

ticularly important, since they were directly involved in blocking the IRB at Nairobi. Peru, according to Frank, is organizing for the IRB in the Raw Materials Commission, as is Brazil in the Energy Commission.

Frank described two upcoming meetings as the centerpieces of the U.S.' new moves. The first is the Organization for Economic Cooperation and Development (OECD) meeting in Paris June 22, which will be attended by Kissinger, Simon, Council of Economic Advisers head Alan Greenspan, and Fred Dent. The main discussion here will be on the necessity of a coordinated strategy on the part of the advanced sector, he said, contradicting Black's claim that the British Scandinavian veto was a coordinated move. The second is the Puerto Rican summit itself, which will discuss commodities, the IRB, and again the necessity of a coordinated strategy of the advanced sector towards the Third World.

Parsky: "The IRB Has Been Misunderstood"

Interview with Assistant Secretary of the Treasury Gerald Parsky.

Q: Tell me about the International Resources Bank. I had the impression that Europe has already rejected it.

Parsky: The IRB has been misunderstood and misrepresented. I want to make clear exactly what the IRB is. It's an instrument designed to increase private investment in the Third World. The IRB is a means for providing added

impetus for private sector investment; it's not a funding organization. There's been a disinvestment in the Third World. The IRB is an insurance vehicle designed to remove political risk. In negotiations over political problems, it would take the place of the private sector.

Q: I had the impression from Mr. Black that Ford is somewhat in the way on this thing.

Parsky: In the way??!! What? What are you talking about?

Q: Excuse me. I may be editorializing too much. What Mr. Black actually indicated is that there seems to be some need to convince Mr. Ford that this should be a topic of the Puerto Rico summit.

Parsky: Oh no, this has been a U.S. proposal all along; the U.S. always intended to bring...

Q: And you don't think there's any disagreement between Mr. Ford and the Treasury on this?

Parsky: Absolutely not. ... This is not the only thing that's going to be done at Puerto Rico. The entire extent of relations between the advanced sector and the Third World will be discussed.

Q: And what about Europe?

Parsky: What about Europe? What are you talking about?

Q: Well, the financial crisis in Europe was the subject of the original Ram...

Parsky: There's no financial crisis in Europe.

Q: I'm not sure the British would agree with you.

Parsky: We've had a couple of currency problems, but we took care of the British...

Kissinger Resurrects IRB Hoax In Attempt To Bury Third World's Debt Moratorium

June 19 (NSIPS) — Secretary of State Henry Kissinger is now directing an all-out campaign to force his International Resources Bank swindle down the throats of President Ford, U.S. Congress, Western Europe and the Third World. By so doing, Wall Street's Secretary of State hopes to isolate those key Third World nations that are pushing for a unilateral declaration of debt moratoria on overseas debts.

Highly-placed State Department and Wall Street sources involved in this operation have admitted that a top-level State-Treasury contingent met with President Ford Wednesday to elicit his support for the IRB and to make it the primary issue of discussion at this month's "Rambouillet II" summit in Puerto Rico. Ford was told that the Third World had had second thoughts on the Kissinger proposal and that Nigeria and Peru had introduced it for discussion at the ongoing North-South meeting in Paris. At the same time, according to a highly-placed source within the House Banking Committee, Deputy under-secretary level State Department staffers have been conducting intensive briefings for Congress with special emphasis on the "change of heart" among Third World governments on the proposal.

The Big Lie

Kissinger is using the Goebbels "big lie" tactic against Congress, President Ford to resurrect his proposal which was resoundingly voted down by the Soviets and the Third World at the Nairobi UNCTAD (United Nations Conference on Trade and Development) meeting. As for the U.S.'s NATO allies no Western European country has yet endorsed the proposal despite the most intense State Department "diplomatic pressure" to do so. Reportedly, the Secretary of State is expected to put maximum pressure at the June 22

OECD meeting in Paris. Not even the multinational corporations that are ostensibly expected to benefit from the IRB scheme have shown any enthusiasm for it. It is too transparent. Any sane person can recognize it as a concoction of the New York banks who dominate the Eurodollar market which is intended to delay the bankrupting of their financial empire and its replacement by a new gold-based monetary system.

