May Day rally in Lisbon, according to yesterday's Neues Deutschland, the daily paper of the East German Communist Party. The action is a result of dramatic organizing inroads by the Portuguese Communist Party among lower officer ranks and non-commissioned officers of the MFA.

DKP, INDONESIAN COMMUNISTS BLAST MAOISM

WIESBADEN, WEST GERMANY, May 22 (IPS) -- Today's issue of Unsere

Zeit, the West German Communist Party paper, lashes into the Maoist leadership of the Indonesian Communist Party and gives support to the pro-Moscow Indonesian Communists who are "rejecting the adventurous policies of the Maoists and are placing the party on the correct basis of Marxism-Leninism and proletarian internationalism again."

DAILY TELEGRAPH BACKS EAST-WEST TRADE

May 22 (IPS) -- Bowing to growing anti-Rockefeller factionalization within the ranks of British industrialists, the arch-conservative Daily Telegraph ran a strong pro-East-West trade editorial May 20. This reversal of the Telegraph's traditional anti-communist attitudes coincides with the visit of British Trade Minister Peter Shore to Moscow to concretize cooperation in the areas of science, technology, trade and economic relations.

GISCARD D'ESTAING MAKES 'LEFT' TURN

PARIS, May 23 (IPS) -- Today's Le Figaro reports that French President Giscard D'estaing and the Soviet Union have reached a "tacit entente" in their efforts for the early convening of the European security and cooperation conference summit.

The summit will be held in Helsinki, Finland, in late October, following a French proposal. At the Soviets' request, Giscard will remain an additional two days in Helsinki. Le Figaro states that it was the extension of Giscard's trip which was the final block to complete French-Soviet agreement on the preparations for the conference.

PCP DENOUNCES SOCIALIST-MAOIST ALLIANCE

May 23 (IPS) -- The Central Committee of the Portuguese Communist Party (PCP) has issued a statement denouncing the open alliance between the Second International Portuguese Socialist Party (PSP) and the Maoists. The Central Committee statement, according to the East German radio station Voice of the GDR, accuses the PSP of acting as "an opposition party that gathers reactionary forces and pseudo-revolutionary extreme groups around itself."

GAULLISTS REACTIVATE FOREIGN POLICY "WATCHDOG" COMMITTEE

PARIS, May 23 (IPS) -- In light of intense debate around the pro-Schlesinger defense policies of the French government of Valery Giscard d'Estaing, four Gaullist political leaders have announced the reactivation of their own "watchdog" committee to keep an eye on official French foreign policy and defense commitments. This new group, named "the presence of Gaullism," will function as an official policy agency of these anti-Rockefeller Gaullists, under the direct control of former Defense Minister Michel Debre, Louis Joxe, Pierre Messmer and Couve de Murville.

SWEDISH PRESS DEPARTMENT ATTEMPTS TO OUST IPS

STOCKHOLM, May 23 (IPS) -- The Swedish Foreign Department Press Bureau is currently attempting to decertify IPS as a duly accredited press service on the spurious grounds that it is "not a real press agency."

The head of the foreign journalist section told IPS yesterday the actual reason for the move - the European Labor Committee's repeated charge that Swedish Premier Palme is a fascist taking orders from Rockefeller. "Even the VPK called here and said it was too much," he said, referring to the Swedish Communist Party, whose leadership had previously slandered the ELC and fraternal Communist Parties in Eastern Europe.

WASHINGTON POST PEDDLES "NORTH KOREAN INVASION THREAT" LIE

May 23 (IPS) -- Today's Washington Post continued the propaganda barrage of the Western press that North Korea is planning an invasion of South Korea. Using for its purposes the visit of North Korean President Kim Il Sung to Rumania, the Post quotes alleged "communist circles" to the effect that the purpose of Kim's visit is to drum up support from Rumania and other East bloc countries for his invasion plans, but fails to print Kim's own charge that speculation about a war is an attempt by the United States to create a "confrontation mentality" in South Korea.

EAST GERMANS: SECOND INTERNATIONAL INTERFERING IN PORTUGAL AGAIN

WIESBADEN, WEST GERMANY, May 24 (IPS) -- The East German daily Neues Deutschland today notes that West German Social Democratic Party head Willy Brandt has again interfered in the Portuguese situation, by declaring his solidarity with Portuguese Socialist Party head, CIA agent Mario Soares while the Portuguese government is in crisis. Neues Deutschland says that Portugal was the central topic of talks between Brandt and fellow Social Democrats Bruno Kreisky (Austria) and Olof Palme (Sweden) yesterday. Similar attacks on the Second International for its meddling in Portugal appeared in the West German Communist Party paper Unsere Zeit today.

NATO MEETING DISCUSSES EMERGENCY MOBILIZATIONS

May 24 (IPS) -- The meeting of NATO defense ministers held this week considered measures for forcibly mobilizing Europe under NATO for military confrontation, reports the East German daily Neues Deutschland today. While this aspect of NATO preparedness has been withheld from European readers in the bourgeois press, Neues Deutschland writes that the ministers called for "maximum use of civilian resources to support military plans," and that detailed plans in the civilian domain were presented which would make possible a rapid transition of the economy under "emergency conditions."

