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 Eurpean 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.