To round out the psywar picture, Rep. Henry Reuss' (D-Wis) House Banking Committee has sent the IMF (International Monetary Fund) articles of revision on to Congress with the suggestion that the Treasury push for the so-called "substitution account" that Brookings Institute staffer previously proposed by C. Fred Bergston. It is an arrangement through which central banks can and-or must exchange their gold and currency reserves for IMF's Special Drawing Rights.

But Treasury Deputy Secretary Edwin Yeo admitted to a Congressional source that the Treasury is using the Brazilians as a front for this proposal within the IMF. At any point that the Europeans picked up the plan, the Treasury will give up it's opposition to it.

Reuss and his Wall Street controlled committee are actually plugging for the IMF to work directly with the private banks on third world refinancing, according to Reuss aide Jamie Galbraith (son of Keynesian lunatic Kenneth). Reuss is reportedly 'very disturbed' by the joint Britain-Scandinavia veto of IMF standby credits to accompany the recent \$125 million loan to Chile. The loan had been arranged by a 16 bank consortium of U.S. and Canadian banks headed by New York's Morgan Guaranty Trust.

Explicitly modeled after the 1923-24 "Rentenmark" proposal of then Reichsbank chief Hjalmar Schacht — later Adolf Hitler's finance minister — the IRB would issue new credit via multinational mining companies against the mortgaged minerals-in-the-ground deposits in Third World countries.

According to today's New York Times, Kissinger is now ready to go ahead with the IRB despite the fact that the originally-targeted \$1 billion capitalization, needed by the bank to raise long-term capital on the private markets, has had no takers. Even the multinational companies are not biting at the bait. "Well, if this can be done, I think it will take some time," the head of one multinational American company said, — "unenthusiastically." The New York Times added West Germany, Japan, Britain, Italy, France and Canada don't look forward to discussing the IRB at Puerto Rico either. Quietly, the Japanese have blown the game: their chief UNCTAD delegate Kimura, attributed the convening of the Puerto Rico summit as a direct response to Kissinger's defeat at Nairobi the Far East Economic Review reports. The Japanese official described Kissinger as "furious" at the world's rejection of his proposal. Leading British bankers agree. The vice-chairman of one of the five major British banks, in San Francisco attending the American Bankers Association meeting, contacted by phone on the prospects of the IRB at Puerto Rico, said "Well, the Puerto Rico summit is a meeting of the developed countries, and they still have to sell it to the developing countries, old boy, don't they." The June 15 West German financial daily Handelsblatt denounced any commodity indexation schemes whatsoever — whether they be cloaked in the IRB or otherwise.

Even an old associate of Treasury Secretary William Simon at New York's Saloman Brothers insisted in a telephone conversation that the IRB was nothing but "public

relations for Kissinger, Simon (although not Treasury undersecretary Gerald Parsky) was privately delighted to see it to go down in Nairobi," he reported. "The Treasury Secretary thinks it's too inflationary."

No Support in White House, Congress

As of this writing, there are no indications that either President Ford or the United States Congress will succumb to the Kissinger psywar campaign. Senior partner for international affairs at the Wall Street investment banking house of Lazard Freres, and the son of a former World Bank president, Eugene Black was enraged by the results of the IRB meeting at the White House. Calling President Ford a "pain in the ass," Black did not think that the delegation including Treasury Secretary William Simon, State Department Deputy Secretary Charles Robinson and Deputy Undersecretaries Jules Katz and Charles Frank were able to sell Ford on the IRB.

Meanwhile, Kissinger man Charles Frank, meanwhile has been recounting "victories" for the IRB proposal for Congressional audiences (based on a Peruvian-Nigerian acquiescence at the current North-South meeting in Paris to allow further discussions of the proposal and the recent OAS resolution promising further study of the proposal in the Latin American context.) But one Congressional aide, who has attended one of these "big lie" sessions with Frank reported that he was unconvinced that the IRB's victories, (undoubtedly the result of strong-arming of the governments involved) reflect real Third World thinking on the subject. "I don't think it (IRB-ed) meets the needs of developing countries," he added.

As far as the Third World is concerned, the proposal is a dead horse — no matter how hard the necrophiliac Kissinger attack attempts to portray it as otherwise.