PORTUGUESE COMMUNISTS SCORE SOARES; CALL FOR UNITED FRONT

WIESBADEN, WEST GERMANY, May 24 (IPS) -- The Portuguese Communist Party yesterday issued an official declaration condemning the Portuguese Socialist Party for allying with the right wing and Maoists, violating its agreements with other parties and the Armed Forces Movement (MFA), and aiding in aggravating Portugal's social and economic crisis. The PCP statement, as reported prominently today in the East German daily Neues Deutschland, warned that if the PSP destroys the government coalition, there would be no further basis for the Constitutional Assembly to exist. The declaration appealed to the PSP as a whole: "In spite of the strong anti-communism of the Socialist Party, the PCP stands firm for the necessity of a joint review of the relations and possible cooperation of the two parties."

In conclusion, the PCP statement called "...for unity of the working class, the popular masses and all democratic and progressive forces to strengthen the alliance of the people's movement with the MFA in defense of freedom and the Portuguese revolution."

FORD HEDGES ON CIA MANIPULATION OF PORTUGUESE ELECTIONS

May 24 (IPS) -- According to today's New York Times, at a press conference yesterday, President Ford was asked by a European correspondent whether the United States had considered some covert CIA effort to influence the outcome of the vote in Portugal last month. According to the Times, Mr. Ford replied "I don't think I ought to discuss internal matters. The elections turned out very well. We had no involvement, so I think I should leave it right there."

KISSINGER CAUGHT "OFF GUARD" BY FORD'S THREAT TO BOOT PORTUGAL OUT OF NATO

May 25 (IPS) -- Secretary of State Henry Kissinger and State Department officials jointly put the damper on President Ford's surprise announcement yesterday that the U.S. intends to seek Portugal's expulsion from the NATO alliance at this week's upcoming summit meeting of NATO leaders. The New York Times, reports today that both State Department experts on Portugal and Kissinger were caught off guard by the President's mooted threat. Kissinger is quoted as saying that "Ford obviously spoke off his own bat."

Kissinger reflected the Rockefeller cabal's reluctance to act while the NATO alliance is split over the Schlesinger doctrine of "limited" nuclear warfare. Kissinger said, "We are not going to Brussels with the intention of producing a confrontation with Portugal."

KIM IL-SUNG DENOUNCES PRESS

May 25 (IPS) -- The President of the Democratic People's Republic

of Korea, Kim Il-Sung attacked reports in the Western press and other places of a planned invasion of South Korea by his country, according to a Reuters story carried in today's New York Times. Kim claimed that the reports were "nothing but a last ditch effort of the doomed...." Reiterating his country's commitment to a peaceful, political settlement of Korean tensions, Kim said, "We invariably hold fast to the policy that the reunification of the country should be realized without interference by any outside forces, on democratic principles, and by peaceful means."

U.S. GENERAL INSPECTING FRENCH NUCLEAR SITES

May 25 (IPS) -- General George Brown, Chairman of the U.S. Joint Chiefs of Staff, is now touring French nuclear weapons sites on invitation from the French Joint Chiefs, according to a report on the U.S. Armed Forces Radio Network this morning. The station's commentary refers to this as a manifestation of growing French rapprochement with NATO.

THE MIDEAST HEATS UP

DAYAN LACKEY MOVES TO KEY INTELLIGENCE POST AS COUP PREPARATIONS ADVANCE

May 19 (IPS) -- The New York Times reported today that Israeli Premier Yitzhak Rabin has appointed Major General Rehavam Zeevi as "special adviser for intelligence matters." Zeevi is a lifetime close follower of Rockefeller agent and Israeli warhawk Moshe Dayan and has over the past year swept the decks of the Israeli military and related institutions in preparation for the unchallenged hegemony of the Dayan clique in Israeli "security" matters.

CIA PRESS BLACKS OUT SADAT'S PEACE TOUR

May 19 (IPS) -- Egyptian President Anwar Sadat concluded groundbreaking deals with Iraq this week in his drive to resume the Geneva Conference. Blacking out these diplomatic efforts, the U.S. press instead covers Sadat's trip as having solidified "Arab unity." Such reporting is designed to feed coup hysteria in Israel and to help set up the Arabs for a new war.

SUDDEN UPSURGE IN TERRORISM IN ISRAEL ORIGINATING FROM WITHIN ISRAELI TERRITORY

May 19 (IPS) -- Israeli security officers have arrested 70 people in the West Bank town of Janin who were supposedly recruiting Israeli Arabs for acts of terrorism within Israel, according to WINS radio in New York.

At the same time, today's New York Times, reporting on a "series of explosions in the Israeli-occupied West Bank" this weekend, notes that Palestinian guerrillas claiming responsibility for the acts have asserted that "Jewish sympathizers have helped them in their activities inside Israel."

