



\$7 a copy

New Solidarity International Press Service

Vol. I, No. 12

July 22, 1974



SPECIAL POPULATION FEATURE

**John D. Rockefeller III
Father of ZPG**



New Solidarity International Press Service

P.O. Box 1972, G.P.O.
New York, New York 10001
(212) 279-5965

Vol. I, No. 12

Table of Contents

July 22, 1974

Political Economy

- Kruppwerke — Rockefeller's New Mideast Pyramid Builder3
- The Next Sixty to Ninety Days3

International Reports

- Cyprus Coup Consolidates NATO's Southern Flank5
- Italian CP Prepares to Join LaMalfa in "Radical Reform"6
- CP Dominated CGIL Makes Waves in European Trade Union Confederation8
- Japan: Rockefeller Uses Fukuda to Wreck Japanese Government, Economy9

State of Agriculture

- EEC Livestock and Dairy Crisis Mounts10
- The World Grain Situation13

U.N. Report

- U.S. Ambassador Scali Calls for "Extraordinary Measures" to Save Capitalism ...14

Fusion Power Report

- Fusion Power Possible Within One Year15

The Press

- New York Times Gloats Over Hopeless Trade Union "Strike Wave"16
- CIA Press Network Frantic Over Colson Charges17

North America

- 12 Days in May: Canadian Military Gears Up Against Working Class19
- Washington Report: Press, Social Fascists Fit Nixon for Hoover-style Suit21
- Municipal Budgets Collapse; Cities Must Choose Debt Moratorium or Slave Labor23
- LC Campaign Wrecks Mondale Bill; Reuss Bill to Create Fascist Labor Front24
- "Liberal" Judge Faces Political Dilemma in NCLC Suit Against FBI25
- Dr. Ackerman Initiates Meeting to Establish Commission26

• SPECIAL POPULATION FEATURE •

- Population Research Report: How Rockefeller Nurtured and Controlled the ZPG Plan for Depopulation27
- Capitalism's Limits to Growth30

Press Service of the National Caucus of Labor Committees
Molly Hammett and Marjorie Mazel, Editors
Bryna Silver, Production Editor

Published by New Solidarity International Press Service, Inc.

political economy**Kruppwerke - Rockefeller's New Mideast Pyramid Builder**

NEW YORK, July 18 (IPS) — With today's purchase by the Shah of Iran of 25 per cent of the equity of West Germany's Krupp Company, David Rockefeller has begun to create the international institutions which, that family hopes, will allow the life-blood of the advanced world to be syphoned into the modern-day pyramids of the Middle East.

That purchase by the Shah, who is nothing but a comic mask concealing the features of CIA agent and Rockefeller planner Richard Helms, U.S. Ambassador to Iran, signifies that the conditions demanded by the Shah in February for the investment of "his" oil surpluses in Europe are now being filled. At that time the Shah informed those European politicians, who visited his skiing holiday chalet, cap in hand, that he would provide them with no investment capital until such time as austerity had been increased to levels which he considered acceptable.

Among the provisions of the Shah's deal with Krupp, which include the placement of Iranians on the Board of

Directors of the concern, are the establishment of an international development bank to be based in Zurich, Switzerland and the proviso that Krupp will make its technical know-how and expertise available—cost free—for the Shah's project.

And here the wheel turns full circle. For who will head that bank? None other than Guido Carli, the vampire of finance who from his position as head of the Bank of Italy has laid out the line of exactly those kinds of austerity policies which the Rockefellers now instruct the Shah to find acceptable.

Those preparatory moves by the Shah and Krupp, when coupled with the NATO/CIA-inspired coup in Cyprus, define the reality behind Treasury Secretary Simon's continuing travels in the Middle East and Europe and the empty debate within European finance ministries about the possibility of borrowing so-called "Arab" funds on the international moneymarkets.

The Next Sixty to Ninety Days

NEW YORK, July 19 (IPS) — After claiming the economies of Britain, Italy, France and Japan, and breaking the sectors of agriculture, construction and municipalities in the rest of the industrial world, Rockefeller's ratchet has come to a momentary resting-point.

The sixty-to-ninety-day period of economic breakdown projected by this newspaper in mid-April has ended its first phase. Signalling this are two developments: first, the decision of the Rockefeller-allied German financial authorities to postpone the collapse of German credit until approximately the end of this month; second, the successful culmination of Rockefeller's efforts to collapse and consolidate the \$185 billion Eurocurrency market into his immediate control.

But in the interdependent world economy, this breathing space on the world's financial markets will be measured in days and hours. German industry is 25 per cent dependent on exports. When the peripheries of the European industrial machine are cut off, and the few

month's outstanding orders to German manufacturers from French, British and Italian producers are cancelled, the German core will crumble.

Flesh is already peeling off the bones of the textile, machinery, steel, and auto industries in Britain and Italy. Small industrialists, who account for 80 per cent of French production, are hammering on the lids of their coffins after Rockefeller's slaughter of French credit two weeks ago. In Japan, the firm ground of the "economic miracle" has given way, revealing the deep pit of bankruptcy and unemployment underneath.

With the oil crisis, Rockefeller drew over \$40 billion from the wages of European workers and the cash flows of European companies. The result is the bankruptcy or near-bankruptcy of European equity [titles to the proceeds of business]. Now Rockefeller will use the proceeds of the oil hoax to buy back European equity, at a nickel on the dollar.

The difference is intended ultimately to finance "pyramid building" in the Rocky Mountains and Brazil.

In West Germany the June 26 bankruptcy of the I.D. Herstatt bank in Cologne threatened to bring down with it dozens of other small banks, as depositors ran for safety either to the top three banks, allies of Rockefeller, or to the Federal Bank itself. During the three weeks after Herstatt, interest rates on Federal Bank short-term paper dropped continuously, since demand ran high at the expense of deposits in savings and other small banks. Press stories on the savings banks, whose deposits during the last several months have been hair-trigger short-term money, carried headlines like "Their Time Is Five Before Midnight," and "The Best Banking Years Are Over."

Publicly, the heads of the *Girozentrale* yesterday begged for an easing of the tight credit situation.

Rather than permit a collapse of the small banking sector to domino into an immediate collapse of the machine-tool and other credit-strapped sectors, the West German Federal Bank reversed year-old credit controls, injecting an additional \$1 billion into the banking system. Additional measures announced yesterday provide an extra \$80 million earmarked for small banks, and a guarantee that the newly founded "liquidity consortium" of the German bankers association could borrow from the Federal Bank without limit. The bankers association set up the "fire engine" body the week after Herstatt went under.

But Federal Bank president Karl Klasen warned that the slack would be pulled in at the end of this month. Commented the bourgeois daily, the *Frankfurter Allgemeine Zeitung*: "It would be a mistake to want to make out a change in the course of the Federal Bank. Now, as in the past, the bank's policy is directed towards holding monetary expansion within narrow bounds, defensible according to its stability policy."

As this newspaper has reported, the future of the German economy under Rockefeller was underwritten this week by Berthold Beitz, chief of Krupp Foundries, and the Shah of Iran, the oil-rich puppet for CIA agent and U.S. Ambassador to Iran Richard Helms (see accompanying article).

Eurodollar Collapse

On the international markets, interest rates climbed down from their impossible peak of 14 per cent last week, and a slight measure of calm returned to the Eurodollar market after three weeks of violent churning.

After the international banks virtually shut down their loan windows earlier this month, funds have begun to trickle out, with loans to Brazil in the forefront.

Behind this deceptive calm is David Rockefeller. This newspaper has described over the past weeks the Rockefeller plans to place the entire \$185 billion Eurodollar market under the immediate control of institutions he controls directly.

Out of the almost 1,000 banks that once roamed the Eurodollar market, the world's international lending pool, only 50 or so run the majority of business, including the most routine transactions. The elite club is headed by Chase Manhattan and its New York cousins, and the top banks of the Rockefeller-allied City of London.

Other banks—including the Japanese, once the world's friskiest—now exist in a nether world, as the "second tier market," where credit is more expensive and more difficult to get, and business consists of odd job lots for David Rockefeller.

After the Herstatt collapse, panicky money flowed out of the Eurocurrency market, into the government paper of the U.S. and Germany. Now, money is flowing back to the Rockefeller banks from the government shelters—and interest rates within the elite circle are dropping. This morning the *Wall Street Journal* reported that Eurodollar short-term rates fell to about 11 per cent from their high of 14, because Japanese banks were no longer on the market for Eurodollar deposits. As *New Solidarity* reported last week, Rockefeller wrote them out of the market in June, in preparation for "Italian" maneuvers against the Japanese economy.

Nickel On The Dollar

Krupp and the Shah demonstrated for what Rockefeller intends to use this respite.

During the last sixty to ninety days, the market value of European companies has dropped through the floor in the countries which Rockefeller has put in the barrel. In France, the value of shares of companies listed on the stock exchange has lost 40 per cent; in Britain, 50 per cent; in Italy, 33 per cent. FIAT may be purchased by an enterprising oil sheik for a mere \$750 million; British Leyland, for only \$150 million.

That is, for less than a billion dollars, Rocky and his friends can buy up Europe's two largest automakers!

Significantly, Rockefeller's pet monarch the Shah began not with impoverished strangers, but with a relatively well-heeled old friend. Berthold Beitz, the Krupp executive who closed the deal, has been a "development" specialist since the late 1950s, when the first press releases on world "development" came off the Rockefeller Foundation mimeograph machine.

Waiting for Rockefeller, FIAT already has begun a rationalization program in its trucking division—involving half of its cash flow—with a German company. Peugeot and Citroen, France's two private automakers, are merging—and First National City Bank suggests they improve their joint credit rating by merging again with the government auto company Renault.

Massive rationalization of industry, production cutbacks, gutting of Europe's industrial heartland, in favor of slave-labor "development"—this is the Rockefeller program for the next sixty to ninety days.

international reports

Cyprus Coup Consolidates NATO's Southern Flank

July 18 (IPS) — The military coup d'etat in Cyprus four days ago, orchestrated with bloody ruthlessness from London, Washington and their Athens regional headquarters, completes the consolidation of the southern flank of NATO. The takeover of this Mediterranean island by NATO's gangster armies coincides with the opening up of Egypt for U.S. banks, arranged by Secretary of the Treasury and Rockefeller hireling William Simon in Cairo yesterday.

At this point, the political and economic takeover of the Middle East — a process started when Nazi collaborator Anwar el Sadat expelled Soviet military personnel from Egypt about a year ago — has been more or less completed. Iran, controlled by the CIA, has further locked itself into Rockefeller's venture by joining with the Krupp Konzern in what promises to be a major European slave-labor enterprise. At the same time Iran invited Guido Carli, the Eurotraitor heading up the Banca d'Italia, to lead an Arab-dollar world bank — expected to finance slave-labor programs throughout Europe.

Simultaneously Egypt's Sadat has been meeting with King Hussein of Jordan to pin down the last details of the Jordan Valley Development Project — David Rockefeller's second largest slave-labor camp in the area after the Suez Corridor Development Project, the biggest moneymaker for the soon-to-open Chase Manhattan Bank offices in Cairo.

Securing the Mideast

The military coup in the strategically important island of Cyprus completes the military side of this consolidation of NATO's southeastern underbelly. Cyprus, long known as the "unsinkable aircraft carrier" of the Mediterranean, is, according to Britain's Secretary of State for Defense, a key piece in the strategic deployment of NATO's striking force as it provides a nuclear umbrella as far as the Soviet-Iranian borders.

With the toppling of Archbishop Makarios' non-aligned government, Cyprus has been transformed into a war camp. According to reports, over 1,000 Greek-Cypriots have been killed by the CIA-directed NATO forces there. This massive slaughter of one out of every 500 Greek inhabitants for the most part represents cold-blooded assassinations of Communist working-class cadre. This cadre force backed Makarios' government: AKEL (the Progressive Party of Working People). The Cypriot CP represented the largest per capita concen-

tration of Communist Party members anywhere in the world — 120,000 Greek-Cypriot Communists out of a population of 500,000. It is this force that NATO is now destroying in order to secure its military objectives in the region.

As a result of the NATO coup, the overall military tightening-up is not confined merely to the island of Cyprus. Both Greece and Turkey, with heavy nationalist prestige stakes invested in the island, are now armed camps with their forces mobilized to an "advanced state of preparedness."

Turkish Military Marches Forward

As a response to the "threat facing the Turkish minority in Cyprus," the Turkish military, which commands one of the most ruthless collections of NATO ruffians in the world, is now at the forefront of national life — virtually dictating policy to the elected government of Social Democratic Premier Ecevit.

Because of the entangled nationalist currents that flow out of the Greek Cypriot and Turkish Cypriot minorities — always carefully nourished and manipulated by the thick network of secret services in the area — every political crisis in Cyprus over the last 15 years has proven to be an initial trigger for major transformations of the regimes in Greece and Turkey. This was the case in the 1965 crisis that led to the Greek coup d'etat in 1967. It is the case now — this time involving the shaky regime of Premier Ecevit in Ankara.

The wave of nationalist demonstrations that is now sweeping Turkey is the culmination of a hysterical climate that had been seeded by the Turkish army and NATO-allied "nationalist" politicians like former Premier Demirel since the beginning of the year. Since the Monday coup in Cyprus, the Ecevit government has not been toppled only because it proved spineless enough to agree to do the army's bidding with no questions. This captive government will not last long. Every minute of its existence is bought by showing the country how completely it bows to the new hegemony of the armed forces.

At this point, the decision to install the Turkish military in political power is only a matter of convenience — no longer involving any difficult political problems. The army is already the only visible center of national life. The situation in Cyprus gives it the golden opportunity to start exercising its military hegemony over the entire Middle East region.

Rockefeller Rope Around the USSR

The Turkish armed forces, which represent the largest and most tightly run land force in all of NATO, are about to become the imperialist policeman in the Middle East which, in coordination with Iran's fledgling war machine (put together by former CIA director Richard Helms in the last two years), will replace Israel in this role. The activation of this war machine, as a result of the Cyprus coup, could not have come at a more opportune time, now that the exacerbated internal strains in Israel prevent that country from effectively policing the area for Rockefeller.

In broader strategic terms, this consolidation of NATO's east Mediterranean flank is pregnant with new threats for the international working class. A solid chunk of contiguous countries — Greece, Turkey and Cyprus — are directly run by NATO generals and colonels. These countries are foul with a military atmosphere of repression and anticommunism. An effective, solid "cordon sanitaire" has been thrown around the Soviet Union in this region — a further step toward the eventual thermonuclear confrontation that Secretary of Defense Schlesinger is organizing. Soviet naval and commercial access to the Mediterranean are now under heightened pressure. The old non-aligned axis of Tito-Makarios-Nasser is now in shambles.

CIA's Zombie in Cyprus

(IPS) — The leader of the Greek Cypriot rebels, Nikos Sampson, was called "sadistic" by an outraged *New York Times*, who recalled his years as a thug and a terrorist on Cyprus. What the *New York Times* did not say is just where Sampson learned his sadism. The answer is revealed in the July 18 issue of the *Washington Star News*: "In recent weeks Sampson literally lived on tranquilizers, became furtive, and avoided his closest friends. Years ago Sampson possessed intensive anti-American views, but after a medical treatment at the Bethesda Maryland Hospital and a tour of the United States last year he became a different man. 'Americans are the most hospitable people in the world'"

This evidence strongly suggests that the "sadistic" Mr. Sampson is nothing more than a behavior-modified zombie without a will of his own.

