

Collapse Spurs Drive for Fascist Economics

Sept. 30 — In the last 48 hours the Rockefeller faction has committed all its forces to a managed bust of the world economy and the imposition of fascist economics and police state rule as soon as soon as is politically possible. Thrown on to the defensive by three-way trade initiatives by the Soviet Union, Western Europe and Third World nations and by the stepped-up pace of collapse of the Dollar Empire, Rockefeller has sent agents on emergency deployment to Western Europe. There, they are attempting to sabotage East-West trade and turn the resulting economic rubble field into a streamlined fascist economy based on military rearmament and Auschwitz-style slave labor programs. In the United States the drive is aimed at a shutdown of credit and production combined with nation-wide union-busting and the establishment of Nazi-style "full-employment" schemes. Nelson and David Rockefeller and their house servants want to place the world economy into outright receivership and oversee its liquidation before they, as the last capitalists, crumble under a world ecological holocaust of their own making.

The much-publicized moves by U.S. Defense Secretary Schlesinger to force the export-dependent Western European nations to sever all trade relations with the East Bloc under threat of nuclear war are speeding a new wave of industrial shutdowns. In France, where new rounds of layoffs are scheduled for the steel, chemical, and public sectors, Finance Minister Fourcade has announced that French firms will not be allowed to borrow outside France except with Government permission, an action that enables a selective starvation of industry. In turn, the Government has moved with Gaullist support to implement a nationwide labor recycling plan and crackdown on the Communist Party (PCF) and its allied trade union federation, the CGT. Under the cover of Maoist-led riots and demonstrations against Franco's executions, French Interior Minister Poniatowski has mobilized private army attacks on the trade unions.

In West Germany as well as Italy, the economic chaos is being used to revive fascist legislation on the books from the days of Hitler and Mussolini. Unemployed West German workers are being recycled from the country's north to the

industrial Ruhr region at lower wages to replace Turkish workers subject to massive Gestapo-style deportation. In line with U.S. Federal Reserve Chairman Arthur Burns' "solution" for the unemployed in the United States, over 300,000 West German workers have been simply removed from unemployment roles.

Same in New York City

Stateside, the same strategy is in operation. In New York City, Rockefeller's home ground, the commercial banks have used an unconstitutionality ruling on pension fund investments as a pretext for collapsing the \$2.3 billion MAC bail-out package and pushing New York City, New York State, and a host of related agencies into bankruptcy. In the words of one top New York banker "everyone in the financial community is anxious to see New York go under" and, in effect, place the city's assets — workers and services — into outright receivership and carry out liquidation proceedings. The decision by the Emergency Finance Control Board (EFCB) to reopen the New York Teachers contract is designed to break the strongest of the nation's municipal trade unions and remove the principal obstacle to such liquidation. The EFCB provocation is not an isolated act. The same day former Treasury Secretary Presidential hopeful John Connally in a speech widely broadcast called for an end to mayoral rule in U.S. cities and the establishment of non-elected authorities capable of smashing the national municipal trade union structures.

This pincer operation is directed against every aspect of economic life. In the past three months the nation's Central Banker, Arthur Burns, has pursued bloodletting credit policies which have produced a negative growth rate in the money supply greater than during the "Great Monetary Contraction" of 1929-33. This week, Burns informed Congress that in light of an unexpected and rapid economic recovery he will tighten the credit reigns!

In addition, Treasury Secretary William "rifled the unemployed" Simon this week asked Congress for unlimited authority to sell long-term bonds, a move that will deprive corporations of access to long-term funds which they must have to finance capital expansion programs. This move is a complete reversal of a previous agreement

between the Treasury and the Fed to keep out of the long-term market, and thus represents a deliberate decision to throw recovery out the window. Simon admitted as much yesterday in testimony before Congress. The long-heralded business investment and housing recoveries have already been aborted by past government financing operations, Simon said.

The latest fruits of this industrial sabotage showed up in this week's steel production figures, which dropped by 5 per cent. Still, Rockefeller is not satisfied with industrial collapse alone. The Dunlop-controlled Council on Wage and Price Stability has launched a major attack on steel companies for recently announced price increases. The implications of such an attack in the face of skyrocketing production costs are obvious. Steel companies must compensate for this either through vicious in-plant speed-up, or drastic cut back in capital investments. Rockefeller simply wants to repeat the steel cartel arrangements of the 1930s which, first, shut down major sectors of the industry, and then limited production to the extent necessary to protect a price level which assured repayment of bank loans.

Cartels Coupled With Slavery

Collapse and cartelization of industry, as in Europe, is being coupled with slave labor proposals. This morning, the Joint Economic Committee, headed by Senator Hubert Humphrey issued its midyear report containing proposals that dovetail with Burns' Sept. 19 call for the elimination of unemployment compensation and welfare, and their replacement with slave labor jobs.

At the moment most capitalists are in a complete state of panic. The Journal of Commerce summed it up with the following haunting analogy; "today it sometimes seems as if we are having a replay of the 1937-8 period, when a business recovery which had lifted the country out of the severe depression was rapidly fading." It is precisely these conditions of panic combined with the unwillingness to seek out the alternatives of debt moratoria and expanded trade that have pushed most capitalists into open support for the very policies of Rockefeller that in a matter of time will mean their own elimination.