DAYAN "POLITICAL COMEBACK" SIGNALS CIA COUP IN ISRAEL

May 20 (IPS) -- Israeli warhawk Moshe Dayan is planning a "political comeback... as soon as a suitable moment arrives," according to the Christian Science Monitor's Jerusalem correspondent today. This "suitable moment", the Monitor reports, will consist of trying to bring down the present Rabin government, which he "dislikes intensely." "It is by no means unthinkable that he might gather up followers and secede from the Labor bloc in the Knesset (parliament) to set up a new coalition of the right." The Monitor notes, "his socialism has never been more than skin deep... (and) he is now flirting with the right-wing nationalist opposition bloc."

The Monitor report signals that Dayan is headed for a military

takeover of the Israeli government, joining in a war-mongering bloc with the CIA-right wing in Israel to carry out the operation. This would provide the necessary impetus to push the reluctant Anwar Sadat, President of Egypt, into war.

MIDEAST THINK-TANKER CONFIRMS NUCLEAR WAR IMMEDIATE POSSIBILITY

May 21 (IPS) -- A Washington think-tanker who specializes in Mideast affairs stressed in an interview today that the Israelis, increasingly under the control of the Moshe Dayan warhawk clique, will not hesitate to launch a "preventive strike." Referring to Israeli nuclear capability, he said: "They have the capability and the will to use it. The place is even more of a powder keg than most people think."

In the event of an Israeli-Syrian confrontation, the Israelis "would pass the limits that the Soviets would tolerate. The Soviets would have to intervene militarily to aid Syria," the source said, mooting the involvement of the United States at that point.

TERRORIST GROUP SURFACES IN IRAN, THINK-TANKER WARNS SHAH IS A "PRIME TARGET"

May 21 (IPS) -- "Marxist" terrorists called the Iranian Underground Warriors Association killed two U.S. Air Force officers in Teheran this morning, according to radio reports. A Washington think-tank source interviewed today warned that such terrorism will increase in Iran and the entire Persian Gulf region. The U.S. has gotten itself "into a mess," he said, by arming Iran so heavily, and the killings are a "classic example of how the U.S. is taking a chance with its national security."

Playing on the possibility of a "terrorist assassination" of the Shah, which would destabilize the entire gulf region, the source said, "Certainly the Shah can't live forever; he is a prime target."

CONGRESS BLUDGEONED INTO SUPPORT FOR MIDDLE EAST WAR

May 22 (IPS) -- Rockefeller's congressional organizing whips Senators Jacob Javits and Henry Jackson have used Congress capitulation to the War-mongering over the phony Cambodian crisis to line up a spineless Congress behind Rocky's Middle East war policy. Javits and Jackson armtwisted 75 senators to sign a letter to President Ford declaring Congress' strong support for Israel and demanding that the U.S. "not permit the military balance to shift against Israel." Their warning that "the so-called erosion (of U.S. support) is a myth" is also intended to strengthen the hand of Israel's pro-war faction grouped around the maniac Moshe Dayan.

SYRIA RENEWS U.N. PEACEKEEPING MANDATE

May 22 (IPS) -- The Syrian government of petty tyrant Hafez

Assad announced last night the renewal of the mandate for United Nations peacekeeping forces on the Golan Heights for a period of six months. With most observers predicting that Syria would refuse renewal, the development represents an important victory for the peace initiatives of Soviet Premier Kosygin and President Anwar Sadat of Egypt, who also extended the U.N. mandate in the Sinai.

CIA-IRAN TERRORISM THREATENS GULF DESTABILIZATION

May 22 (IPS) -- Playing up the killing of two U.S. Air Force officers yesterday in Teheran, the bourgeois press today reports increasing threats of terrorism in Iran, as the CIA moves to destabilize the Persian Gulf region. Speculating on the possibility of an assassination of the Shah, the press reports that the murders were committed by a "Marxist" underground group called the Iranian People's Fighter Organization. The New York Times notes that the killers used Israeli-made Uzi submachine guns. These are widely used by U.S. security forces, an indication of CIA complicity.

INCREASED CHAOS IN LEBANON

May 23 (IPS) -- Continued heavy clashes between Palestinian and fascist Phalangist gangs are being reported from Beirut today, despite attempts by the caretaker government to establish a "security force" between the groups. After new murders and injuries, Second International agent Kamal Jumblatt has called for a general strike to heighten the tense atmosphere, while followers of collapsing Premier Rashid Solh clashed with right-wing pretender to the premiership, Salem.

BORDER CLASHES BETWEEN ISRAELI AND JORDANIAN FORCES

May 23 (IPS) -- U.S. Armed Forces News in Europe reports today that new clashes have broken out along the Israeli-Jordanian border, with at least one Israeli killed by Jordanian gunmen. Over the past two weeks, there have been continued media reports and accusations by Israeli Defense Minister Shimon Peres of Jordanian troop build-ups in the Jordan valley area. The CIA has been trying to concoct a credible Syria-Jordan axis on Israel's Eastern front to push the Egyptians into a war stance.

ASSAD SETS UP SYRIAN ARMY FOR SLAUGHTER

May 24 (IPS) -- In response to further deterioration of the Lebanese political situation, CIA agent Hafez Assad, President of Syria, stands poised to suicidally deploy his forces into Lebanon to "defend" his Palestinian allies and thereby trigger an Israeli pre-emptive strike that would not only destroy the Syrian military, but serve to ignite a U.S.-Soviet confrontation in the Middle East.