Italian CP Prepares to Join LaMalfa in "Radical Reform"

July 19 (IPS) — As the parliamentary fraction of the Italian Communist Party (PCI) continues to filibuster with moral outrage against the government austerity program, the trade union directorate called for a four-hour wake to be held July 24 to protest the dismantling of the economy.

The real political decisions on the future of the Italian working class are going on elsewhere. Behind the facade of militant resistance the PCI is preparing to come to terms with the "radical reform" program of FIAT magnate Agnelli and CIA agent Ugo La Malfa. The Democrazia Cristiana (DC) itself is gearing up for this, with Defense Minister Andreotti moving this week further to isolate DC party secretary Fanfani.

At the same time the real militants within the working class are struggling against the PCI's fraud and vigorously debating the only possible solution to the Italian crisis — the European Labor Committees' (ELC) draft proposal for an Italian debt moratorium. The choice for the working class is clear: either the debt moratorium or total devastation at the hands of Rocke-

feller and the CIA.

In tandem, Transport Minister Preti of the CIA-backed Social Democratic Party (PSDI) threatened to turn the PCI filibuster into a vote of confidence which could end the center-left governmental formula. PCI hack Lama responded: "If the center-left is not capable of making the reforms, it has exhausted its function. I am sure that if we look beyond the center-left, we will find something else."

What Radical Reform Means

What does this "radical reform" represent? While unemployment, food shortages, collapse of services destroy the working class, the PCI in *L'Unita* tells them: you must struggle for a "rigorous line which strikes parasitism, waste, clientelism, corruption, and speculative profits." You must fight for "radical changes in the governmental decision." You must march in the streets for "a new development of the national economy."

PCI member Luciano Lama and Central Committee member Renato Zangheri clarify the meaning of "radical

reform." Lama has led the fight against white collar workers, 60,000 of whom have already been sacked. Zangheri, a "professor of economics," writes that "the only way is to somewhat diminish our demand for petroleum, meat and other primary materials." When one adds the comments of Politburo member Ugo Pecchiolo that "at certain times, there can be a convergence between workers and some economic groups..." it is clear that the PCI thinkers have turned for inspiration in economic matters to Agnelli!

June 11 the newly politicized Gianni Agnelli (president of FIAT corporations and of the Confederation of Industry) said: "We can say to our union counterparts that the companies and the free-enterprise system are surely not their enemy...and that there exists a necessary link, as recent events have shown, between the industrial system and the development of democracy." The following week Agnelli explicitly spoke of the "convergence of interests" between the industrial unions and the private productive sector against the common enemy — the parasitical public sector.

Provisionally, FIAT and Italy's other giant corporations happen to have extensive plans for recycling labor, both within their northern factories and in new construction boondoggles planned for the Mezzogiorno. These projects, whose first task will be to grind up the bones of ex-public employees to pay off Italy's debts to Rockefeller, only await the PCI's "reforms" to get underway.

The Real Author: CIA La Malfa

Agnelli, an ex-playboy, did not think up all these reforms alone. Back in the 1968-69 period, banker Ugo La Malfa, secretary of the tiny Republican Party, launched the slogans which the deputies of the PCI are now carrying forward in Parliament. Declared La Malfa in 1969, the year of the "hot autumn" when a mass strike swept workers out of the grip of the unions and parties: "A highly skilled industrial worker earns less, and has less job security, than the least qualified employee of any public agency. To believe that this is the product of the capitalist system and not the product of the demagoguery and lightmindedness of the unions, is an error which workers cannot continue to commit in the name of so-called working-class unity, because concretely it has served the swindlers and not those who work the most and produce the most."

La Malfa's strategy was explicit. He foresaw, with his international Rockefeller banking connections, the end of Italy's center-left coalition under the conditions of world depression developing in the 1970s. No doubt armed with a psychological profile of the Communist leaders, La Malfa laid the trap for the PCI to undergo the kind of "internal transformation" which would enable them to co-administer a "new left" policy: recycling human beings in a fascist economy. The rhetoric was selected to appeal to a vicious anarcho-

syndicalist current in Italian left ideology: setting industrial workers against public employees, instead of against capitalism.

Workers too are looking beyond the center-left government, but not to the posture of La Malfa's unwitting Communist dupes. Strikers in Milan and Turin jeered their union leaders (Scheda and Carniti) last week, demanding an immediate national general strike against the government. Led by the militant 1.2 million-member Metalworkers' Federation (FLM), northern industrial workers are determined to fight to defend the standard of living which is being slashed by the Rumor measures. In Milan, the CGIL regional secretary called for a political and not just economic fight by workers, demanding an immediate end to pyramid-building. The Turin regional congresses of the CGIL and the CISL (Catholic union federation) voted up the national strike last weekend; more importantly, after an intervention of the European Labor Committees, the Turin CGIL laid the blame for Italy's economic crisis where it belongs: not on any local "parasites," but on Rockefeller's international financiers.

In Florence, the PCI federation is confident it can force an "historic compromise" with the Christian Democrats (DC) in the local government, but workers in the region are talking about making a revolution. A PCI Central Committee member in Naples recently remarked: "Communism is a pure romantic ideal, but we are a reformist party," and announced the intention of the leadership to campaign in the next elections on local corruption issues! The members, however, are seeking a left alternative. Well they might — with 25 per cent of the members of the transit union in the Communist Party, transit strikes last winter were led by the much smaller group of **fascists!**

Wherever workers want to fight in Italy, they are turning **against** the **pappagallo** antics of the PCI leadership. The proposal of the European Labor Committees for a moratorium on debt service payments to Rockefeller, together with a concrete program for implementing it under a PCI-PSI working-class government, is having a significant effect in directing this ferment. Vincenzo Mattina, second-in-command of the UIL-FLM, read a resolution drafted by the ELC to the International Metalworkers congress in Stockholm, proposing the Italian debt moratorium and "Golden Snake" monetary and trade agreements between Europe and the Eastern Bloc, against the Rockefeller multinationals' attack on Europe. This week, a United Front meeting in Milan around the moratorium proposal brought together two CISL secretaries, a journalist from the Socialist party paper *Avanti*, an official of the UIL (Socialist-Republican-Social Democratic union federation), and a PSI regional secretary.

This motion towards the European Labor Committees is the only threat to Rockefeller's strategy for Italy.

Communist Party-Dominated CGIL Makes Waves in European Trade Union Confederation

July 20 (IPS)—In the midst of the most serious Italian political crisis in postwar history, the CGIL—the Communist Party-dominated Italian trade union federation—has been formally admitted into the European Trade Union Confederation (ETUC). In an action that came as no surprise, following a “straw vote” at May’s General meeting, the executive board of the EUTC last week approved by an overwhelming margin the resolution calling for the CGIL’s admission, over the objections of the West German DGB, the CIA-created Force Ouvriere (FO) of France, and a few newly admitted Catholic unions.

Thus the CGIL has achieved its long-stated goal of equal status and respectability within the European trade union “family,” becoming the first Communist trade union federation to be admitted to what was formerly the European arm of the anti-communist International Federation of Free Trade Unions. It was originally felt, both by Rockefeller and the so-called leadership of the European trade unions, that the CGIL had been housebroken. The best place to keep this pet under control would be in the “radicalized” ETUC. There, it was thought, the presence of the CGIL would add credibility to the ETUC’s planned phony attack against the multinational corporations—a ploy designed to prevent a classwide attack on the multinationals and a political defense of the European working class against Rockefeller’s onslaught.

CGIL Shows Signs of Life

But now, despite repeated assurances by the top-level leadership of the CGIL that they will “play ball” with the ETUC, that they have no “radical program” to put forward in the ETUC, that they would support the “initiatives of member organizations,”—in the context of the present crisis, the CGIL poses a threat. Elements in

the CGIL sympathetic to Labor Committee debt moratorium proposals, leaders desperately groping for clear political direction, may actually bring political discussion into the ETUC—discussion that might disrupt the controlled environment of the so-called European trade union family.

The CGIL is becoming unreliable because of tremendous ferment building at its base. Its leadership will have to respond to members who are refusing union cards for fear of what will happen if the proposed merger of the three Italian trade union federations goes through! Leaders of the Italian UIL and CISL, who had argued strongly for the CGIL’s admission to the ETUC, used the proposed merger as evidence of the CGIL’s abandonment of a revolutionary perspective.

At the General meeting of the ETUC in May, the intervention by a handful of Labor Committee organizers around the Golden Snake proposal for expanded trade with the Soviet Union and a brute force program to develop fusion power, broke the stupefying environment of the conference and contributed to the ensuing deadlock over “the Rockefeller” proposal for a Europeanwide campaign for co-participation with the multinationals.

Warning to CGIL to Stay in Line

The president of the ETUC, Hans Oskar Vetter, head of the West German DGB, has attempted to reinforce the controlled nature of the ETUC in which the CGIL finds itself. As if warning the CGIL not to get out of line, Vetter stated at an executive meeting of the DGB which raised the question of admission into the ETUC that in the future the ETUC should not open itself up to Communist organizations like the CGIL. He had previously stressed the point that the CGIL’s admission was a special case, and that the CP-dominated CGT of France should not expect to be admitted.

Japan: Rockefeller Uses Fukuda to Wreck Japanese Government, Economy

July 16 (IPS) — Japanese Finance Minister and Rockefeller lackey Takeo Fukuda walked out of the Japanese government today, in a blow-by-blow replay of Ugo La Malfa's inside wrecking of the Italian government earlier this year.

On Fukuda's heels Minister of State Shigeru Hori resigned from the Liberal Democratic (LDP) government of Premier Tanaka. Once a coalition of five Liberal Democratic factions, the Tanaka government overnight has become a maze of impotent warlords, all waiting for the strong man in the wings.

These resignations were timed for the height of Japan's economic crisis, in motion since the Rockefeller-engineered oil hoax of last winter. Rockefeller intends to destroy parliamentary government in Japan, as he already has destroyed the postwar "economic miracle" of the Japanese economy.

Fukuda's History

Fukuda is linked to the "elders" of the LDP, spokesmen for the six cartels or **zaibatsu** which command the Japanese economy. His resignation voices the cartels' decision to survive the coming crash by subcontracting for Rockefeller's world-wrecking machine.

In addition, Fukuda is the chief Liberal Democratic sponsor of the extreme rightwing **Serankai** group of LDP "Young Turks," who glorify the fascist Japan of the 1930's and call for massive rearmament.

The Outside Job

Fukuda's bombshell culminates a six-month-long "inside/outside" job, combining the battering of Japan by Rockefeller banks and oil cartels with a domestic credit squeeze that has brought bankruptcies to a postwar record of 1,000 a month.

In November, the Rockefeller oil hoax threw the Japanese economy, which is 90 per cent dependent on imported oil, into a domestic tailspin. To pay Rockefeller's oil cartels, the Japanese government ran down its reserves from a high of \$19 billion to the present \$12 billion, and the banks borrowed \$5 billion in short-term funds on the Eurodollar market, plus an additional billion from the top New York banks directly.

The Inside Job

Fukuda's tight money policy successfully cut the growth of the money supply over 10 per cent, sending bankruptcies of small and middle corporations soaring.

Meanwhile, Fukuda's Bank of Japan froze the amount of short-term Eurodollars lent by exchange banks to overseas customers, thus putting "the international operations of Japan's exchange banks almost entirely under control of the Government and the Central bank," according to Japan's top financial daily, *Ninon Koizai Shimbu*. As a result of this inside/outside job, the net Japanese Eurodollar intake, which had been increasing by more than \$1 billion each month, plummeted by \$400 million.

But the worst is due in the next few weeks. The July 16 London *Financial Times* put the matter quite bluntly: "There is considerable doubt whether [Japan's] export markets will hold up through the rest of the summer and autumn."

Future Plans

The major zaibatsu will consolidate their economic power even more than in pre-war fascist Japan. Rockefeller will supply them with the necessary credit needed to gobble up the soon-to-be bankrupt 30-40 per cent of the country's industry that the zaibatsu do not yet directly control. Especially ripe are the textile and petrochemical industries, where the **zaibatsu** control only about 50 per cent of all exports.

Already Rockefeller's plans for picking up the pieces of the bankrupt Japanese economy are being openly telegraphed. Expansion of heavy industry and growing percentages of steel and petrochemicals as well as other resource-intensive (i.e., "polluting") industries will be shipped to the Third World for slave-labor Auschwitz-style development. "In essence," according to the *First National City Bankletter*, "Japan's heavy industries would be relocated overseas, to a certain extent, through the export of Japanese-built plants."

Via the Rockefeller-aligned Libra Bank, Mitsubishi and other Japanese banks have already poured over \$1 billion into Brazil, Rockefeller's fascist pilot project. Seven hundred thousand Japanese workers already have been resettled in Brazil, and the Brazilian government has begun printing newspapers in Japanese and calling for mass immigration.

state of agriculture**EEC Livestock and Dairy Crisis Mounts**

July 22 (IPS) — The two new policies adopted by the European Economic Community July 17 to resolve the beef surplus crisis — a ban on beef imports and a slaughter premium for beef production — will mean the accelerated destruction of European farmers, the continued reduction of working class consumption, the exacerbation of the current glut on the market, and the cutting off of Eastern European exports.

The move to ban beef imports comes in the midst of burgeoning peasant rebellion. Throughout Europe, peasants are engaged in anarchic revolt against the wave of bankruptcy engulfing them and heaving them into the recycling mill. Small farmers are being forced off their land and into the cities to compete for non-existent jobs or "relocated" to labor-intensive "development" projects like those in the Mezzogiorno. Ironically, the import ban, which appears to be a "solution" to the backward, chauvinistic small peasant, will only hasten that devastating process, taking the consumption level of the entire working class with it.

The import ban begins immediately and is scheduled until November 1. The slaughter premiums begin for the whole Market November 1. Britain is instituting the slaughter premium earlier (August 1) and at its own cost.

After November 1, both the traditional Common Agriculture Policy price support intervention and the new slaughter premium will continue side by side with 50 per cent funding from the Common Agricultural Fund for the latter up to a total of \$330 million. Each head of cattle is to be treated in one category or another only and is not to be covered by both.

Although farmers will try to calculate which system provides the highest profit margin, neither system will improve their profits. Consumers are cutting their consumption of meat in order to meet more essential expenses, especially heating oil and gasoline. Meanwhile, wholesale prices paid to farmers for their beef have declined 11-15 per cent from last year's high and from the level which the EEC re-established as a guidance price in March. The guidance price is now \$484 per head for live cattle.

Support buying and stockpiling by the government is activated when wholesale prices decline seven per cent or more below the guidance price. The current wholesale price, or reference price in EEC terminology, received by farmers for their beef is \$432 per head. Thus farmers are taking losses of 11-15 per cent per head, or \$44-\$72 in money value. This compares to the 30 per cent collapse

Farmers' Losses Under New EEC Policy

Month	Wholesale price per head	Wholesale price plus premium	Guidance price	Feed costs (1)	Losses per head
August	\$432	—	\$484	0	\$52
November	432	\$465	484	0	19
February	432	509	484	\$60	35
March	432	520	484	20	44

(1) Feed costs calculated at \$20 per month per head. Thus, during winter and spring this cost must be added as expenses to counterweight premium increments. Calculations indicate the largest loss occurs at the end of the summer, when most livestock will be sent to market from grazing land, so that the farmer will not have to pay for costly grain.



in prices for the American livestock farmer and losses of \$100-\$150 per head.

With wholesale prices down and sales declining as retail prices remain at their all-time high, farmers' income has declined ten per cent since the first of the year. Coupled with rising costs of energy, farmers are also paying high prices for feed grains (see accompanying chart).

