

date and Georgia Governor Jimmy Carter's recommendation that the U.S. withhold its grain supplies in the event of another Arab oil embargo. Clear evidence indicates that the Rockefeller faction is, in fact, planning to provoke such an oil embargo, as part of the Hilex international manipulation.

\* On Dec. 6 the New York Times and Baltimore Sun announced the relaunching of the August-September grain boycott operation in front page articles mooted the cutoff of shipments of grain already purchased under contract by the Soviet Union. According to these press sources, the threatened cutoff was due to Soviet refusal to extend a 1972 freight rate agreement whereby they agreed to pay \$16 per ton above the world market rates for U.S. shipments.

\* Simultaneously ILA head Gleason threatened a renewed boycott, a threat accompanied by massive press trumpeting of Soviet crop failure. The bulk of the Soviet purchase, 8 million tons of a total 13 million, still remains to be shipped.

\* On Dec. 5 the London Daily Telegraph editorialized that the USSR's grain crop was the worst Soviet economic disaster since World War II and questioned the rationale of trading with a country that "diverts so many resources for war production." In a similarly intentioned editorial, the London Daily Express urged the U.S., Canada and Australia not to bail out the Soviets, but to bring home through a food shortage how incompetent their leaders are."

\* In a Dec. 7 New York Times feature Lester Brown declared that food will be a major topic at the Paris North-South conference. "Future access to food supplies is occupying more and more time of political leaders," Brown said. The article predicted the imminent operation of a U.S.-Canadian-run "global food rationing program."

More than current grain supplies are at stake. The sabotage of grain exports to the Soviet Union and Third World nations would create a glut in the domestic market, immediately collapsing the prices which U.S. farmers receive for their grain. Farm prices are already declining due to the worldwide depression and reduced exports. Wheat prices alone have fallen approximately 20 per cent since late August. If exports are further sabotaged, farmers will be driven into bankruptcy and the 1976 spring planting will be jeopardized.

## State Department Unleashes Economic Warfare on World Shipping Trade

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The trade-starved world shipping industry has been targetted for stripping down and regimentation under top-down State Department-NATO control in a multi-front operation directed squarely against the Soviet Union and key pro-development Third World countries. The economic warfare drive is presently being run from the State Department's Regional Political-Economic and Military (RPE-RPM) "boiler room"—Henry Kissinger's hub of NATO Hilex operations — and is coordinated with provocative blasts on the Soviet "naval threat" emanating from NATO in Brussels.

### Warfare Fronts

\*RPE hatchmen are cooperating with Chase Manhattan Bank, Morgan Guaranty Trust and Citibank in ongoing private meetings with NATO-connected independent tanker owners to enforce an Intergovernmental Maritime Consultative Organization (IMCO)-sponsored "pollution control" scheme to reduce capacity by 30 to 50 per cent on a tanker-by-tanker basis throughout the industry. The scheme, refused by the tanker industry only at the price of immediate bankruptcy, is calculated to drive up rates and wreck havoc in the industry at the same time. State Department Maritime Affairs chief and RPE operative Richard Bank, who will lead the U.S. delegation at an otherwise secret, January OECD Maritime meeting where the IMCO scheme is expected to be finalized, is warning colleagues that the plan will cause a "major uproar" and will especially provoke the OPEC countries. This will provide a convenient pretext for the Rockefeller-run Saudi Arabians to self-righteously declare a new oil embargo hoax as per the Hilex script.

\*Hoked-up hysteria about the "threat" of the Soviet bloc merchant fleet is being liberally wielded to enforce stringent rationalization and strict obedience to State Department marching orders throughout the shipping industry. Yesterday the Council of European and Japanese National Shippers Association (CENSA) issued a report in London charging the Soviet bloc with the "penetration" of the traditional Western-controlled shipping trade "in pursuit of political objectives," and demanded "concerted ac-

tion by Western governments to preserve the traditional free enterprise international shipping system." The CENSA report followed on the heels of the NATO Military Committee's noisy charges earlier this week in Brussels that the Soviet Union intended to establish port facilities in Nigeria and Angola for the purpose of "cutting the lifeline" between North America and Europe and the oil-producing countries. NATO's groundless charges were coupled with a call for complete integration of European civilian with NATO military transport.

\*This week the NATO-connected Organization for Economic Cooperation and Development (OECD) summoned Japanese officials to Paris to discuss "overcapacity problems," in a continuing effort to cut off the supply of Japanese ships to the Soviet bloc and leading pro-development Third World countries. Japan has recently concluded agreements to provide ships to India and Iraq, and is presently negotiating a \$1 billion shipbuilding contract with the Soviet Union. The Japanese, who have received the bulk of orders for new ships over the past four months, have been charged with "breaking OECD rules" on government subsidies to the shipbuilding industry.

\*According to OECD Maritime Affairs controller Bank, the OECD is also "keeping an eye on" the attempt by eight Latin American nations headed by Mexico and Cuba to develop an independent Caribbean fleet. State Department sources report that Bank's deputy was in Mexico City today.

### The HUB

The coordinated NATO-OECD-State Department assault on shipping is run through IMCO, an innocuous "environmental and safety" UN governmental treaty organization otherwise run from the office of Thomas Enders' Director of Maritime Affairs at the State Department, Richard Bank. Bank is State's controlling link to the OECD, handling all maritime deployments in connection with the RPE-RPM "boiler room." Sources confirm that IMCO, "headquarters" in London, operates a top-secret military security monitoring service for major shipping companies on a day-to-day basis.