According to latest reports over WINS radio in New York, fighting between the right wing Christian Phalangists and Palestinian guerrillas is reported to have escalated, while the overall atmos-

phere in the country is described as "tense and volatile." The resumption of clashes reactivates an explicit threat, published yesterday in the Syrian newspaper Ath-Thawra only hours before the formation of the new Lebanese military regime, that the so-called "Syrian-Palestinian joint command" would intervene in Lebanon unless an end to the fighting was enforced.

In addition, the mufti of an organization of Moslem leaders and politicians today called for the resignation of the newly-formed predominantly Christian military cabinet. With rumors abounding that Lebanon is on the verge of civil war, U.S. Secretary of State Henry Kissinger has, according to the WINS report, simultaneously announced that if the Middle East stalemate is not resolved, a "catastrophe" will result.

ISRAELI "DOVE" CALLS FOR END TO 8 YEARS OF "BRAINWASHING AND HYSTERIA"

May 24 (IPS) -- Dovish factional leaders in the Israeli ruling multi-party alignment this week mounted a verbal counter-offensive against the extreme warmongers, reported the May 21 Jerusalem Post.

Yosef Sarid claimed in a joint session of parliament members and top party bodies that it was time to explain to the Israeli population "the harsh realities" after eight years of "brainwashing and hysteria," while colleague Adi Yaffe insisted that now was the time for a "vigorous peace offensive" by Israel.

NEW GOVERNMENT IN LEBANON SETS STAGE FOR FURTHER STRIFE

May 24 (IPS) -- A military cabinet was formed yesterday in Lebanon, following weeks of CIA-choreographed strife between the Syrian-backed Palestinian guerrillas and right-wing Christian Phalangists. The new government is headed by retired Brigadier General and former head of internal security Nureddin Rifai and a cabinet of eight men, seven of whom are military men representing the predominantly Christian-led Lebanese armed forces.

The appointment of the military government by President Suleiman Franjeh followed an explicit threat, published yesterday in the Syrian newspaper Ath-Thawra only hours before the actual formation of the new military regime, that the so-called "Syrian-Palestinian joint command" would intervene in Lebanon if fighting continued.

SOVIETS DENY THEY PLAN LIBYAN BASES

May 25 (IPS) -- Soviet and other East bloc sources vigorously denied a report in Egypt's semi-official daily Al Ahram which alleged that the Soviet Union has won Libya's agreement to permit Soviet military bases in Libya in return for \$4 billion in Soviet arms, according to the New York Times.

The Al Ahram story originated in CIA-infested Beirut and represents an attempt to sabotage efforts by Egyptian President Sadat to avoid a war in the Mideast.

GOLDWATER SAYS MIDEAST WAR "INEVITABLE"

May 25 (IPS) -- Senator Barry Goldwater, a traditionally "independent conservative" who has consistently echoed Rockefeller anti-Soviet cold war propaganda in recent weeks, declared yesterday that a new Mideast war is "inevitable" unless Israel immediately makes territorial pullbacks in the Sinai region separating Egypt from Israel.

Goldwater stated that the arming of Egypt with Soviet missiles has made the Israeli Sinai defense front lines obsolete in any case, since in a matter of hours Israeli forces could be quickly overrun by the alleged Soviet-supported Egyptian juggernaut.

SYRIAN-CONNECTED POLITICIANS JOIN DESTABILIZATION OF LEBANON

May 25 (IPS) -- In an effort to further destabilize the Lebanese government, numbers of politicians and religious leaders, most with covert or overt relations to Syria's Assad government, have demanded the resignation of the new regime.

One resignation call was issued jointly by leading Second International-Syrian agent Kamal Jumblatt, Sunni Moslem chieftans Saab Salaam and Rashid Karame, and Maronite Christian boss Raymod Edde. A second call was released from a meeting of top Moslem leaders headed by Imam Mousa Sadr, the CIA's controller of the Shiite Moslem sect.

ASSAD MEETS ON LEBANESE CRISIS INTERVENTION

May 25 (IPS) -- The CIA-controlled Syrian government of Hafez Assad has staged a series of meetings in the last 24 hours to orchestrate the crisis in Lebanon to trigger a war with Israel.

According to various press sources, Assad last night summoned a delegation of Palestinian leaders to Damascus for special consultations. Simultaneously, he dispatched two of his closest associates, Syrian Foreign Minister Abdel Khaddam and Air Force Commander Najy Jamil, to confer with Lebanese President Franjieh. Franjieh was reportedly given a message from Assad demanding guarantees of security for Lebanese Palestinians.

In preparation for possible Syrian military intervention, leaders of the Palestine Liberation Organization (PLO) are meeting with Syrian officials to set up a joint military command. The meeting had previously been scheduled for an unspecified future date.