Beef Glut Expected

In the Fall, when cattle and cows will be brought in from grazing lands, the glut of beef will naturally shoot up more suddenly, even without the new EEC regulations. With the promise of slaughter premiums increasing through the winter months to a high for early Spring 1975, farmers will calculate carefully the difference in cost of feed and the expected market price. Since an increase in cost of grains over the winter is anticipated, farmers will be eager to slaughter their cattle — although the original stated intent behind the British proposal was that it be a "non-slaughter" premium to keep livestock on the farm and not on a hook in a meat locker at government expense.

In fact, the very structure of the slaughter premium will encourage the slaughter of every steer, cow, and calf farmers can get their hands on. The premium is paid as a flat subsidy per head, so that the more a farmer can reduce his costs of feeding and maintaining livestock, the more benefit he can draw from the slaughter premium. Thus the sooner he will market young animals, as well as reproductive and underfed adults.

Imports Ban a Hoax

Imports are not the cause of the glut, nor will the import ban do anything over the next months to ease consumer prices. The majority of beef planned for importation for the year has already entered the EEC because the major influx is always at the beginning of the year. Also import contracts already signed will still be allowed to completion. More important, beef imports

"In fact, the very structure of the Slaughter Premium will encourage the slaughter of every steer, cow, and calf farmers can get their hands on."

under the General Agreement on Tariff and Trade (GATT) agreements with non-Market members will be allowed to continue.

The import ban accomplishes two needs of the capitalist. One, it closes off beef imports from Eastern Europe and Yugoslavia. Second, it gives the bourgeoisie a provocative propaganda headline to inflame working class resentment against the farmers who are given protectionist measures, while their own situation is rapidly deteriorating. Thus, workers are given a convenient scapegoat for the capitalist-managed inflation taking the food off their table.

By cutting off Eastern Europe and Yugoslav beef exports to the EEC, the workers' states will be starved of their main means of trade with Western Europe — thus the further purchase of industrial goods and products needed to expand their economies. Their exports at present account for 37 per cent of the EEC's beef imports. In the same way, Uruguay and Argentina, major beef exporting nations, will suffer even worse unemployment and famine than currently imposed by their fascist governments.

Beef Pile-Up Persists

Various measures adopted by the EEC since the first of the year have been unable to reverse the pile-up of beef surplus or increase farmers' income, because overall inflation is forcing consumers to cut their purchases of meat. Following the 1973 massive beef imports and the 1972 dairy surplus with the sale of butter to the U.S.S.R., the EEC encouraged dairy farmers to switch to beef production. The EEC upped its production 20 per cent this year, making it, with the exception of Italy, self-sufficient. Therefore, the amounts of imports scheduled for 1974 were down anyway! Increased import tariffs reduced the number of imports and protected the market for EEC beef producers. Export subsidies increased by 25 per cent could not diminish the pile-up of beef as retail prices European- and world-wide accelerated, contracting the market.



The distribution of the beef excess among EEC members is 50 per cent — over 133,000 metric tons — in France, and 36 per cent in Germany. The remainder of the members have approximately equal shares of the rest, with the exception of Britain which has only 200 metric tons of surplus. Furthermore, British producers do not fear a wave of member countries dumping their surplus on the Island since Britain has strict veterinary laws which only Ireland meets.

EEC Self-destructs

The EEC, once protective of farmers during the Gaullist rule, must now carry out capitalist needs originally outlined in the 1968 Mansholt plan — drive one-half of Europe's ten million farmers off the land. In fact, the newly adopted EEC policy was originally proposed by Great Britain's Labourite Minister of the Treasury Callaghan to encourage the rationalization of agriculture.

The next stage in peasant rebellion is for the now sporadic slaughter of young animals and dumping of eggs and milk to turn into the insane wholesale destruction of the herds and reproductive adult animals before the hungered eyes of Europe's working class.

The only immediate measures to assist the farmers would be a cut in the taxes on consumption which have accumulated over the years to finance the EEC's agricultural program, and a raising of workers' wages to afford meat purchases and a generally higher standard of living.

The mass-based workers' parties must offer enraged farmers a clear path out: utilize their productive capacity in the United Front to back up a moratorium on international debts in Italy and end the insanity of capitalist debt collection — or millions will starve in the advanced sector by next year. [See IPS No. 11 for details of the United Front proposal.]

The World Grain Situation

July 22 (IPS)—The UN predicts starvation of 20 million this year in India. This murder is due to the policies carried out by the oil cartels, the World Bank, and U.S. Agency for International Development (AID)—the CIA conduit in the State Department. Because India has over \$1 billion in inflated oil debts, the World Bank and AID refused additional loans to guarantee purchase of fertilizer and pesticides. In consequence, India's harvest is one-third short of its projected needs and has no "capital" to purchase emergency grains on the world market. India's wheat crop is expected to reach only 22.6 million tons, down from last year's 24.5 million tons because of a year of drought and poor harvest.

Pakistan's wheat harvest is expected to recover to 8.4 million tons, up over last year's 7.3 million tons. Australia's wheat crop will be a bumper harvest this year between 10-13 million tons.

The world picture for corn is equally positive, with an increase of nine per cent to 272 million tons expected, not counting the U.S.S.R. and Red China. South Africa and Argentina both set record corn harvests.

World wheat production is expected to show an even larger increase of ten per cent to 365 million tons, again not including the Soviets and Red China. The wheat harvest in the EEC is expected to be near last year's 41 million tons. Germany and Italy expect expansion of their wheat harvests to total 1.5 million tons. France will have .7 million decrease, although farmers who made a large profit from last year's market, probably increased the area under planting.

In the U.S.S.R., mild weather and adequate rainfall in the most fertile soil region of European Russia guarantee a bumper crop for this important grain area.

Livestock Slaughter Expected

In the U.S.A., Secretary of Agriculture Earl Butz cautioned at a news conference that one should not be heartened by the record grain harvest this summer. His argument runs in circles, trying to coverup for the facts of rising consumer prices while farmers have suffered a 18.7 per cent plunge in farm rices. Butz claimed that the harvest will be less than originally expected due to poor weather and will thus fuel inflation.

With grain prices soaring, livestock farmers will be forced to dump their animals for whatever price the market offers, especially in the Fall. This renewed wave of slaughter, so that farmers will not have to hold their animals over the winter when they will be dependent on costly feed grains, will be the last straw. Prices will plunge even further; more livestock farmers will go bankrupt; and soon, the enraged slaughter of young animals—too expensive to raise and feed—will spring up in this country as it is spreading now in Europe.

Despite record grain harvests which provide animal feeds for intensive livestock farming as well as direct human consumption, the number of cattle and calves on feed has declined 21 per cent from 1973. Grass-fed animals are being shipped directly from grazing land to the meatpackers. In Texas and Kansas, this practice, resulting in less weight per head and therefore less income per head, has increased to 24 per cent and 33 per cent respectively above last year.

Furthermore, the dry weather in the western grain producing states, including Texas and Kansas, and in the north threatens to tumble the corn, soybean and wheat harvests.

U.N. report

U S Ambassador Scali Calls for “Extraordinary Measures” to Save Capitalism

July 20 (IPS) — Ambassador John Scali, United States Representative to the United Nations and U.S. Representative to the Fifty-Seventh Session of the UN's Economic and Social Council meeting in Geneva, issued a release July 5 to the press with the text of his address to the Session. The release was designed to cover for the **control** of food production worldwide, now being implemented by the Rockefeller faction of finance capital.

Scali Ignores Sabotage of Production

Scali declares that the real danger to the world is not war, but food shortages. He then paints a picture of how the U.S. is making every effort to supply the world with food: “U.S. fertilizer plants are operating near capacity to meet the extraordinary demand created by greatly increased food production in the U.S. and abroad.” Didn't anybody tell Scali that last month the Rockefeller-controlled W.R. Grace Co. — with the complicity of the Moroccan government — instituted a 50 per cent price increase on phosphate, a necessary ingredient for fertilizer production?

Does Scali just pretend not to know that nitrogenous plants are being held at 60 per cent capacity in the U.S. because of the controlled allocations of natural gas? Nitrogen is necessary for fertilizer production. Millions of people are now starving to death because of this conscious collapse of fertilizer production.

While lamenting the “crisis in food production” facing the world now and in the future, Scali opines: “World food production depends on the wind and the rain.” Actually, food production can be increased vastly **now** through capital goods investments and through the development of technology which will increase the land available for food production. A crash program in fusion power could provide the technology to feed the whole world by the end of this decade! But Rockefeller and colleagues are wilfully sabotaging the development of fusion power—thus ensuring perpetual energy crisis hoaxes. The great Oil Hoax, for example, concentrated dollars which are going to “national” development,

labor-intensive projects to pay the debt service to Rockefeller banks.

Doubletalk

Scali apparently can't decide whether people are starving or eating. He says: “Most nations have not yet, however, experienced serious decreases in real production, or in standards of living.” He then reveals that a crisis exists “which threatens 25 million people with starvation.” Lest capitalists misinterpret this and panic, Scali hastens to add: “There is, in other words, no world depression...[however] There will be no increase in the living standards of most of the developing nations in this decade.”

Scali is worse than confused: No less than nine paragraphs in the press release aim at convincing the world that the problem of world food production can be solved merely by “emergency aid”(rather than capital intensive investment). “Emergency aid” without rapidly advancing technology is a euphemism for Robert McNamara's World Bank plan for labor-intensive forced work in the underdeveloped sector.

To consolidate the administrative technicalities of **control** of food allocation, he proposes replenishing the “International Development Association.” The Rockefeller faction's control of international credit will determine which nations are worthy of development funds for “national” food production.

To forestall international organization against manipulation of food production and planned food shortages, Scali suggests reorganizing the UN **away from** a global consciousness: “Streamlining the structure and revising the priorities of the United Nations will at best have a marginal effect on global development. The key decisions will be national ones.” To assure Rockefeller's fingertip control of the UN apparatus as the world depression deepens, Scali acts as publicist for the “need for radical surgery” of UN agencies. Radical fascist economic measures are absolutely on Rockefeller's order of the day; or, as Scali more diplomatically puts it: “Extraordinary measures to restore financial order are needed in our interdependent world.”

fusion power report

Fusion Power Possible Within One Year

July 18 (IPS) — Ten days ago the American Chemical Society announced a major breakthrough in laser development, the immediate implication of which is to make the actual development of controlled fusion possible within one year. Significantly, this news was blacked out of the major media.

The full press release is reprinted below. IPS will publish a detailed analysis of this crucial development next week.

CHEMICAL TRIGGER FOR FUSION POWER IS REPORTED

Albuquerque, July 8 — Dramatic results in channeling peak energy from a chemical explosion into laser power, giving a powerful chemical laser with clear potential to trigger fusion power, were described here today at the second annual Rocky Mountain Regional Meeting of the American Chemical Society.

New design has converted the hydrogen fluoride laser into a high power chemical laser that achieves a 250 per cent conversion of electrical energy into laser energy, and this will make it possible to provide laser pulses near one million joules of energy **at an early date and at low cost**, said Dr. Reed J. Jensen, group leader of the "Laser-3" program at Los Alamos Scientific Laboratory. He cited the joint efforts of Jack P. Aldridge, N. Roy Greiner, Larry S. Blair, Richard W. Getzinger, Paul F. Bird, Robert G. Wenzel, and George P. Arnold — all from Los Alamos — and E.L. Patterson and R.A. Gerber of Sandia Laboratories in Albuquerque.

The reaction between hydrogen and fluorine is explosive in nature, and the concept of harnessing the energy from this reaction to multiply laser energy is not new. However, the production from chemical explosions of the large amount of pulsed laser energy needed to initiate fusion required fundamental innovations in triggering chemical reactions and in rapidly driving them to completion to extract the maximum amount of energy. This has now been accomplished, Dr. Jensen said in an explanation of his work, continuing:

"Recent developments in the technique of instantaneous ignition of the explosion of mixtures of hydrogen and fluorine have produced dramatic results in coupling rapid chemical energy release directly into laser power. In a recent series of experiments, over 2,300 joules of laser energy was obtained in a 30 nanosecond (0.00000003 second) pulse by investing less than 1000 joules of electrical energy in the gas to initiate the explosion. This high rate of energy return will make it possible to provide laser pulses near one million joules

at an early date and at a low cost, so that the basic physics of laser-driven pellet implosion necessary for laser fusion can be investigated."

An electron beam was used to initiate the reaction. The laser tube contained fluorine, oxygen, hydrogen, and sulfur hexafluoride. The oxygen was present to keep the hydrogen and fluorine from reacting before the electron beam pulse was delivered. The sulfur hexafluorine is an extra source of reactive fluorine atoms; it sheds extra fluorine atoms at an early time in the reaction to boost the rate of reaction to the highest possible value, he explained.

High pressure used in the latest experiment leads to a very rapid reaction rate so that the pulse duration is only 24 nanoseconds (0.000000024 seconds) and the peak power is 100 billion watts. A watt is an international unit of power equal to one joule of energy per second.

"In future work, we will increase the pressure of each of the constituents about tenfold, thereby reducing the lasing time to less than 2.5 nanoseconds. We hope to eventually get the pulse energy to nearly one million joules," he continued.

A chemical laser is a system that depends upon an energy-evolving chemical reaction to provide Light Amplified by Stimulated Emission of Radiation (LASER). Gas molecules can absorb light energy and become excited. However, in the normal state of affairs, there are more molecules in the normal energy state ("ground" state) than in the excited state. A laser makes use of the reverse situation; it is based on what happens when the majority of gas molecules are excited and then irradiated. This situation, in which most of the molecules are excited, is unstable and can be caused by a more or less violent excitation such as electrical discharge, intense radiation, or chemical reaction. Such excited molecules still react to the stimulus of a beam of light (energy) in the only way left to them: they return to the normal "ground" state, transferring their excess energy to the beam and amplifying the total energy of the beam, Dr. Jensen explained. (The energy difference between the excited and ground state of the gas must be identical to the energy of the beam.)

The team at Los Alamos and Sandia Laboratories has found a way to instantaneously initiate and speed the reaction between hydrogen and fluorine, driving it to completion in a short, short time, thus concentrating the energy derived from the reaction into one short intense laser pulse.

New York Times Gloats Over Hopeless Trade Union Strike Wave

NEW YORK, July 19 (IPS)—As part of a coordinated attack on the North American working class, the CIA-controlled press is attempting to open up a critical second front. With more than 600 strikes now in progress around the country, papers like the *New York Times*, the *Washington Post*, and the *Philadelphia Inquirer*, as well as the national broadcast media, have begun to talk of a “growing strike wave” and “serious labor unrest.” Their intention is to portray these desperate and hopeless provoked strikes as the method of working-class struggle in this period—a period in which no trade union, purely economic struggle has a chance of winning anything but Brazilianization. With talk of “whopping demands for wage increases” and an “escalating pattern of settlements,” the press is trying to encourage other nonpolitical and thus readily smashed strikes—in conscious collaboration with Rockefeller’s attempt to gut the American industrial and municipal sectors.

The Nature of The Strike Wave

Developments at Framingham (Mass.) GM show the real character of this so-called strike wave. As with almost every one of the 600 strikes now occurring, Framingham is being set up by blatant provocation. Brutal speed-up and the total collapse of the union grievance machinery backed the men into a corner, enabling the UAW bloodsuckers to get strike authorization. Workers who can’t handle the pace are given disciplinary layoffs and told to try again in a month. Workers **know** that they will be crushed if they strike, that they will be locked out; yet they will probably follow the leadership out.

Cost-Push Inflation?