Bank has acknowledged to insiders

that the multi-faceted disruption of the shipping industry will be consolidated at a "confidential" January meeting of the OECD Maritime Transport Committee in Paris. The U.S. delegation he is heading, will push for government-level ratification of the IMCO wrecking scheme.

The "classified" OECD agenda is a battle plan for shipping warfare. According to Bank, the NATO front group will discuss the Suez Canal, the Panama Canal — obvious strategic flash-points — along with the IMCO proposal, the problem of Japanese government subsidies, and "State Trading Competition" — the usual code phrase for the East bloc shipping "threat."

#### **NATO Coordination**

Banking sources are saying that the tanker conference now in session in London is working closely with NATO to coordinate the war plan. Linking the conference with NATO propaganda over Soviet naval power, one official amplified the NATO anti-Soviet psy-war line: "If you've got the Soviets in Luanda (in Angola-Ed.) and Nigeria, with that tremendous volume of traffic going around the Cape, it's not hard to sink a LCC (very large crude carrier)!" They're "talking about contingency planning," he added emphatically.

Other banking sources involved in the tanker talks asserted that IMCO was actually running the conference. Maritime Affairs chief Bank himself insists that tanker owners enjoy an intimate relationship with NATO involving "the closest coordination" over "many years".

#### **Banking Interface**

That the economic warfare assault on world shipping is directly interfaced with the Rockefeller bankers' policy to scrap the world's shipping fleet before accepting a moratorium on billions of outstanding loans has been amply confirmed by those very circles. According to financial sources, Chase Manhattan alone has fully \$1.7 billion in bad loans to the tanker industry. A highly-placed source referring to the IMCO capacity reduction hoax, stressed that "this is what the bankers want." If the shippers don't go for this, they will be bankrupted, he added. With an at least 12 per cent collapse in world trade over the past two years, nearly one-half of total world shipping tonnage is presently mothballed — at a cost of \$3000 to \$4000 per ship per day to the shipowners.

## **FEA: Core to Hilex Energy Subroutine**

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The intersection point for all major international and domestic components of the Hilex 75 energy control policy is the office of Frank Zarb, Director of the Federal Energy Administration (FEA). The FEA is the nodal point from which the planning for an International Energy Agency (IEA)-provoked international oil embargo has been coordinated with preparations for militarization of U.S. energy distribution and allocation.

The FEA's world energy control operation is handled through two key FEA units: the Office of International Affairs and the Office of Regulatory Programs. From sources close to both FEA offices, the NCLC has determined that the two units are consciously and surreptitiously implementing major sections of the Hilex scenario.

#### **North-South Sabotage**

According to banking sources, the key U.S. figure in the adoption of the Hilex scenario for energy shortages and sabotage of the North-South conference at the IEA Governors meeting in Brussels this week was Clement Malin, who had told interviewers before he departed for the meeting that an oil embargo would be the best way for the Arabs to sabotage the North-South talks.

One source, who was briefed by Malin's top assistant, Win Jones, following Malin's return, said that the IEA meeting adopted a two-pronged strategy to ensure that 1) there are no substantive deliberations or decisions at the Paris North-South talks, and 2) that the issue of oil prices being "too high" is raised at the talks, to split the oil-producing and oil-consuming nations within the developing sector, and to provoke an Arab oil boycott. Accordingly, James told the source, the industrial countries have agreed to a "balanced approach" — an indication that they will raise a general demand for lower oil prices while avoiding being pinned down to a concrete negotiating position which might lead to bona fide discussions within the context posed by the Third World demand for a "new world economic order."

Official spokesmen for the IEA, including IEA head Etienne Davignon, have publicly denied that these issues were even discussed in Brussels, but James's account of the talks is coherent with the European Economic Community's recently announced energy

policy (developed under the leadership of EEC Energy Commissioner Henri Simonet) of sharing European energy supplies and integrating energy transport under military auspices. Davignon's denials, therefore, must be taken as a further indication of the progress of the Hilex conspiracy.

#### **Militarization Of U.S. Energy Stocks**

In the U.S., the FEA and its office of Regulatory Programs (headed by Gorman Smith) are at the center of plans for the seizure, centralization, and control of energy supplies.

Their program has evolved on two levels. Within the FEA itself, the staff of the Office of Regulatory Programs conducted a "study" six months ago which developed plans for the militarization of U.S. energy supplies. The study was based on two assumptions: that there was an oil embargo in progress and that the FEA had at its disposal only such "normal" fiscal and regulatory devices for setting priorities in allocation as taxes, tariffs, and price controls.

At the same time, Zarb has personally approved legislation for direct military-type regulation of energy supplies. The proposals are embodied in two bills now before Congress: S. 622 and H.R. 7014. In the event of an emergency, the bills — which were drafted by the staff of the Energy and Power Subcommittee of the Interstate and Foreign Commerce Committee — would create a special Task Force at the FEA to supersede the FEA's Regulatory Office, and provide as well for involvement in the Task Force by conspirators in such key federal departments as Transportation, Commerce, and Interior.

In addition, a more "permanent" Program Office would be created in the FEA, with the power to allocate to itself fully 150 million barrels of oil at the beginning of an "energy emergency," about 60 per cent of present stocks in storage at refineries and distribution points.

In an indication that the Hilex conspirators are well aware of the controversial nature of the bills, and Energy and Power Committee staffer told the NCLC that "we could submit the bills provisions title by title" (public attention has been focused on the bill's less significant price decontrol provisions) but prefer not to.

While Zarb's apparatus thus per-