HEAVIEST LEBANESE-ISRAELI FIGHTING IN THREE YEARS

May 25 (IPS) -- Intense fighting broke out last night between Israel and Lebanon, as Israeli defense forces making an incursion into Lebanon to uncover "terrorist networks" were met by

surprising resistance from "Lebanese defense forces," leading to the death of ten Israelis and seven Lebanese. In response to the entrapment of Israeli agents, the Israeli Air Force began heavy bombing raids into Lebanon. The fighting lasted for 12 hours, in what WINS radio in New York is calling "the heaviest fighting between Israel and Lebanon yet."

The Israeli incursion was specifically designed to intensify the spiraling collapse of governmental control in Lebanon.

EUROPEANS MOVE TOWARDS EAST-WEST TRADE AS
DOLLAR COLLAPSES

TREASURY CONFIRMS EUROPEAN FEARS OF STERLING COLLAPSE: U.S. ARMTWISTING TO HOLD THE FORT

May 21 (IPS) -- Sources at the U.S. Treasury Department this morning confirmed that the upcoming Organization for Economic Cooperation and Development (OECD) meeting in Paris will be an arena of intense U.S. armtwisting to prevent the imposition of trade restrictions in Britain and simultaneously keep panicked European financiers in line. "Serious and intense discussions of the U.K.'s precarious political and economic situation is certain to take place. This kind of discussion is the most efficient modus operandi, the source said, "unless you're willing to use threats and bash people around... and we've got enough problems without that."

The Treasury spokesman reaffirmed the U.S. commitment to flexible exchange rates, the formal rationale for explicit Rockefeller policy to dump the pound. But the Treasury source noted, "There is always a danger that when you start these things they may go too far." "Of course," he added, referring to sudden, unexpected European central bank support for the pound sterling last week, "we are less concerned about the pound going down than many European countries who are more closely involved with Britain."

BANCA COMMERCIALE ITALIANA LAUNCHES EXPANDED EAST-WEST TRADE BID

MILAN, May 22 (IPS) -- The president of Banca Commerciale Italiana, Gaetano Stammati, affirmed the intentions of a growing faction of Italian financial-industrial circles to resist Rockefeller's gutting of Italian industry by taking up recent Soviet offers of expanded economic cooperation. In an interview published May 20 in the conservative financial daily Le Fiorno, Stammati declared: "At this moment a greater opening towards the Eastern countries is necessary. These countries and the USSR in particular have unmistakably shown their determination to base the present phase of the development of their economies on foreign trade."

In an interview yesterday, the director of the Frankfurt branch of Banca Commerciale Italiana reiterated this policy, asserting that his bank is fully committed to expanding trade relations with the socialist countries of the Soviet bloc.

The BCI is one of the three huge national banks in Italy, representatives of which attended the Milan press conference given April 30 by U.S. Labor Party presidential candidate Lyndon LaRouche, in which the proposal for an International Development Bank was launched.

ARABS ABANDON DOLLAR EN MASSE

May 23 (IPS) -- Starting yesterday, the last prop holding the worthless dollar cracked open when the oil-producers began pulling out of the sinking currency en masse. Within a few trading hours yesterday, the dollar had plunged as much as 1 percent against some of the major Western European currencies, despite the unprecedented purchases of more than \$75 million by the French Central Bank and an undisclosed amount by the U.S. Federal Reserve itself.

Foreign exchange traders contacted in New York were absolutely certain that the Arabs were dumping the dollar "right and left."

The oil producers were reacting no doubt to the failure by Secretary of State Kissinger and Secretary of the Treasury Simon to pull off a massive support of the dollar by the Western Europeans. Under considerable pressure from a European-wide array of forces opposed to Rockefeller's nuclear blackmail of the Soviet Union and the support of the worthless dollar, West German Finance Minister Hans Apel publicly rejected the idea of a fixed relationship between the European currency float and the dollar.

The other factor affecting the oil producers' decision to dump the dollar is the evaporation of the carefully-nurtured public relations effort concerning an international economic upturn. Such wishful thinking was laid to rest by the release, earlier this week, of an Organization for Economic Cooperation and Development report. This report categorically denies the basis for any such recovery in the industrialized Western economies.

DANISH CP LEADER CALLS FOR FARM DEBT FREEZE

COPENHAGEN, DENMARK, May 23 (IPS) -- Villy Fuglsang, a Central Committee member of the Danish Communist Party, called for a freeze on farm mortgage debt at the just concluded conference on agriculture questions, held in Paris under the auspices of the Communist Parties of Western Europe, according to a report in L'Humanite, newspaper of the French Communist Party.

IRAQ AND BRITAIN PLAN DEVELOPMENT

May 23 (IPS) -- A joint committee on economic, industrial, and technical cooperation will be finalized soon by the governments of Iraq and the United Kingdom, according to yesterday's London Financial Times. Pro-Soviet Iraq is presently pursuing an ambitious development program, and Britain is trying to stimulate its industry by increasing its participation in this program. The British Department of Trade and Industry has produced a document - "Economic Development in Iraq" - to inform and stimulate British business about the development projects and opportunities in Iraq.

LE MONDE ECONOMIST CONTEMPLATES DEPTHS OF THE DEPRESSION

PARIS, May 24 (IPS) -- In a front-page article today, Paul Fabra

economic specialist of Le Monde, states, "The countries of the capitalist world are only starting to abandon their too long entertained illusions on the chances for a serious recovery of the economic activity during the second semester.... In the U.S., as well as in Europe, the capitalist world seems to be sinking little by little into a depression whose end one does not foresee."