The *New York Times* would have people believe that the strikes are “spontaneously” erupting around the issue of inflation, around wage demands, rather than as the desperate attempt of workers to resist Brazilianization. The *Times* labor experts give their

analysis of the “strike wave” in an article entitled “Inflation-Weary Unions Pursue Cost of Living Increases.” The current rash of strikes, according to the *Times*, is the response of the trade unions to the inability of the Nixon administration to control inflation; the logical outgrowth of the April 30 expiration of wage-price controls. This analysis characterizes articles appearing in papers in Philadelphia, Chicago, and Seattle as well.

The *Times* naturally omits the fact that the strike wave has been consciously set up by Rockefeller. Instead, the *Times* portrays the continental assault on the construction industry, an assault that has already produced massive layoffs and forced lockouts around the country, as mere economic battles between the unions and contractors.

Contracts For Slavery

The *Times* in various articles and in a feature of July 18 labels recent slave wage settlements as “victories.” Workers are now getting wage increases of 10 per cent a year, much more than the 5.5 per cent guideline of the defunct pay board. The current actual rate of inflation is in excess of 20 per cent; the fraudulent rate determined by the Bureau of Labor Statistics is pegged as high as 12 per cent.

The *Times* is hiding the fact that the object of all economic struggles—the contract—is now utterly worthless. In this period, a contract is only an instrument with which to further the process of Brazilianization. Should the contract negotiated through the “collective bargaining” process get in the way of Rockefeller’s game-plan, it is simply discarded.

The wage level of the Brazilianized working class of this continent has already been set. It has nothing to do with the wage figures being retailed by the CIA press, the 10 per cent increases with fringe benefits and a COL clause. It will hover around \$60 a week, the below-subsistence pittance of millions of unemployed.

CIA Press Network Frantic Over Colson Charges

NEW YORK July 20 (IPS)—Almost a month ago the *Washington Star-News* of June 23 first revealed the contents of conversations between former Nixon aide Charles Colson and Washington private investigator Richard L. Bast, in which Colson charged that the whole Watergate operation was a plot of the Central Intelligence Agency to “get Nixon.” Shortly thereafter Colson’s charges were reinforced by Senator Howard Baker’s special report on CIA involvement in Watergate, which was finally made public over CIA cavils the morning of July 2. No serious analysis of these developments has been available in any news source except **New Solidarity** and IPS. An examination of the hysterical reaction of leading Rockefeller press organs following the Colson “leak” completely confirms the assessment of the special IPS report on “The Shaping of Journalism by Psychological Warfare” [IPS No. 6].

New York Times Retails CIA Line On Colson

June 24, the same day that the *Washington Post*, *New York Post*, and *Boston Globe* carried extremely diluted versions of the previous day’s *Star-News* Colson story, Rockefeller’s *New York Times* announced the official CIA line on Colson. While blacking out the Colson-Bast conversations totally in that issue, the *Times* pictured Colson as a religious zealot, a Jesus Freak, whose “words sound **unreal**” [emphasis added]. The aura of “unreality” thus built up around Colson’s conversion to evangelical Christianity is designed to make “unreal”-sounding Colson’s stated personal commitment to tell the truth.

Press Reels At Colson Bombshell

The *Star-News* article by reporter Robert Walters was a bombshell. (Controlling interest in that newspaper has since been purchased by a “liberal” anti-Nixon Texas banker!) Immediately, the CIA moved to cover its tracks, with the *New York Times* carrying an unsigned article buried on page 24 of its June 25 late edition which misquoted Colson and brushed aside his charges. While no mention is made in that article of Colson’s statement, previously carried in the *Star-News* piece, that the CIA “enjoys extensive influence with the news media (particularly the *New York Times*, the *Washington Post*, and the *Los Angeles Times*),” the central paragraph of the *Times* article states: “The *New York Times*, in an inquiry conducted last month, was unable to confirm that the C.I.A. had played a role in the planning of the Ellsberg burglary and Watergate break-in, as Mr. Colson is known to believe.”

The same day (June 25) CIA leaker Jack Anderson’s syndicated column added to the planned confusion. Titled “New CIA Watergate Link,” the column is simply

a diversion. Anderson reports that “CIA front man Robert Bennett... has conceded that he knew a **White House burglary-bugging team** was on the prowl in advance of the celebrated Watergate break-in” [emphasis added]. Referring to a “secret memorandum,” Anderson is compelled in the wake of the Colson revelations to speak of “mysterious CIA involvement,” while firmly placing the blame for the operation on Nixon’s White House staff. This is the “new CIA Watergate link”? Where is Colson?

Not until Colson had already begun serving his federal prison term did Anderson give a nod to the Colson revelations. His July 16 column (“The CIA Threat”) dissolves the original story down to a pathetic farce. The “CIA threat,” Anderson says, has nothing to do with a plot to overthrow Nixon and constitutional government; it is merely a “threat” to reveal more scandal about Nixon campaign financing. Anderson’s finishing touch: “CIA sources said the Colson campaign funds charge is ‘baseless’.”

Other printed fallout from the Colson bombshell has included the writings of CIA press agents Evans and Novack; a piece of quackery by William F. Buckley, Jr.; and a cautious and carefully twisted version of the Baker report in *Time* magazine.

Evans and Novack in their June 26 column were obviously shaken: “Colson’s bizarre charges,” they declare, “tying the CIA to Watergate dust off old and almost discredited accusations”; and “Colson’s accusations of sinister CIA participation in Watergate [are] charges long since written off as groundless by a House investigation.” Buckley (*New York Post*, July 11), while offering to “shed a little light,” mutters that “the CIA is full of factions”; “nobody knows what to think.” He pretends to chide CIA liberals like Joseph Kraft who don’t go along with his public pose of viewing Daniel Ellsberg as a Russian agent.

July 15 *Time* magazine responded to both the Colson charges and the Baker report with the carefully developed CIA line that the CIA was involved, yes, but it was the victim of White House manipulation. It is “dismaying,” says *Time* of the Baker report, “because it shows how easily some CIA employees were drawn into the scandal and, with too few questions asked, gave aid to the lawbreakers and cooperated with dubious White House requests. In the process,” *Time* concludes, “the CIA was tarnished.”

“Alternate Press” Adds Its Voice

Nothing to date matches the effort of Terence Sheridan in the July 26 issue of *New Times*, a countercultural “Weimar” publication controlled by

CIA agent/journalists Pete Hamill, J. Anthony Lukas, and Nicholas von Hoffman.

Sheridan's six-page spread echoes the *New York Times* line that Colson is a religious fanatic, a "magic Christian," who they are happy to report will be spending a good deal of time in prison: "*Nine days before the former special counsel to the President is to be locked up, I'm watching miniscule air bubbles escape from the corner of his rigidly placed smile. I'm trying to determine whether the smile is beatific or goofy.... Maybe. I think, uncontrolled New Testament shock treatments, red-hot jolts of Ephesians, Corinthians, Romans, Revelations and John damaged his brain while bringing him to his knees in the incredible conversion to evangelical Christianity.*"

Following four pages of these musings comes a box with a picture of E. Howard Hunt entitled "Colson's Complaint." Here the reader finds the reason for the preceding four pages of hysterical ramblings. Colson's charges of CIA responsibility for Watergate and involvement of CIA agents in the press in the Watergate conspiracy are culled from the taped conversations made available by Richard Bast. *New Times* accuses Colson of trying to save his own neck by attempting to "plant self-serving conspiracy theories to rival the most paranoid ravings of the CIA-crazed National Labor Caucus (sic)." No further mention is made of the "paranoid ravings" of the National Caucus of Labor Committees, publishers of *New Solidarity* and IPS—taking for granted that the reader is familiar with the Labor Committees' exposure of CIA operations, including the Watergate conspiracy.

Press Reacts to Labor Committee Documentation

CIA journalists are especially agitated because the Colson revelations have added weight to the Labor Committee/IPS exposure of the CIA **as it relates particularly to the role played by agents in the press.** In response, therefore, *New Times* is quick to defend agents Bob Woodward of the *Washington Post* and Seymour Hersh of the *New York Times*. According to *New Times*, the Colson-Bast tapes include statements by Colson charging that both Woodward and Hersh are CIA operatives, although Colson believes they acted unconsciously. Therefore, Colson is quoted as saying, they are now subject to CIA "blackmail" to keep them from divulging the fact that all their Watergate stories were given to them by the CIA.

From interviews with numerous journalists who wish to remain anonymous, IPS has learned that not only are Woodward, Bernstein, Hersh, and others CIA agents, but they are fully conscious of their role. An American journalist closely associated with the Hersh-Obst-Kopkind circle has told IPS that "*Of course Hersh knows what he is doing. He's in it for the money; so's Woodward. These guys are not so naive as to think that they are really doing a public service. They know they work for the CIA.*"

In the few days immediately after the June 23 *Star-News* disclosures, IPS received numbers of calls from New York journalists who said that they now saw the whole Watergate saga in a different light. "This certainly bears out your January analysis" was a typical comment.

In an attempt to gauge journalists' reactions to the Colson developments, IPS made a series of phone calls to *New York Times* bureaus and to CIA headquarters in Langley, Va. When IPS tried to contact Bob Woodward and Carl Bernstein at the *Washington Post*, our reporter was told that they were "unavailable... out peddling their book." (Woodward and Bernstein have received \$500,000 each for their book *All the President's Men* and \$2 million for the film rights.)

A *New York Times* deskman told IPS that Bob Slosser, author of the June 24 "crazy Christian zealot" piece, was "not available... he's ill."

Hersh: "I'm An Agent"

New York Times writer Seymour Hersh told an IPS Washington correspondent June 24 that he had had access to the Colson story, but had decided to kill it. When asked why, Hersh shouted repeatedly: "There's not a shred of evidence, not a shred of truth." He went on to admit that his proven method for determining "truth" and "evidence" is "that which feels right to my instincts." After revealing his criteria, Hersh began to worry: "Who are you? Oh my God—it's the NCLC! Okay—I'm an agent. I'm an agent. I'm an agent!"

IPS reached CIA Assistant Director Thuermer by phone at CIA headquarters and asked for a CIA press statement on the *Star-News* and *Washington Post* reports of the Colson-Bast exchange. Thuermer found it inadvisable to formulate a statement: "Statement? Statement? Oh, you mean a **statement**. Oh yes, I'm an ex-AP man myself!"

north america**12 Days in May****Canadian Military Gears Up Against Working Class**

July 22 (IPS) — For twelve days beginning May 12, the CIA's crack Canadian Airborne Regiment engaged an "enemy" guerilla army in mock warfare over a seventy square mile battleground around the Yukon Territory town of Carcross. Midway through the exercise, code-named "Ready Now III," the Oregon town of McMinville was occupied for a day by U.S. Special Forces posing as a "Liberation Army" [See IPS No. 7]. This "dry run" for Rockefeller's planned fascist takeover is the most realistic "war game" yet seen on the North American continent.

These maneuvers are co-ordinated from the U.S. Pentagon by the controllers of the entire continent's military and police forces. Intended to accustom these counterinsurgency strike forces to consider the Canadian and American civilian population as their main enemy, the maneuvers are preparation for the swiftly approaching day when the military will be called in to herd a demoralized labor force into the work-camps stretching along the mountainous western spine of the continent.

It is no accident that the most advanced policies of modern counterinsurgency warfare are tested in the Canadian north. Since the Rockefeller Foundation-linked MacKenzie King was elected as Prime Minister in 1921, the Rockefellers have had free rein in their Canadian "backyard." Today the Canadian military, a group psychologically molded by the CIA, is ready to fill the void left by the disintegrating Federal government. Recently a "Canadian Pentagon" with super-sophisticated war-room capabilities was built and is now ready to begin daily briefings of the Canadian Parliament.

Throughout the past decade, the Canadian military was groomed to become the hired gun and slave-herder for the Northern Development Projects. Centered around oil, gas and mineral extraction, these projects include hydroelectric plants on the Skagit, Athabasca, and Aishihik Rivers; and road, airfield, canal and port construction such as those in the James Bay, Mid-Canada and MacKenzie Corridor Development schemes. They will entail mass extermination of native peoples in relocation hamlets and around-the-clock forced labor by resettled unemployed gathered from the North American continent.

There is no way the working class in Canada can fight

this "Man in the North" plot within the limits of their national sector. Playing on workers' national chauvinism, Rockefeller has covered his tracks leading to Carcross under a bogus "Defense of Canada" program, to con workers into believing that the military is "defending" national sovereignty from U.S. threats!

In fact, the Canadian military is merely the northern arm of a continental armed force now preparing for mobilization against the North American working class.

Structurally the Canadian forces, especially in their northern maneuvers and "civil emergency" operations, are integrated into a NATO and CIA command out of Washington. Canada's Defense Research Board functions as an arm of the Pentagon's "Advanced Research Projects Agency" and the Emergency Measures Organization which is completely at the beck and call of U.S. Defense Secretary Schlesinger's Defense Civil Preparedness Agency. All these agencies are notoriously CIA-controlled.

For the Rockefeller cabal and their military forces deployed in a war against the working class — the Canadian border does not exist! The key to the defense of the industrial working class of North America is doing what Rockefeller fears most — Breaking the Border, and establishing united front organizing of Canadian and U.S. workers combined with a strategy of continental deployment.

Operation Carcross

Like the Green Berets who "liberated" McMinville, the Canadian Airborne Regiment is part of an elite "Waffen SS" earmarked for assuming civil governing powers. Called "Canada's Finest," the Maroon Berets are able to reach a "trouble spot" anywhere in the world within 48 hours. Half of the nearly 1,000 men in the Airborne sections are now on United Nations duty in Cyprus, having been trained in Jamaican jungles, the Mohave Desert, and the Arctic.

"Ready Now III," third in a series of "Defense of Canada" exercises, was staged fifty miles south of Whitehorse, the largest city in the Yukon and the logical main staging area for shipment of forced-laborers. Two weeks earlier, 110 other troops had come to Carcross as the "Fantasian" army, led by Captain Alec Miller, who

used guerilla tactics he had learned while stationed as a cease-fire observer in Vietnam. Over half the town's 200 residents were designated to play their "partisans."

Ultra-Realism

The Fantasians slept in below-freezing weather, drank swamp water, and made their rations last while being chased for miles at a time by Airborne troops on eighteen-hour "search and destroy" hikes. An Airborne Major commented: "Their [Fantasian] morale must be suffering, and they are showing definite signs of fatigue. Civilian sympathizers are becoming discouraged at fighting a losing battle."

This realism extended to outright torture of the Fantasian "prisoners," aimed at breaking down the resistances of the Airborne to mistreating Canadian citizens, much as the Nazi SS made sadists of new recruits by compelling them to participate in ritualistic massacres and beatings. Once captured, an "enemy" was blindfolded and hand-tied, then interrogated for up to twelve hours. Some were forced to kneel on sticks for forty minutes at a stretch; one spent ten hours without a parka in the "prisoner cage." Ultimately, Fantasian squads began to simulate mass suicides to avoid being subjected to the sadism of the "grunts."

The real payoff for the CIA controllers of "Ready Now III" was the complete involvement of civilians, designed as a test for integrating the Royal Canadian Mounted Police (RCMP) into military operations. Partisans actively delivered rations and information, transported Fantasians through roadblocks and aided communications with "ham" short-wave radios. But not everyone was playing "I Spy" for the "enemy"; some were spying on the spies for the Mounties. The *Whitehorse Star* reported that "a detachment of the RCMP is helping the army by running roadblocks to check for people carrying suspicious things such as radio transmitters, sten guns, or NDP bumper stickers."

Airborne Regiment commander Guy Lessard let slip at a wind-up press conference just exactly what was going on: "I would say the exercise was a success because of the new ingredient, the local population, in the escape and evasion net The men were reluctant to be too aggressive. What we learned this time is not to trust anyone. That woman that's smiling at you, she's your enemy, she's not your friend."

Rocky's Backyard

Rockefeller's takeover of the Canadian sector, through MacKenzie King and his successor Lester Pearson, determined that the military would develop into this paradigm of a Reesian army. The pace-setter was Brock Chisolm, from the 1920s a close friend of Anglo-American SS administrator, Dr. John Rees. Chisolm

introduced Reesian psychological selection procedures and squading by intelligence into the Canadian military. During World War II, Canada became a major training area for both the American Office of Strategic Services and British Intelligence and conventional forces as well.

Faced with resistance in the U.S., the Rockefellers used their Canadian minions to push their post-war ambitions. King and Pearson were the most vocal spokesmen for NATO's counterinsurgency role, responsible for social and economic questions over and above solely military matters.

Even more substantial was Canada's "peace-keeping" role in the UN as a stalking horse for Rockefeller's consolidation of former European colonies — Palestine, Kashmir, Korea, Suez, Togoland, the Congo, Ruanda-Urundi, West New Guinea, Yemen, and Saudi Arabia. Canadian troops were trained in "stability operations" while being cycled through the Congo and Cyprus.

You're in the Army Now

The problem faced by Rees and Chisolm was how to develop traditional armies into a psychologically tuned, politically reliable force to control domestic populations. Their strategy, given voice and direction in Canada, has been to reorganize ever-broader layers of the military into "one big family," breaking down any identification with outside political reality or regional loyalty. As stated by Chisolm: "For good morale each sub-unit must be well integrated in team-work The Ego feelings of the individual soldier must be transferred to his unit and given freedom to expand to the size of his company, his battallion, his brigade, his division, the whole corps."

To this end a 1964 reorganization dictated the use of a single uniform for all branches of the service, one ranking structure, and cross-posting of servicemen and officers from branch to branch. Military public relations have gone all out to create the image of "a sort of super Boy Scouts troop, interested only in peace-keeping missions abroad or in search and rescue efforts at home."

Bringing the War Home

In the late 1960s, under a press and politician barrage of warnings of riots and civil disorders, counterinsurgency training was stepped up to the point where today all Canadian troops receive riot training.

After a Royal Commission reported that the RCMP was too inflexible and unsophisticated to carry out effective security work, Trudeau made the RCMP Security and Intelligence branch semi-independent. Now open for entry by LEAA-type operatives, and with complete access to CIA files, Security and Intelligence is

widely known as a mere extension of the CIA. Meanwhile the hard-cop RCMP has been undergoing a face-lifting and upgrading under the watchful eyes of advisors from the Law Enforcement Assistance Administration, the domestic arm of the CIA.

In the spring of 1970, a Northern Region Headquarters was set up in the Northwest Territory. Its tasks extend to "most anything else that comes along ... to provide operational information. What we need is an information bank and this will mean constant contact with all available sources ..." — the RCMP, regional governments, oil companies, defense installations.

That the military's intended role is to function as the central governing force for the oil and mining interests was revealed in the mandate to the Defense Research

Board in 1971: "... studies of human performance under environmental stress, surveillance and communications in the north, military mobility under arctic conditions and sociological studies of military-civilian relationships, particularly in terms of social unrest."

Rockefeller's plan to move supplies, personnel and equipment under military coordination has been developed by the supra-national Arctic Institute of North America, since 1945 the cabal's command center for research in the North. Commissioned by the U.S. government to "study the effects of economic development," it produced "Man in the North: A Community Development Program," laying out plans for "instant towns" of large industry complexes to draw "high productivity" out of native and resettled labor.

Washington Report

Press, Social Fascists Fit Nixon for Hoover-Style Suit

July 19 (IPS) — Having already wrapped Richard Nixon in the scandal-stained mantle of Warren Harding, the Rockefeller conspirators are now measuring him for a Herbert Hoover suit.

The conspirators want to hang the blame on Nixon for the Rockefeller-engineered credit squeeze and its consequences; the collapse of food production; plant shutdowns; rocketing unemployment; the destruction of housing, education and health services. To this end both "conservative" and "liberal" journalists and bourgeois politicians are accusing the President of a "do-nothing" Hoover-style economic policy: the rightwing of the traditional parties lambasting him for not compelling greater austerity, bigger budget cuts and working-class belt tightening; the "left" liberals portraying him as "cold and unfeeling." They themselves are pushing for social fascist full employment, resettlement and public works projects modelled after Franklin Roosevelt's New Deal.

Thus Treasury Secretary Simon, a Rockefeller man "boring from within" the Nixon Administration, last week called for a \$20 billion "inflation-fighting" Federal budget cut in areas like housing and Social Security, normally advertised as beneficial to working-class living standards. In the *Washington Post* CIA columnist Joseph Kraft promptly attacked Simon's austerity program: "A tiny handful of pro-business conservatives may think the way to get elected is to grind the needy in the interests of

battling inflation," Kraft solemnly intoned. "So far the Administration's program for combatting inflation is nowhere."

And the *New York Times* added that Nixon "is back where he began, with a policy of gradualism ... after five and a half years of oscillating economic policy, culminating in the worst inflation ... in peacetime history." The *Times* then concludes hopefully that Nixon is now so unpopular that he "seems unlikely to court further trouble...by vetoing strongly supported social legislation."

The Great Debate

Although Nixon is cast as the "goat" in this staged psychological-warfare drama, the real target is the working-class audience. Rockefeller wants to convince workers that a real "economic policy debate" is going on. If the argument seems stupid and frivolous, so much the better.

Enraged workers now expending their energy in a wave of lockouts being played up by the press as the biggest "strike wave" since the end of World War II, will only be more convinced that there is no way out of the crisis. As long as they are not organized into a mass-based working-class political institution, workers will eventually accept outright austerity and even show gratitude to the social fascist planners who are building their concentration camps and the military forces who

will administer them. Rockefeller needs both austerity and an infrastructure for fascist pockets of development. In reality no such debate is in progress.

The scenario so far has featured men identified with the Administration, like Simon and Herbert Stein, Chairman of the President's Council of Economic Advisors, mouthing the austerity line. Stein has played the most outrageous part, charging "the American people" with being the real cause of inflation because they have a nasty habit of buying things and tend to scare politicians out of imposing remedies like higher taxes. "Military dictatorships can resist the pressures of their people," Stein remarked wistfully, just before he resigned. But the Administration does not lack hardliners; Arthur Burns, head of the Federal Reserve Board, last week called for a \$10 billion budget cut, while threatening to boost higher the high interest rate policy dictated to him by David Rockefeller.

Fellow austerity champions have been quick to point out that this policy, while desirable, is something Nixon does not have the political capital to enforce. The *Wall Street Journal* concluded: "The consensus of congressional and administration observers is that the Watergate-crippled President lacks the leadership to rally the nation around any policy calling for austerity or sacrifice, whether through higher taxes, more saving, less spending, or wage restraints." *Business Week* promptly joined in, declaring: "President Nixon's budget-cutting problems are much worse than the Administration is letting on Squeezing back to \$300 billion seems out of the question."

A Perfect Fit

Nixon's response so far has shown him to be a perfect fit for the Hoover straitjacket. At his meeting with business leaders last week, he waved away the reams of bourgeois newsprint on the world economic breakdown and muttered "I'll stick with a safe, gradual tight money policy. That will handle the normal recession we are entering." His Commerce Secretary Frederick Dent wouldn't even go that far. Dent announced: "I consider the term recession too severe to characterize an energy-related spasm."

It was this Nixon statement which provoked the above-quoted *New York Times* outburst about gradualism. The *Times* then challenged Nixon to prove "how determined he really is to check inflation and eliminate wasteful government programs" by vetoing a bill providing \$2 billion in loan guarantees to financially strapped meat and poultry producers. The *Times*, long an enthusiastic spokesman for rationalization of farming, declared that there was no point in rescuing "marginal producers" in an industry "necessarily shrinking."

The Social (Fascist) Contract

The cry for budget-slashing is not, however, the dominant note in the *Times*' assault on Nixonomics. It is the

social fascist legislation sponsored by Democratic Senator Mondale (National Emergency Relocation Bill) and Congressman Reuss (Equal Opportunity and Full Employment Bill) which they are most anxious to press forward. July 12 the *Times* editorialized: "As Reuss noted in this newspaper's magazine last Sunday, a program to stop inflation must become part of a broader social contract whose other elements include job creation, improved purchasing power, and a fairer tax system. This is not the policy President Nixon proposes."

In the interest of furthering Rockefeller's "energy redevelopment" slave labor projects, liberal CIA forces are even ready to "attack" the zero economic growth notions they have publicized so well — the better to implement them. In the *Washington Post* this week, columnist Bernard Nossiter reviews a book by Wilfred Beckerman, *In Defense of Economic Growth*, which points out that zero growthers' "dwindling resources" arguments refuse to take into account the discovery of new resources. Ah, cries Nossiter, now we can get on with "new resources" like coal gasification and tar sands projects! On its news pages the *Post* reports that in North Dakota alone, 16 different coal gasification projects have been proposed.

Forgetful Liberals

Of course the liberals are too perfectly willing to bang away at Nixon over "inflation," which they had an equal share in creating and have no way to "cure." Nixon's post-August, 1971 conversion to Keynesian economic theory, also a replay of the Roosevelt Great Depression strategy and as such enthusiastically greeted by liberals at the time, is no longer remembered with fondness. *Post* columnist Clayton Fritchey complained this week that "the monetary policy, rather than being 'tight,' has until recently been notoriously free and easy. The budget has been unbalanced and there have been several tax reductions With that performance, inflation was inevitable."

Columnists Evans and Novak were even more outspoken in the *New York Post*: "The well-heeled suburbanite is every bit as terrified as blue-collar workers of an inflationary present and future and is strongly reinforcing his firm verdict on impeachment: President Nixon must go and go now," referring to a private poll taken on impeachment in Republican Westchester County. The message to Nixon: Even "your" people have forsaken you now.

Democratic politicians are moving in steadily behind their liberal press cover. After a luncheon with representatives of XEROX, Kennecott Copper, and the First National City Bank, Speaker of the House Carl Albert charged that inflation was caused by the "confusing and chaotic policies of the Nixon Administration," and came out against Burns' proposed budget cuts.

Earlier in the week, Senator Henry Jackson had

warned: "The economy is in serious, serious trouble, and at the heart of it is lack of confidence in the government." Jackson quoted Rockefeller's personal Senator Jacob Javits and an obscure Republican in the House as complaining of "a sense of drift and defeatism" in economic policy.

But things are still not moving fast enough for the New

York Times, which in recent days has stepped up its impeachment propaganda campaign to a shrill. A call for 'fresh initiatives' from a congress it said had not yet really produced (on fascist redevelopment) was followed by an editorial broadside attack on Nixon, Kissinger and the entire administration, calling for 'a vote of conscience' for impeachment.

Municipal Budgets Collapse; Cities Must Choose Debt Moratorium or Slave Labor

July 18 (IPS) — In the wake of the strike of Baltimore municipal workers, a rash of strikes and near-strikes, many of them led by the American Federation of State, County, and Municipal Employees (AFSCME), has broken out. In Ohio, 7000 prison guards, correction officers, psychiatric workers, liquor store clerks and university employees in various unions were out statewide demanding payment of a previously negotiated 31 cents an hour wage increase for which the state legislature has refused to appropriate money. The National Guard had been called in to quell one prison "riot" attributed to the strike.

In New York City, police have demanded that their wage scale no longer remain tied to that of city firemen and sanitation workers, who settled for an 8 per cent pay increase based on the installation of labor-management productivity committees.

In Buffalo, a newly-formed rank-and-file caucus in the AFSCME-organized sanitation department is agitating for a strike over job reductions and speed-up; a slow-down is now in progress.

A correctional officers strike in Rhode Island, municipal strikes in half a dozen Michigan cities, and a transit strike in San Francisco complete the picture.

Forcing this attack on municipal workers is the rapidly escalating debt of state and municipal governments across the country. In Philadelphia, municipal debt service payments have tripled in the past three years, rising from \$33 million in 1972 to \$77 million in 1973 and an estimated \$110 million in 1974. In New York debt requirements have risen by nearly 50 per cent in one year.

The Politics of Debt Service

The Rockefeller-organized credit squeeze means that cities must refinance their debt on political terms dictated by Rockefeller — the reduction of the municipal workforce combined with speed-up, the recycling of the unemployed city workers, drug addicts, and welfare recipients, and the destruction of trade unions. In Reading, Pa., 26 former New York City municipal

workers, fired two months ago during a two-day AFSCME wildcat, were re-hired by the Reading Parks Department.

New York: Critical Battlefield

New York, with the largest, best-organized municipal workforce and the largest debt — some 30 per cent of the national total of municipal obligations, is the critical municipal battlefield.

New York's Mayor Beame ordered negotiations with sanitation and firemen to resume, after a two-week lapse, at the height of the tension in Baltimore. He thus reminded workers that the front page "riots" in Baltimore could be replicated in some form in New York.

The settlement followed on the heels of the city's refusal to pay the "7.92 per cent plus the Statue of Liberty" interest rate demanded by David Rockefeller's Chase Manhattan Bank as the price for floating a record, \$438 million in long-term bonds.

Debt Continues to Soar

Forced to borrow on a short-term basis, the city on the day of the settlement managed to obtain \$800 million repayable in six months at a mere 8.58 per cent interest, the highest rate ever paid by the city government. Four such "loans," totalling \$3.2 billion, are necessary to get New York through this fiscal year.

This morning's *New York Times* revealed that "there was no possibility of cancelling yesterday's sale, given the city's immediate cash needs." The city was, in fact, paying back the money it borrowed at 7.19 per cent last August! This process that has sent New York's debt service payments soaring from \$1.1 billion to \$1.6 billion in the last year.

The city will face the same crisis in January, when the notes come due. Therefore, Beame announced before the negotiations that sanitation workers and firemen would get no more than New York transit workers got last April; they received a settlement identical to the transit workers' — 14 per cent wage increase over two years, a modest COL, and a productivity clause.

Despite the local press' cry about "fabulous" wage increases, Herbert Bienstock, New York regional director of the Bureau of Labor Statistics, announced that real wages had dropped at least 4 per cent during a recent period.

Meanwhile New York City hospital workers, members of local 1199, have only a "gentleman's agreement" with the city's near-bankrupt Hospital Corporation. The Hospital Corporation has already stated that they will make no assurances about their ability to pay.

A recently issued Columbia University study, to be published by Praeger, a notorious CIA publishing house, has discovered that the principal fat in municipal budgets is workers' paychecks. The study calls for "efficiency rather than equity," and maintains that it is not at all unfair to pay a hospital orderly less than a welfare mother. It concludes that if its recommendations had been implemented nearly half the public school

budget and two-thirds of the health and hospitals budget in 1971 could have been cut.

Slave-Labor To Cut Costs

The city has already announced its desire to subcontract further sanitation and parks operations to Wildcat Services, a methadone addict scabbing agency. Last week the *New York Post* ran a series of articles on "lazy bums" in the Parks Department, concluding that over half the parks employees could be fired with no loss in productivity, since the only productive workers were the department's 1900 workfare recipients, working under the Work Relief Employment Program (WREP). District 37 (AFSCME) Vice-President Lillian Roberts is on the board of Wildcat Services and Executive Director Victor Gotbaum has already accepted WREP slave laborers into the union in exchange for a dues checkoff.