CONTINENTAL

LAROCHE ADDRESSES BOSTON CITY COUNCIL ON DEBT MORATORIA

BOSTON, May 19 (IPS) -- Today Lyndon H. LaRouche, U.S. Labor Party presidential candidate, addressed a session of the City Council here on the municipal and international financial crisis. Eight of Boston's nine City Councilmen were present, as well as an unusually crowded gallery of 100 spectators and the full City Hall press corps.

After briefing the councilmen on North America's chief asset for contributing to world reconstruction -- its productive labor force -- LaRouche went on to underscore that, if it acts for orderly debt moratoria, "The Boston City Council will not be isolated -- every city, every state is in the same position; all are waiting to see who takes the first step."

ROCKEFELLER/FORD ADMINISTRATION STRESS "LEGALITY" OF SEARCH AND SEAL

May 19 (IPS) -- Today's Washington Post announces that the Rockefeller-Ford administration has "reasserted that federal agents have the right to break into a citizen's home without a warrant to search for items that might be used in foreign espionage or intelligence cases."

This flagrant violation of the Constitution's fourth amendment which strictly prohibits and protects citizens from "unreasonable searches and seizures" is now being overruled under the rubric of "National Security."

NYC COUNCILMAN: "THE BANKS WANT TO RUN THE CITY"

May 19 (IPS) -- New York City Councilman Matthew Troy, the head of the Council's finance committee, said, according to WINS radio, today, "The banks are putting the crunch on us so they can take over running New York City." Troy's statement is the latest protest by Democratic party machine politicians in New York who realize their base is being destroyed by the triage operation being conducted against the city by Rockefeller's banks.

NEW PLAN OFFERED TO SQUEEZE NYC

May 19 (IPS) -- State Senator Roy A. Goodman of Manhattan said that Treasury Secretary William Simon might consider extending \$200 million in aid to New York City, providing Mayor Beame accepts Goodman's four-point plan for massive budget austerity and increased taxes, the New York Times reports today. Beame responded by saying it is the "height of arrogance" for Simon to try to dictate social policy for the city. "I will not succumb

to this Republican pressure that will hurt all New Yorkers, whether it comes from Washington or the silk-stocking district of our city."

DEMAIO JOINS DENUNCIATIONS OF ROCKEFELLER NUCLEAR WAR BUILD-UP

May 20 (IPS) -- Ernest Demaio, former Vice-President of the 170,000 member United Electrical Workers, has joined the labor leaders of the Amalgamated Maatcutters Union and the International Longshoremen and Warehousemens Union (ILWU) in denouncing the Rockefeller build-up for nuclear incineration.

In today's issue of the Daily World, newspaper of the Communist Party USA, Demaio writes, "Detente is our guarantee against fascism. No fascism, no war. No war, No fascism."

Two days ago, in the May 1975 issue of Labor Today, Abe Feinglass, Vice-President of the 530,000 member Amalgamated Meatcutters Union attacked the cold war build-up that could turn the world into a "thermonuclear graveyard." At the same time, the International Longshoremen and Warehousemen's Union reprinted in their union paper, their strongly worded April national convention resolution which urges its members to stand ready to "ensure that America guards against future Vietnams and Hiroshimas" and further urged steps to "reduce the dangers of nuclear war."

LEGISLATORS FEAR FOR LIVES

WASHINGTON, D.C., May 20 (IPS) -- The absolute terror which Rockefeller has instilled in the spineless U.S. congress following the Mayaguez affair was highlighted in a meeting between representative Parren Mitchell (D-Md.) and a U.S. Labor Party organizer from Baltimore yesterday. Mitchell brought up the highly suspicious death of Representative Hale Boggs in a plane crash in Alaska as an example of what happens to congressmen who fight against Rockefeller. Hearing news of the highly explosive USLP organizing in his Baltimore district, however, Mitchell agreed to try to broaden the debate on U.S. strategic policy this afternoon when the Defense Department military authorization bill comes up. He also said he would write a letter calling for Congress to hold a full debate on U.S. strategic policy, and agreed to contact Senators McGovern and McIntyre.

MUNICIPAL UNION HEADS: ANYTHING BUT A DEBT MORATORIUM

May 20 (IPS) -- At a press conference in New York City, endorsed by all city unions except the United Federation of Teachers, AFSCME head Victor Gotbaum blasted the First National City Bank for not loaning the city money and announced a union boycott of the bank. All 200,000 members, Gotbaum said, will withdraw their checking accounts and cancel loans, and the union will withdraw all its funds from First National.

When asked to comment on the Labor Party's call for an orderly debt moratorium, Gotbaum abruptly asked for the next question.

When a correspondent from this news agency attempted to question firefighter head Richard Vizzini, who last month called for a debt moratorium to solve the city's financial crisis, he turned away in panic stammering, "We don't have any more problems."