LC Campaign Wrecks Mondale Bill; Reuss Bill to Create Fascist Labor Front

WASHINGTON, D.C., July 10 (IPS) — The Labor Committee campaign to halt Rockefeller's attempt to Brazilianize the North American working class has achieved a major success. The National Employment Priorities Act known as the NERA bill is apparently on the rocks. A piece of fascist legislation providing forced relocation and compulsory behavior modification, the NERA bill was sponsored by Senator Walter Mondale (D-Minn) and written by the legislative department of the United Auto Workers.

Information gathered by the Labor Committee intelligence staff on Capitol Hill indicates that the Labor Committees' international exposure of the Mondale bill as the centerpiece of the Rockefeller social fascist legislative package has made NERA too hot to handle. "No one around here wants to touch it with a ten foot pole," a congressional aide told Labor Committee organizers. George Nelson, legislative director of the AFL-CIO, corroborated this today in an interview with IPS. "At this point Mondale isn't even supporting the bill," Nelson remarked.

Full Employment Act of 1976

Waiting in the wings is the Reuss-Hawkins bill, the so-called Equal Opportunity and Full Employment Act of 1976 — a bill that outlines a labor policy in many ways even more vicious than that of NERA.

Part of the "full employment" legislative package of

the Committee of 100, the Reuss-Hawkins bill, introduced June 19, already lists among its supporters the social fascist cabal that's backing NERA. This includes the UAW president Leonard Woodcock, Rep. Bella Abzug (D-NY), Nazi Doctor Frank Reissman, and the entire nest of State Department socialists around Michael Harrington (D-Mass.).

The House sponsors of the bill are both experienced Rockefeller organizers. Hawkins, (D-Calif.) is a leading member of the Rockefeller controlled Black Congressional Caucus. Henry Reuss, (D-Wisconsin) has for years served Rockefeller banking interests from his critical position as ranking Democratic member of the House Banking and Currency Committee and as chairman of the Joint International Economics Subcommittee. In addition, Reuss is a member of the Rockefeller-controlled international planning body, the Council on Foreign Relations. When the democrats needed someone to rebut Nixon's most recent speech on economic matters, they chose Reuss, who proceeded to push the social fascist program.

The Reuss-Hawkins bill is designed to plug directly into the machinery set up by the Comprehensive Employment and Training Act of 1973 and into the community policing apparatus set up by the Law Enforcement Assistance Administration to provide localized, fascist implementation of full employment.

The intention of the Reuss-Hawkins bill is to create a

fascist labor front from the ranks of the unemployed, coordinated on a national level and administered by local communities, making its policing all the more effective. The present form of the labor movement is to be destroyed, while wages and living standards will be driven down to Brazilian levels.

The salient features of the legislation are as follows:

- **Locally Controlled Slave-Labor; Full Employment on Your Block** The bill takes advantage of so-called Local Planning Councils created and funded through the Comprehensive Employment and Training Act. These would be empowered to develop job positions for the unemployed in their areas — baby sitters in day care centers, bus drivers, garbage collectors, auxiliary police and block watchers, environmental improvement workers, drug prevention teams, construction, repair and maintenance of public buildings, and many others.

- **National Coordination of Community Level Activities** The bill is actually very tightly controlled from above. It calls for the creation of the U.S. Full Employment Service to serve as a central clearing house for job placement. All eligible job-seekers (anyone who does not wish to starve in the depression) must register for the "Standby Job Corps," the new labor front. Their profiles will be placed through the regional job bank

computers which will "allocate" workers to various community boards for deployment.

Those who are to be resettled will be doled out relocation assistance and given counseling and training (read: brainwashing), provided through the expansion of already existing Comprehensive Employment and Training Act programs.

- **Slave Wages** Wage levels will hover around the minimum wage — \$2.00 an hour. Workers "allocated" for deployment at development projects in the West or slotted to fill manpower needs in sped-up factories will be paid the same. This starvation level is justified under the pretext of "encouraging workers" to "advance from the Standby Corps to other employment" — a trick borrowed from the New Deal legislation of the last depression.

- **Child Labor** By redefining what constitutes an "adult American," in the administrative regulations of the bill, a loophole effectively will bring back child labor in the United States.

Although this bill, if passed, is not slated to go into effect until 1976, it contains a provision enabling full implementation by an "unspecified date." In other words, the bill can be put into effect any time after it becomes law.

"Liberal" Judge Faces Political Dilemma in NCLC Suit Against FBI

DETROIT, July 19 (IPS)— Attorneys for the National Caucus of Labor Committees and U.S. Labor Party today submitted a legal brief to Judge Damon J. Keith of Detroit Federal District Court to rebut expected argument by attorneys for the FBI and Detroit Police Department that the suit the Labor Party filed against these agencies July 3 should be dismissed.

The suit, which will be heard July 24, seeks an injunction against FBI and police subversion of its working-class organizing and electoral campaigns and \$4 million in damages. It was filed following Labor Party discovery and exposure of FBI agent Vernon Higgins as a paid infiltrator and saboteur of the Party's work in Detroit and a subsequent police/FBI raid on the Detroit Labor Party office in which Party material was stolen.

The FBI, U.S. Attorney General William Saxbe, FBI Director Clarence Kelly, and Detroit Police Chief Phillip Tannian, all named as defendants in the suit, have pressing political reasons to seek its suppression. The Labor Party has caught them in a blunder and plans to take advantage of this opportunity to expose the real masterminds behind the operations of the bumbling FBI

and Detroit police. The spectre of legal exposure of the Rockefeller CIA network is the real basis for whatever "legal" arguments the government attorneys will offer.

The Labor Party case will expose Higgins as the FBI agent who helped organize the school bus bombings in Pontiac, Michigan in 1972. The operation directed by agents Jones and Mercado, whose main target now is the Labor Party, was part of the CIA's busing hysteria and race-riot strategy. It will be shown in court that the FBI was in a position to stop the violence in Pontiac had it not been intimately involved in fomenting it through its operative, demolitions expert Higgins!

The heart of the case lies in baring the network of Rockefeller agents in Michigan, including United Auto Workers officials, CIA counterinsurgents, and Law Enforcement Assistance Administration planners who orchestrate the FBI's moves. This extensive web involves Michigan Governor William G. Milliken, longtime Rockefeller flunky; CIA agent and LEAA planner A.F. Brandstatter of Michigan State University and the Metropolitan Fund; and Rockefeller's labor lieutenant, UAW head Leonard Woodcock.

No matter how much he may protest otherwise, Judge Keith will be compelled to make a political decision in the case. He must decide whether the political working class has the right to organize free of illegal FBI and police infiltration, harassment, surveillance and sabotage. If he decides that the Rockefeller CIA machine is free to act illegally through its FBI and police frontmen, this will not be on the basis of "legal" technicalities. Evidence of FBI sabotage is overwhelming, and the Labor Party is able to show why and how it is occurring. The only reason for suppressing a full hearing in this case would be that Judge Keith has been pressured or decided himself that the danger to the machine is too great.

It will come as no surprise if Judge Keith's sympathies lie with Rockefeller. Keith was awarded the NAACP's 1974 Springairn Medal for the "most distinguished achievement by a black." In making the award, the NAACP cited Keith's "primary achievements...a series of landmark decisions reaffirming the rights of American citizens—irrespective of race, creed or color—to enjoy the full benefits of the liberty protecting provisions of the Constitution."

One of Judge Keith's "landmark" decisions was the

1970 Pontiac School desegregation ruling on a suit brought by the NAACP. It was this decision which provided the CIA/LEAA with fertile ground for its race riot organizing, overseen and fueled by the FBI with none other than the defendants being brought to court now by the Labor Party: Special Agents Mercado, Jones, and Higgins. Judge Keith himself helped feed the racial fires in 1971 when he refused to sign an order placing federal marshals in Pontiac during the busing furor "because it would have caused a holocaust."

Prior to his appointment to the bench in 1967, Keith was actively involved in the assault on construction unions as chairman of the Michigan Civil Rights Commission and in the development of various scab programs as a Governor Romney appointee to the Michigan Committee on Manpower Development and Vocational Training.

In addition, Judge Keith was the law partner of John Conyers, now Congressman from Michigan, and 1972 cohort of zombie CIA agent Imamu Baraka at the "Black Political Convention." More recently, Conyers sponsored a "Community Anti-Crime Assistance Bill," a piece of CIA/LEAA legislation which provides for total gestapoization of cities.

Dr. Ackerman Initiates Meeting to Establish Commission

July 22 (IPS) — Dr. Norman Ackerman, chairman of the Committee to form a Commission of Inquiry last week issued a call and invitation to the July 23 New York meeting of Commission members and other interested individuals. The Committee was formed in January 1974 to initiate investigation of charges by the National Caucus of Labor Committees of CIA brainwashing of Labor Committee members and other CIA domestic activities.

A prominent New York psychiatrist, Dr. Ackerman proposes in his call that the Commission adopt the name *Commission of Inquiry into Thought Control* and establish itself as a totally autonomous, non-profit, corporate entity.

Outlining the reasons for convening an active Commission immediately, Dr. Ackerman gives a history of Labor Committee activity and his own work to put a stop to criminal brainwashing and programmed

behavioral modification in this country. Agreeing to head up the Commission, Dr. Ackerman proposes as a working agenda for the Tuesday meeting a discussion of the Commission's history, its composition, work, and financing. He suggests a membership of 20 from New York City proper to function as a steering committee and 20 additional Commissioners from other parts of the country who will form functioning subcommittees around them. An organizational newsletter is proposed, as well, to keep Commissioners and members of a 1000-member support body, *The Committee to Sponsor a Commission of Inquiry*, apprised of the current work and problems of the Commission.

Dr. Ackerman's vigorous work forwarding the Commission's organization should lead at Tuesday's meeting and subsequently to an increasingly active investigation to stop the mind-destroying activities of the Rockefeller cabal and its police arms.

How Rockefeller Nurtured and Controlled the ZPG Plan for Depopulation

July 22 (IPS) — The United Nations-sponsored inter-governmental World Population Conference to be held this August in Bucharest, Romania will celebrate the genocidal “Zero Population Growth” (ZPG) movement, for more than twenty years the direct organizing responsibility of John D. Rockefeller III. This report is the first in an IPS series that will, by the time the conference convenes, thoroughly expose the criminal dimensions of Rockefeller’s ZPG plans.

We intend to rip off the fraudulent humanism in which the modern Malthusians have cloaked their plan for mass murder; to remove any lingering doubts about their utter scientific incompetence; and to establish the actual necessity, in a socialist society constantly revolutionizing its technology, for an ever-expanding **productive** population.

There should be no mistaking the origin of ZPG’s rationalization for species-suicide. For once, Planned Parenthood’s dehumanizing clinical euphemism for “baby” is appropriate; ZPG is John D. Rockefeller’s “product of conception.” The Population Conference and the parallel Population Tribune for non-governmental organizations aim to bring ZPG to maturity. Participants — academics, health professionals, social workers, social planners, and governmental officials — will be indoctrinated thoroughly in the techniques and motivation for population control. Thus the Rockefellers hope to prepare the way for severe austerity and its accompanying Nazi-style depopulation of the working class.

The forceful intervention of the International Caucus of Labor Committees at the Conference around a program for expanded food production and the development of fusion power is planned to prevent independent thinkers and humanitarian participants from sinking into the ZPG bestial view that “there are too many people.”

The Case Against ZPG

“Too many people” — for what? Rockefeller’s answer, implicit in the linking of the Population and Food Conferences and explicit in all ZPG propaganda, is that population growth threatens to consume “too

much” of the fixed amount of available natural resources. The ecological crisis of overpopulation, then, depends fundamentally upon what defines, and determines the magnitude of, humanity’s “natural resources.”

In fact, such ecological crises are a recurring problem of human existence, precisely because successful social reproduction in any one mode of altering nature for human benefit tends to deplete the resources defined by that state of development. But the continued existence of the species testifies that the problem continually has been solved, precisely because the mode of human species reproduction is not fixed. Humanity has not dead-ended because the creative powers of universal labor (science) have broken through to higher levels of productive powers, finding resources where once there was mere rock.

Such technological breakthroughs most emphatically depend upon expanding the productive population engaged in society’s process of reproduction. First, the creation of the scientific “clout” to make the “discoveries” implies a higher level of education and culture generally; thus requiring a larger population of teachers, etc. Second, in order for these discoveries to be realized in the necessary productive technologies, the productive population must be expanded, usually over wider areas of the globe, to make it possible to bring to bear a more complex “bill of materials” and more specialized skills. In sum, overcoming the only apparently “limited resources” which constrain population growth requires advancing to a higher state of technological development, which in turn depends upon an increased **division of labor**, i.e., population growth.

A Rockefeller Operation

In this and the following sections we will lay bare who the actors are controlling the ostensibly independent United Nations population control program. Actually the entire program is integrated into an international network of policy-making, funding, research, and organizing agencies. Overseeing the operation as Chairman of the Population Council is John D. Rockefeller III.

Funding comes from the World Bank, the United States Agency for International Development (AID), the

Swedish International Development Authority, the Ford and Rockefeller Foundations, and the lesser-known Hugh Moore and Milbank Memorial Funds.

Rockefeller's medical school outposts around the world conduct research and development in conjunction with national public health institutions and the UN World Health Organization. Complementing the purely biological research are sociological and related operational investigations, carried out at well-known CIA

“Europe is dying. In the heartland of Europe, in East and West Germany, Austria and Luxemburg, more people are dying than are being born. Zero Growth has arrived. In 1972, for the first time in the capitalist era, or the first time in nearly two hundred years, the population of Central Europe has begun to decline. And the rot is spreading outwards Not even during the last Depression, and only for brief periods and in more limited regions during the Nazi conquests, has capitalism so starkly demonstrated its inability to maintain the mere existence of human life.”

—From “The Socialist Reconstruction of Europe” by John Lawrence, International Caucus of Labor Committees Economic Planning Commission, in *The Campaigner*, September-October, 1973 (Available from IPS).

campuses: Princeton's Office of Population Research, Harvard's Center for Population Studies, and the University of Michigan's Center for Population Planning are exemplary.

The birth control inventions and organizing schemes from these centers are tested upon unsuspecting “volunteers,” then promoted to legislators and the population before finally being implemented widely by the abortion, sterilization, and contraception franchise chain around the world. Their success depends upon the crisis environment created by the prophets of doom, the actual ZPG organization and its related “emergency committees,” information bureaus, and ecology fatalists. Under cover of this slick Madison Avenue barrage, the Planned Parenthood World Federation, the Church World Service, the AID front-group Pathfinder Fund and sundry other pill-pushers swing John D. Rockefeller's ZPG scythe.

From the Beginning

In January 1939, the Council of the League of Nations created a secretariat to study demographic problems in their economic, financial and social context. Before the committee could begin its work, however, World War II broke out, forcing it to take up residence at Princeton University's Office of Population Research. This center, the first in the Rockefeller family's academic population empire, had been founded three years earlier with a

\$250,000 grant from the Milbank Memorial Fund, one of the institutions within the Rockefeller Foundation's aegis.

At that time, Milbank had brought Frank Notestein from its Division of Research to become the first director of the Princeton office, where he headed the League of Nations study, titled “The Future Population of Europe and the Soviet Union: Population Projections 1940-1970.”