LOCAL POLITICAL BODIES, PEACE GROUPS, AND MAJOR U.S. PRESS MOBILIZE TO STOP NUCLEAR PROVOCATIONS

May 21 (IPS) -- In the week since the collapse of congressional resistance to Rockefeller-Kissinger-Schlesinger has become clear across the country, local political bodies linked to the labor movement, national peace groups, and a substantial minority of the major U.S. press have begun to mobilize to stop the threat of nuclear war.

These developments began last week with the resolution of the New Democratic Party Executive Committee, which read, in part: "To begin the process of reversing our foreign policy;...to eliminate the current and most skilled advocate of these morally bankrupt policies that have brought disaster in Southeast Asia and elsewhere; the national New Democratic Coalition calls for the resignation of Henry Kissinger."

A meeting in Flint, Michigan May 16 called for "all labor organizations and human beings to lead a fight to prevent nuclear war, impeach Rockefeller, and break the press blackout on nuclear brinkmanship policies." It has been endorsed by UAW President Jordan Sims, Local 961; Max Dean, Flint labor lawyer; Zolton Ferency of the Human Rights Party; Ira Silbar, Chicago attorney; and Dr. Roche from the American Independent Party in Chicago. Ford Hamburg UAW 897 Executive Board is now considering the endorsement of this statement.

Further, Akron, Ohio, City Council President Ed Davis has read the U.S. Labor Party brief on the possibility of a nuclear war into the council record.

Philadelphia regional director of the Southern Christian Leadership Conference (SCLC), Raymond Culbrith, speaking before a rally of 5,000 persons in Philadelphia on May 17, introduced the Labor Party stating, "The Labor Party is waging a major war against Rockefeller, which I support. I endorse their demonstration today." The Hartford, Conn. SCLC director has proposed to Dr. Ralph Abernathy that SCLC call for public debate on nuclear policy.

Among state politicians in Massachusetts, the mobilization against Rockefeller has been linked with a call for debt moratoria.

Boston City Council President Gerald O'Leary briefed a community group in Dorchester yesterday on the threat of nuclear war and economic collapse by June 30.

Yesterday, in New York city, a meeting of the Coalition for International Cooperation and Peace, chaired by peace activist Ruth Gage-Colby, voted unanimously to send a resolution to both houses of Congress stating, "We call on Congress to initiate an urgent public debate on United States strategic doctrine and nuclear weapons in order to prevent a nuclear war." The meeting has attended by members of the Women's International League for Peace and Freedom, SANE, the Unitarian Church, the International Association of Educators for World Peace, and others.

Representatives of the Women's International League for Peace and Freedom (WILPF) will attend a meeting with the Labor Party today in Seattle to plan joint work in exposing the threat of nuclear war.

Today's New York Post chastised "craven congressional surrender" in voting for the huge Schlesinger war budget. The editorial calls for greater attention to the "decline of economy rather than the fall of Indochina desports." Further, this morning's Trenton Times ran a cartoon depicting several congressmen walking down stairs with an atomic bomb mushroom cloud on the other side. The caption reads: "Wonderful but I wish Gerry would keep us informed of just what he's up to." The Milwaukee Journal ran a sharp attack on Kissinger and Schlesinger for their "warmongering and sabre rattling."

An editorial attack on Nelson Rockefeller in the St. Louis Post Dispatch hints for his resignation. While Rockefeller may have been an adequate governor of New York, State, he is not cut out for national stature. He is out of step with the president and his manner is too abrasive.

Tomorrow, the New York Civil Service Employees Association will consider a resolution calling on Congress not to recess because of the grave danger of nuclear war. Sentiment for a similar resolution against the congressional recess is being tested in the Buffalo City Council.

The president of the Washington State Pierce County Democratic Party is calling congressmen on the nuclear threat, as are Democratic committeemen in Everett and Tacoma.

SUSPECT FRAUD IN DENVER MUNICIPAL ELECTIONS

DENVER, May 21 (IPS) -- The published returns of Denver's municipal election yesterday indicate the same sort of vote fraud now proven to have been practiced against the U.S. Labor Party in Camden, New Jersey last week.

Kate Meyers polled 6.5 percent of the vote - 11,052 votes. There were large differences in the reported votes for the other three USLP candidates, and in the area of highest Labor

Party penetration, City Council candidate Robert Rothfuss posted merely 1 per cent of the vote.

FBI THROWS AWAY THE CONSTITUTION IN ATTACKS AGAINST USLP

May 21 (IPS) -- The Federal Bureau of Investigation continues what has become the most widespread assault against civil liberties in the history of the United States, directed at the U.S. Labor Party and its supporters.

In Baltimore, a police attack against a Labor Party evening walking tour on May 19 resulted in the assault and arrest of five USLP organizers. It has been confirmed that in addition to confiscating a rented sound system and \$70 in literature, electoral petitions were illegally taken and are still being held by the police. The Labor Party is investigating direct FBI collaboration in this attack, based on an attempted murder of Baltimore USLP members earlier in the same day by members of an FBI-controlled Maoist group.