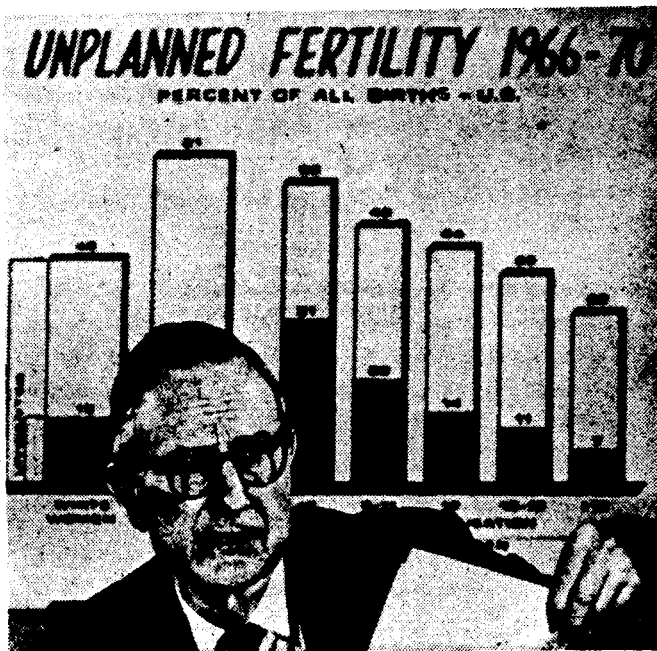
In 1946, the UN's Economic and Social Council created a Population Commission (PC) composed of governmental representatives. Initially, it was instructed to “assist national governments in locating, counting and classifying population.” The PC worked in tandem with the United Nations Relief and Rehabilitation Agency in resettling the refugee populations of Asia and Europe. As IPS has previously demonstrated (see *The Campaigner*, May and June 1974), Rockefeller's leading fascist theoretician Dr. John Rawlings Rees, and his agents, capitalized on these opportunities to refine psychological control techniques; and it is probable that trusted Reesian agents soon captured the PC. It is noteworthy that the first director of the UN's World Health Organization, Dr. Brock Chisolm, was a longtime collaborator of Rees .

Not long afterwards, Frank Notestein returned, this time as an expert consultant to the Secretary General's



John D. Rockefeller, III

Department of Economic and Social Affairs and as acting director of its newly-formed Population Division (PD). Throughout the late 1940s and the 1950s the two UN population agencies were limited in funds and scope of activity, concentrating on demographic problems, record-keeping and occasional advisory positions.



John D. Rockefeller, III

ZPG Takes Off

Beginning in 1958 Sweden, hiding its role as Rockefeller's stalking horse behind its "neutral, non-imperialist" image, became the first government to begin foreign family-planning assistance, through the Swedish International Development Authority, initiating projects in Ceylon, Pakistan, Kenya, and numbers of other African and Asian countries.

In 1961, representatives from Denmark and Sweden unsuccessfully attempted to place the question of population growth and economic development on the UN agenda. The next year a similar draft resolution, supported for the first time by the United States, enabled the PC and PD to have greater leeway in actually advising and training for action programs in the field. A later report in this series will document John D. Rockefeller's direct role in convincing President Kennedy to break with the "hands-off" policy of Eisenhower; it is here sufficient to note that his liaison to Kennedy was Secretary of State Dean Rusk, former head of the Rockefeller Institute.

In 1964, the Secretary General appointed an ad hoc committee of experts to recommend priority areas, including the peripatetic Frank Notestein and other agents from the Ford and Rockefeller Foundations. Their report, endorsed the following year, called for expanded research in the fields of fertility, mortality, internal migration and urbanization. Most of these individuals then served as organizers or moderators of the twenty-four meetings comprising the 1965 Second UN World Population Conference in Belgrade, insuring Rockefeller's hegemony over the proceedings.

As the U.S.'s own AID program began to blackmail the underdeveloped sector into accepting population control programs, John D. Rockefeller III himself rounded up the signatures of a dozen heads of state in 1966 and 18 more in 1967 for a declaration urging steps to **reduce** population that he presented to the Secretary General on "Human Rights Day." This personal arm-twisting effort laid the basis for the massive expansion of the UN's program that began in 1967, when U Thant established a trust fund for voluntary contributions by governments and private institutions to supplement the UN's regular budget. Frank Notestein, then president of Rockefeller's Population Council, spelled out at a UN panel discussion the same year that the UN must expand its training role, leaving private foundations to bear the bulk of the cost of the actual birth control projects.

Substantial contributions from the U.S. (\$500,000), Sweden (\$200,000), and Denmark (\$100,000) were earmarked for training centers for administrators of birth-control pilot projects. Given the ground rules of the Secretary General's Fund, the contributing countries effectively controlled the decisions on the allocation of the monies.

Thus in 1968, when the U.S. Department of State's Bureau of International Organization Affairs pledged \$1.235 billion, one million dollars was designated for enlarging the new UN Population Program Officers operation. Recruited and trained by institutions under strict Rockefeller control, these Officers are then posted to various nations to assist in preparing their population control projects. By the end of 1970 some two hundred such projects in Africa, Asia, Latin America and the Near and Middle East were being supported by the fund at a cost of \$6.7 million.

Capitalism's Limits to Growth

Reprinted from *The Campaigner* Vol.5, No.3, May-June 1972

Under "normal" conditions of capitalist development political democracy and liberalism are the norms of politics and social thought. Liberal ideology insists (among other things) that the answer to social ills lies in continued economic expansion. Today this notion finds itself under vigorous attack.

Indeed at first glance it does appear, superficially, that "economic growth" has produced the hydra of slums, pollution, crowding, resource depletion — in short, the much publicized and all too real "ecology crisis." A closer look reveals that actual economic stagnation rather than purported growth produced the present grim prospects.

Although GNP and capitalist profits have continued to accumulate almost unabated, the U.S. industrial production index indicates that industrial output has stagnated for the last four years at the 1968 level. The capital goods production index, an even more sensitive indicator of real economic growth, is still below the 1967 level. (The qualification must be made here that these figures are merely a conservative reflection of the real depths of stagnation since they include wasteful production such as the military sector; furthermore no consideration is given here to actual production **requirements** created **merely** through depreciation with respect to advanced technology.) Meanwhile cancerous, speculative expansion of all forms of credit (the "growth") coincident with this stagnation of real productive output has created the conditions for a classic general breakdown crisis or depression.

The rise in corporate profits reported for the last quarter of 1971 indicates the success of government wage-gouging policies rather than any health of the capitalist economy. Likewise Hosannas recently heard around the Nixon administration praising improved unemployment and production rates merely reflect a desperate attempt to parlay short term results of massive inflationary credit extensions into political capital. This index rise of 6.2 per cent in the first quarter of this year compared to 1.7 per cent in the last quarter of 1971. Phase II, and similar austerity measures throughout the advanced capitalist sector, are required to stave off runaway bankruptcies or monetary panic, either of which could now rapidly lead to exacerbated depression conditions.

Austerity policies require for their implementation the breaking of organized labor's resistance. This requires

the breaking of the trade unions themselves. It is this reality which has changed the face of politics in the advanced capitalist countries. In the United States sector this change is manifested in the break-up of the Democratic Party-labor-minority-group alliance as the economic conditions permitting such "consensus" politics have eroded.

Naturally enough such "material" assaults on pluralist politics are beginning to expose liberal thought for the mere ideology that it actually is. The universities, chief center for the production of the most advanced ideology, are, obligingly, mounting attacks on the now stale and increasingly useless liberal wisdom. That old liberal humanism was mainly an abstract ethical notion, rather than an understanding of real material men in society, is now revealed by the failure of liberal science to effectively counter the proliferating outright fascist tendencies represented by the likes of Jensen, Herrnstein, Koestler, and Skinner.

But all of this is not without its own rhyme or reason. As we have indicated, ruling circles now require a policy of austerity so that the capitalist economy can be propped up through the transfer of former wage and social service expenditures to profits. No ruling class has ever justified its rule on the basis of its openly declared self-interest. The capitalist class is no exception. The bungling crisis-mongering of the capitalist class must somehow be represented as policy in the interest of society as a whole.

Bourgeois economics is increasingly unable to apply the necessary progressive veneer to the rotting capitalist hulk. Last year's monetary shakeup and the continuing runaway "stagflation" have strained the credibility of any Pollyannaish Keynesianism to the breaking point. The working class finds it increasingly hard to swallow the notion that wage increases are responsible for inflation, as the relative success of Nixon's Phase II wage-gouging is producing no let-up in both rising prices and unemployment.

More far sighted elements of the ruling class have been sloshing around in certain academic swamps, searching for a replacement for the failed economics professors. In this process the zero-growth ecologists have been fished out. This is not to suggest that ruling class propaganda requirements have automatically created the necessary innovations. The Zero Growth movement is a unique asset to present capitalist austerity policies, but it is

social and economic forces rather than capitalist propaganda needs per se which have given rise to it. Various embodiments of capitalist "enlightened" self-interest have merely financed and encouraged ideas which have sprung "spontaneously" from the alienated consciousness of the bourgeois scientist contemplating the decay of capitalist society.

The support of the MIT business school's "project on the predicament of mankind" by Italian industrialist Aurelio Peccei's "Club of Rome" and the Volkswagen Foundation is an instructive case in point. Dennis Meadows' *Limits to Growth*, the published initial results of the MIT "project," envisions a breakdown of the "world system" within one hundred years, caused by exponentially increasing rates of population, industrial output, and pollution on a world-wide scale.

To achieve this result, *Limits to Growth* extrapolates world population and industrial production rates since 1900 into the future. With the help of a computer program designed by their MIT business school colleague Jay W. Forrester, exponentially increasing population and industrialization are seen to run up against the supposedly finite store of world natural resources upon which industry depends, the capacity of the biosphere to absorb pollution, and the Malthusian spectre of mass starvation caused by the dwindling supply of arable land.

The MIT group's "solution" to this crisis is to halt economic and population growth. A policy which they call an "equilibrium state." Such a policy is seen as maintaining the population at a stable level through Zero Population Growth (ZPG) by limiting annual births to a level merely sufficient to offset annual deaths. At the same time, economic growth is halted by limiting capital investment to that level required to merely replace depreciated capital.

The question immediately arises, "what interest do prominent industrialists, the Volkswagen corporation, the OECD, and other capitalist interests represented in the Club of Rome, have in halting population and economic growth?" The answer is — none. Is Volkswagen interested in reducing its profits by cutbacks in economic growth; is it interested in losing prospective customers through a cutback in population growth? Obviously not.

The identity of interest between the Zero Growth movement and capitalist policymakers lies not in the latter's intentions to consciously adopt a zero-growth policy. The usefulness of Zero Growth ideology lies rather in the domain of propaganda, with which to break working class resistance to austerity measures, by clothing these measures in the sheepskin of "respectable" social theory.

The Zero Growth movement, seeing industrial production inevitably leading to pollution and ex-

haustion of what they consider to be finite natural resources, recommends halting population growth and **reducing consumption demand**, as a means to slow down industrial growth and thus "prevent" ecological breakdown. The ruling class (that is its more prescient members) has been quick to pick up the notion of reduced consumption demand as anti-pollution and conservation measures, in order to produce strike-breaking propaganda. Now the "greed" of striking workers is not only "fueling inflation," it is also "causing pollution and using up non-renewable resources."

We warned against this potential insidious use of the ecology movement two years ago when that "movement" was almost universally lauded as the new Savior (see "Ecology Crisis: Who's Polluting Whom?" (*Campaigner*, May-June, 1970.) The use of ZPG ideology as a cover for attacks on the working class has now moved out of the realm of speculation and into the front lines of class warfare. The *New York Times*, always in the vanguard where attacks on the working class are concerned, joined the fray with an Anthony Lewis column attacking the British coal strikers with arguments gleaned from the British *Blueprint for Survival* ecology tract, which the *Times* had just editorially endorsed on February 4 (*New York Times*, February 14).

More recently a *Times* editorial entitled "Energy Crisis Ahead" (*New York Times*, April 10) has called for either a "tax on all fuel and power to discourage frivolous (sic) energy consumption . . ." or "alternatively, the possibility has to be faced that eventually fuel and power may have to be rationed, perhaps by setting an upper limit per person on family electricity consumption." Thus the *Times*, teaming up with Secretary of Interior Rogers C.B. Morton who has asked Congress for power rate hikes, adds fuel to the Power Utilities' increasingly strident demands for rate price hikes. A *Times* article appearing several weeks earlier (see "We're Running Out of Gas," *New York Times Sunday Magazine*, March 19) had, by the way, shown convincingly that the case for dwindling known reserves of gas and oil has been cooked up by the depletion allowance-bloated oil industry itself.

We do not by any means intend to suggest that the "ecology crisis" does not exist; we do insist that the crisis be seen for what it actually is. We denounce the swinish ideological defense of capitalist economic and social relations that is the unifying element of the so-called "ecology movement," from the "moderate" anti-technology stand of Barry Commoner, to the rabid and hysterical anti-human approach of MIT's Meadows and Forrester.

The ecology crisis is actually subsumed by the general breakdown of capitalist economic relations and therefore only adequately comprehended in such connection. The question of ecological and developmental problems in

the Soviet Union as an apparent refutation of this position often arises immediately. To merely indicate the solution here, the Soviet Union and East European economies must be seen for what they actually are: worker state sub-sectors of the world capitalist economy trying to defend their limited existence in a profoundly economically hostile environment. Thus we are actually still dealing with problems of capitalism rather than of socialism (which does not exist in any real sense in the present "worker states.") We here refer readers to E. Preobrazhensky's *New Economics*, and the numerous works by Trotsky and Deutscher concerning this matter. The inherent capitalist tendency toward capital investment stagnation, as a means of self-protection against the devaluation of individual capital assets, mediated through declining consumer demand and apparent capital shortages, is especially exacerbated in the resulting present period of inflationary recession and monetary instability. The crisis is manifested as a general inability of the capitalist class to maintain its collective credit obligations (to itself) on the basis of declining income rates from stagnated real production.

In this situation, any income which can be shifted from actually necessary social reproductive costs to service capitalist debt can be accounted as profit, and thus as a short term "solution" to the immediate problem as it appears to the capitalist class. That this process is an essential feature of capitalism in general can be indicated by the fact that capitalist accounting does not even recognize the problem as it actually exists. To capitalist accounting as well as to its "theoretical" formulation — bourgeois economics — social reproductive costs are generally represented merely as immediate costs of production, the underpayment of same yielding the short term "optimum" result of increased profitability of the individual capital.

This systematic blindness — the "price-earnings" ratio optimizing criterion of capitalist investment — fails to recognize the role of expanded consumption and environmental maintenance as regular requirements of continuously expanding social productivity. Thus in addition to normal or real accumulation of capital a "fictitious accumulation" occurs in the form of wage-gouging, social service cutbacks, "savings" at the expense to mankind of industrial pollution, and the imperialist looting of natural and human resources of the underdeveloped world. Luxemburg properly identified such behavior as the continual "primitive accumulation" feature of capitalist development which acts to "resolve" the capitalist "realization crisis." This can otherwise be seen as the capitalist practice of attempting to resolve the discrepancies created by the necessity to maintain fictitious accumulation on the premise of stagnating real accumulation; through the intensification of the very

fictitious accumulation which is the cause of the problem.

Of course all this "cost-cutting" and fictitious growth actually reduces social productivity, artificially raising the price of all necessary social investments (including pollution control), thus limiting apparent "choice" to either "growth" with pollution or no growth at all. In part the Zero Growth argument for the notion of finite resources falls apart upon consideration of the question of the productivity of labor. As a careful examination of, for example, the Club of Rome's *Limits to Growth* reveals, the "finiteness" of depleted resources appears in their analysis as "unsupportably high costs" of bringing new resources into use (marginal land, low grade ores, etc.), rather than absolute exhaustion.

It is of course capitalist stagnation which makes such costs apparently untenable. By mislocating the problem in some kind of universalized, absolute cost barriers the "ecologists" hide from view the systematic historic untenability of capitalist development. We do not mean to imply, however, that development limited to an extension of a qualitatively unchanging technology will not ultimately exhaust the finite resources appropriate to such development. No computers are necessary to aduce such a result. However, it is precisely on this point that capitalism stands condemned.

Successful human evolution has been characterized by periodic "productive revolutions" where mere quantitative extensions of man's "energy capturing" capacities have led to qualitative transformations of established modes of life, and thus **repeatedly** saved mankind from apparently "inevitable crises." The revolution which produced the human species as such, the invention of agriculture, the steam engine, nuclear power, all have created the so-called natural resources from previously "useless" nature.

Under the reign of capitalism humanity has produced countless revolutions of productive technology. If this process could continue unabated there would be no real, material basis in need for socialism, but such is not the case. The pressing question of alternatives to the finite supply of fossil fuels, to supply the ever-expanding need of developing humanity for energy, reveals the incapacity of capitalist economy.

It is not surprising that Zero Growth advocates give short shrift to the possibilities for developing a practical plasma fusion reactor for the production of electrical energy. The fusion of the nuclei within a deuterium (or deuterium-tritium) plasma releases enormous energy but yields no dangerous radioactive waste products. The fuel, deuterium, a "heavy" isotope of hydrogen, is easily separable from sea water and would be virtually inexhaustible, thus virtually eliminating the finite resource problem with respect to fossil fuels and fissionable materials. The great heats generated would provide such

great efficiency in heat transfer methods of electricity generation that thermal pollution connected with energy production would cease being problematical. In addition, applications of the process such as the "fusion torch" might make the recycling of industrial materials cheap enough to be almost universal.

Is such a development possible? At present no theoretical obstacles remain to block the realization of this advance (for references on the matter of fusion power see the above cited "Ecology Crisis: Who's Polluting Whom" and "Zero Growth" in *New Solidarity*, April 10-14.) Leading researchers in the field of plasma physics, Eastlund and Gough, have stated that a practical prototype fusion reactor could be created within ten years **if such development were seen as a "national goal."**

Whereas in a rational world the "ecology movement" would jump on such a development and lend all its efforts toward propagandizing the need for development of fusion power, in the "real" world it is not merely that such a development would dissolve the case for Zero Growth that these warriors are mum on the subject. They cannot see the development of fusion power as a real possibility **because it is not on the immediate capitalist investment agenda.** Having limited themselves entirely to the outlook of actual **capitalist** future, **ZPGers can see no future that does not include stagnation of productive technology.**

While vast expenditures of productive resources will be required to develop fusion power as a practical source of energy, the utility industry, eating itself through government porkbarrels in the form of "welfare" measures, such as "oil depletion allowances" and enormous capital advances by the AEC in the development of fission power, is spending next to nothing on fusion research. The AEC itself has so far spent less than the cost of one Apollo moonshot on fusion power research and the fiscal 1971 budget for such research of \$30 million was \$3 million **less** than the 1960 budget!

Again, it is capitalism and the private property nature of capitalist capitals that is responsible for this stagnation in research development. Capitalist optimizing criteria demand not only that "full value" be milked out of the development of fission power before its replacement, but also that the ancient plant and equipment of the fossil fuel generating plants be maintained at "book value" so that the edifice of the debt structure built on such rotten foundations does not crumble.

The "equilibrium economy" recommended by ZPGers would of course mean that adequate funds required for the realization of fusion power could **never** be generated. Thus, Zero Growth is a well-argued case for the extinction of mankind.

Zero Growth unfortunately need no longer be studied from the standpoint of the future through the "creative" capitalist imagination of the ZPG ecologist. In many respects it has already descended upon us. Rather than the utopia predicted for it, it has turned out to be in different aspects both cause and effect of the economic crisis. We have already indicated that capitalist-induced stagnation of industrial output is a primary source of the current economic crisis. This industrial stagnation, rather than moderating existing rates of pollution, makes the serious task of repairing damage done to the environment and prevention of future pollution through the development of pollution control techniques economically impossible under capitalism.

Not only has industrial production stagnated. The population growth rates of the "advanced" industrial countries have been moderating for a considerable period under the influence of both increased productivity and accompanied "cost" of producing labor power. This translates into decreased desire for large families, due to increased costs of education and longer social maturation times. However, in addition to this moderate long-term trend (which ZPGers blithely ignore), analysis of the 1970 United States Census reveals a sharp downturn in U.S. fertility rates which could rapidly produce Zero Population Growth within a few years!

Doubting readers are invited to read an analysis of the latest U.S. census data by George Grier, titled *The Baby Bust* (Washington Center for Metropolitan Studies, 1971.) Entirely on the basis of published U.S. Census data, Grier shows that despite the fact that the generally fertile part of the population (15 to 34-year-olds) has grown by 29 per cent in the last ten years, due to the postwar baby boom (this increase was exceeded only in the 1870s and 80s, due to immigration), the under-5 population has ~~decreased~~ by 15.5 per cent in the same period (by far the largest of such decreases which have only previously occurred in 1920-29 and 1930-39). Thus as the postwar boom babies have matured to fertile age they have failed to produce the "population boom" that both most authoritative "sources" and ZPG crackpots alike have long been predicting.

Declining fertility rates are responsible for this drastic drop in the under-5 population since death rates have in fact been only slowly increasing. The recent decline in fertility rates (that is the number of children actually born per specified population unit) dates from the 57-58 recession, continuing in a long and sharp slide into the present economic crisis. The long slide into the Great Depression after World War I created a similar decline in fertility rates.

This decline has been so steep that if the rate of decline experienced since 1960 continues only **two more years** we could hit the population replacement level —

the famous ZPG (see *The Baby Bust*, p. 22). Far from ushering in an era of peace and light this threatening ZPG (and likely actual population **decline**) is a response to profound economic crisis. Families are increasingly, "voluntarily" limiting their size because of social instability, economic necessity, poor educational facilities, and so forth — due to a collapsing economy.

The rather consistent failures of "authoritative" demographers — including the U.S. Census Department — is a striking example of the dismal failure of empiricist method in the social sciences generally. Criticism of the rather naive statistical, computer program systems methods of the Club of Rome's *Limits to Growth* from many scientific quarters should not prevent us from seeing that, in general, *Limits to Growth* is merely a caricature of the best of empiricist methods. Social science's slavish commitment to "objective fact" and "objective trends" among those "facts" in the behaviorist schools, and to pure subjectivity in the "idealist" schools, prevents a real comprehension of the essential duality of all social processes. It is precisely a comprehension of this duality — the subjectivity of human deliberative processes and actions and the resulting objective consequences for social reproduction — that is required for making any sorts of predictions whatsoever. And the character of such predictions is, therefore, inevitably "political."

The zero growth ecologists, however, are at least consistent with reality in their pessimism as long as they view **capitalist** social and economic relations as the only reality. But they are unwittingly (or not, as the particular case or morality is concerned) projecting **capitalist** relations of production into the future **to predict a crisis which is already upon us**. Not only are they doing that; they are embracing its negative aspects (stagnation of production and population) as a solution, while falsifying and hiding from criticism the actually crippling nature of capitalist "economic growth."

Liberal critics of the "ecology" doomsayers criticize from the point of view of "progressive capitalism." Those who claim that technology and continued "growth" will solve the problem in and of itself are probably more foolish (or deceitful) than their ZPG quack antagonists, in that they utterly fail to see the immediate political threat to human existence generated by impending economic collapse. (*The London Economist* and *Nature* attacks on *Limits to growth* must be seen as such.) Under such conditions (we must realize that we have in a sense already reached such conditions) no technological breakthroughs nor rapid real economic development necessary to avert crisis are going to take place.

The Nixon administration's official attitude toward ZPG appears well calculated. While the ZPG movement will be an essential part of the propaganda attack on the working class, it uncomfortably indicates in an indirect way the present crisis of world capitalism. In addition, cretaceous layers of the capitalist class, not possessing much subtlety of thought, tend to take ZPG pronouncements seriously rather than as useful propaganda ("an end to accumulation, what kind of capitalism is that?!") Thus a balancing act results. The President's Commission on Population headed by John D. Rockefeller III gives ZPG Inc. rope by endorsing **eventual** ZPG, and Secretary of HEW Elliot Richardson has been running around the country attending ZPG forums and symposia decrying the undemocratic implications of ZPG while endorsing its "ultimate aims."

The official attitude that no crisis actually exists is an echo of the "liberal progressive" view that no crisis exists **for capitalism as such**. The difference being that the former is a canny professional guise and the latter a true conviction.

Is there then any basis for optimism? If human productive forces remain constrained within the stranglehold of capitalism, there is not; however, if socialists use the present conjunctural crisis to wrest control of the economy from the capitalist class there is no reason why both economic and ecological crisis cannot be avoided and the vast unmet needs of mankind be satisfied.

Socialism, not having to maintain fictitious inflated value of past capital investments, will be able to carry out rapid industrialization of the underdeveloped world on the basis of re-industrialization of the stagnated "advanced" economies, and thus will be able to generate the required sufficient social surplus to rapidly improve worldwide living standards, while cleaning up the environment and maintaining it in a productive state. It will also be able to develop technical advances such as fusion power production which will create vast new (previously unexploitable) resources and give us capacities for recycling existing industrial materials.

Such investments will actually vastly increase the productivity of labor on a world scale, making real growth, without the negative aspects epitomized by capitalist accumulation, possible for the first time in human history. Such a transformation is definitely not of the pie-in-the-sky sort envisioned apocalyptically by both anarcho-"marxist" left sects and ZPGers alike. The tactical approximation of socialist investment policy and the social forces necessary to carry it out in this period, is the political strike-support policy of the NCLC. Both training in actual socialist economics and political organization are accomplished at the same time.

The "ecology movement" as it stands today is a deadly foe of such a policy, since it does not see the potential for human development in squandered capitalist speculative income and the unrealized social capital thus represented. By condemning expanded working class consumption (and thus production) the "ecology movement" becomes an ally of capitalist austerity regimes.

Socialist development will require the creative talents of every scientist to make creative contributions to theory and technology. The socialist movement now requires that Zero Growth **ideology** be exposed as such, so that it is not confused with actual science. Scientists and scientific socialists, both students and teachers alike, who recognize that advances in human knowledge can only be predicated upon the actual material advance of society, must locate their counter-attacks against Zero Growth ideology upon support for working class-for-itself political strike activity.

Ironically, the *Blueprint for Survival*, one of the more egregious ZPG tracts, calls for "a Copernican revolution of the mind" to deal with present-day world problems. We could not agree more with that sentiment, but we also recognize that such revolutions of the mind are not the autonomous result of the individual minds of isolated geniuses. To paraphrase Marx, human society only sets tasks for itself that it is capable of solving. Only a society based on continued, expanding material control over nature will produce the genius required to prevent our self-destruction. So-called "equilibrium economy" or "no-growth economy" only exists, or could exist, under present conditions of vast material deprivation, as disastrous stagnation. We have evidence enough of this fact as capitalist breakdown repeatedly produces "no-growth economy" for us in periodic depressions. The ZPG movement itself is evidence enough to show that such conditions make "Copernican revolutions" of the mind rare enough indeed.

Just as the question of the material expansion of society is inseparable from that of social relations, the production of human consciousness is also inseparable from the organization of human society. Empiricist method arises from the alienation of man in bourgeois society, which forces the individual to regard his limited domain of experience as the predicate for human knowledge in general.

The recent release of the Einstein papers refreshes our knowledge of how little scientific advance owes to empiricist "scientific method." That Einstein achieved his revolutionary breakthrough in the comprehension of the material universe on the basis of intuition of whole processes, rather than contemplation upon alienated "experimental conditions," is quite clear. To the call of the ecology freak of the academic or "communal" variety for "ecological conscience," we must counterpose

"ecological consciousness, which is nothing but **class-for-itself** consciousness. The political working class **for itself** as the self-conscious producer of human ecology as a whole has an inherent understanding of the necessities of development and the consequently increasing freedom of the human spirit as these forces really exist for man.

Man's relationship to nature is not that of some individual beast to his environment. Man's relationship to nature in general is a mediated connection, in which the individual significantly affects and is affected by his environment through the mediation of the totality of man's social relations. Therefore, the widespread conceit, that isolated man is in "communion" with "natural nature," is a self-deception. Man's self-consciousness, his willful development of himself as an individual **in and for** the totality of human society, is the only form of behavior and achievement which is in "harmony with nature" as nature exists, or could possibly exist, for man.

What distinguishes man from other animals generally, the mere beasts, is the principal fact of human existence. That is the fact, on the one hand, that lower animal species, such as rats, pigeons, and so forth, are governed by forms of behavior which are more or less narrowly fixed by their genetic inheritance and essentially inalterable forms of egg and uterine (and extra-uterine) gestation. Man is fundamentally distinguished from the lower animals by the fact of his historical existence, that he has shifted the focus of evolution of the dominant life-forms from the realm of genetic variations into the realm of more or less deliberately and successfully altering his basic modes of social organization and behavior, a fact which is merely epitomized by the accelerating progress of man's development of his technology from the early Pleistocene beginnings of a "baboon-like" existence. Whenever a group of individuals, deluded by the pathetic conceit that they are "scientists," takes extant modes of behavior and technology, such as those of present-day capitalist society, and projects future human development on the basis of a simple perpetuation of transient modes of individualized behaviors, such as technologies, that "scientist" has defined man, not as man, but as a mere hominid beast. Of course, consistency demands that such conceptions be applied to himself. Man is not a hominid beast, but the "scientist" who proceeds on such assumptions has thereby demonstrated the actuality of his own bestialized world-outlook.

It is not accidental that Zero Growth ideology, which is itself a product of persons permeated with the ideology of human bestialization, can propose only intensified bestialization. As long as alienation persists, there have been and will be terminal cases of this ideology as exemplified by Meadows et al. Ordinarily, such wretched persons are simply an endemic disorder of

capitalist society in particular. It is under conditions of great capitalist economic crisis, as in the crisis of Nazi Germany, or the onset of a new monetary breakdown today, that capitalism seizes upon these endemic, most-bestialized tendencies among it academics — Skinner,

Jensen, Herrnstein, Meadows, et al. — to thus provide a “scientific” rationale for programs such as the Nazi slave-labor/extermination-camp system, or the ultimately identical programmatic goals of Zero Growth, the *Blueprint for Survival*, or the *Limits to Growth*.

Giscard Behind French Bourse Plunge

July 17 (IPS) — Following the Paris stockmarket’s plunge of the last seven weeks, the French satirical weekly *Le Canard Enchaîné*, noted for the high level of its “inside” sources in government layers, claims that the Bourse fall was deliberately initiated by the government of French President Giscard which asked the nationalized Caisse des Depots et Consignations (Deposit and Consignment Office) to start a run by selling shares and bonds.

As the Office holds over one-third of the Paris Bourse’s total capitalization, the effect of the sales was felt immediately.

Le Canard Enchaîné goes on to say that “the operation was worked out by French president Giscard d’Estaing and by Finance Minister Fourcade. They wanted to give a scolding to certain businesses who think everything is allowed them, especially those businesses which have one foot in foreign countries and use this to take liberties on the exchange market.”

Le Canard Enchaîné is a trifle optimistic about Giscard’s designs in undercutting the Bourse. Actually, Giscard is doing the bidding of his overlord Rockefeller who is currently implementing the ratchet-like collapse of selected sectors of financial capital and industry in order to concentrate the world’s wealth rapidly in Rockefeller coffers in New York City.