ROCKEFELLER PUTTING U.S. ARMY ON ALERT -- AGAINST U.S. CITIES

May 22 (IPS) -- For the past three days, the 303 Civil Affairs group of the U.S. Army Reserve, a counterinsurgency unit made up of doctors, lawyers, bankers and other professionals, has been carrying out a simulated military takeover of New Jersey.

The maneuvers come in the context of information from the U.S. office of preparedness today that the OP, which coordinates closely with the Defense Department, is on alert monitoring possible political crises in U.S. cities collapsing under Rockefeller debt demands.

A source in the New Jersey state government told IPS today that a primary responsibility of the 303 Civil Affairs unit is to observe state employees.

UAW LOCAL PRESIDENT SIGNS USLP CALL AGAINST NUCLEAR WAR

DETROIT, May 22 (IPS) -- Hank Wilson, United Auto Workers division president in the huge Ford Rouge complex here today officially endorsed a U.S. Labor Party call to stop Rockefeller's nuclear war and open up Schlesinger nuclear policy to full congressional debate.

LEAA GOES ALL OUT FOR RAILROAD CONVICTION IN MOUNTAIN LAKES TRIAL

May 23 (IPS) -- The FBI-LEAA frameup trial of Costas Axios, Daniel Wasserman, and Elijah Boyd, national leaders of the National Caucus of Labor Committees, neared its conclusion today as the judge and prosecutor virtually announced their intention to railroad a conviction even if their efforts to do

so provide clear grounds for a successful appeal. The three were arrested on phony weapons possessions charges in December 1973.

Failing conclusively to prove the defendants guilt on the weapons charges, the prosecutor has fallen back on trying to convince the jury that they are "violent radicals" who should be jailed despite the mass of contradictions and obvious lies in the police testimony.

VOTE FRAUD IN READING ELECTION

May 23 (IPS) -- A U.S. Labor Party supporter in Reading, Pa., Louis Fructor, has uncovered illegal, anti-communist harassment directed against him and his campaign for District Justice. He was defeated in last Tuesday's Democratic primary election. Fructor, the well-known editor of the Reading Polish Gazette, lost by 1,500 votes, receiving, according to official tallies, only 15 percent of the vote. He is now considering a number of civil rights actions.

It has been learned that a Democratic committeewoman wrote or telephoned every Democratic voter about the "communist" who was running out of headquarters at "212 North 6 Street" in Reading - the headquarters of the U.S. Labor Party.

GOTBAUM TO CITY WORKERS: GIVE UP

May 23 (IPS) -- State Department agent Victor Gotbaum, head of AFSCME's District Council 37, New York City's largest municipal employees union, declared yesterday that city workers should take wage cuts so that Rockefeller banks could receive their \$1.5 billion in debt service on the city's debt.

Yesterday's final edition of the New York Post quotes Gotbaum as follows: "We should give up some of the crap we got on the collective bargaining table. We never should have got some of it."

RIZZO WINS LANDSLIDE VICTORY IN DEMOCRATIC PRIMARY

May 23 (IPS) -- Campaigning on a pro-working class platform, Philadelphia's incumbent mayor, Frank Rizzo, and his slate won a clean sweep victory over the Camiel-machine-espoused opponents in yesterday's Democratic primary election. His platform included granting a 10 percent increase for city employees two weeks ago, no tax increases, receipt of federal grants for major construction jobs for unemployed construction workers, demands that the banks account for a greater proportion of the city's needs, and a bond rating that has been pulled up by two points.

WILL LABOR 'CRATS SWALLOW PHONY DEBATE OR OPPOSE NUCLEAR THREAT?

May 24 (IPS) -- Senator Alan Cranston (D-Cal.) met yesterday with a group of trade union bureaucrats in Washington, D.C. to discuss opposition to the Defense Department military authorization bill now before the Senate. Patrick Tobin, Washington representative of the International Longshoremen's and Warehousemen's Union, sharply criticized the House Democratic leadership, saying "No one took the floor to challenge the cold-war, anti-communist policy that underlies military spending.... Without a strong position in favor of detente with the socialist countries, the Democrats will never be able to muster the strength to cut the budget."

POLICE CONFIRM RESURRECTION OF QUEBEC TERRORISTS

May 24 (IPS) -- A Montreal Police Department captain confirmed the resurrection of the terrorist Front de Liberation de Quebec (FLQ) in remarks to the Canadian press yesterday. Captain Stone, attached to Montreal's Criminal Investigation Bureau, and other police sources reportedly verified stories, published this weekend in a Montreal daily, that the FLQ is preparing for some new action, and filling its treasury through bank extortions.

WILL JAMES' CHARGE SWALLOW EVERY BIRD OR OTHER ANIMAL?

May 21 (1951) -- Senator Alan Cranston (D-Cal.) has introduced a bill to create a group of grade rates hereafter in Washington, D.C. to be known as the Defense Department Military Appropriations Bill. It is now before the Senate. Patrick Tobin, Washington representative of the International Longshoremen's and Warehousemen's Union, sharply criticized the House Democratic leadership, saying "to give the floor to challenge the cold-war, anti-communist policy that underlies military spending.... Without a strong opinion in favor of defense with the socialist councilors, the Democrats will never be able to muster the strength to cut the budget."

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