

North-South talks. The Sunday Times (London), which leaked the text today, commented in an accompanying article that it was sent "just before the Common Market summit in the Hague, and it is now clear that Kissinger's stance played a large part in discouraging EEC Prime Ministers from supporting the plans earlier put forward by West Germany's Chancellor Helmut Schmidt" to link CIEC with negotiations with OPEC.

The United States believes it would be dangerous for the industrialized countries to strengthen the linkage between CIEC and OPEC. A number of OPEC spokesmen have been publicly attempting to make clear that the final decision on oil prices by OPEC will depend in large measure on concessions extracted from the industrialized countries in CIEC. This would reverse the linkage we would be seeking, and would strengthen OPEC ties to other LDCs (less developed countries).

While we agree on the need for an integrated approach to the CIEC, MTN, (GATT multilateral Tariff Negotiations) and ODA (Overseas Development Assistance), direct linkage between the long-term issues (which we will have to address regardless of the final OPEC price action) and the OPEC price action, which was considered and ruled out by all G-8 (the group of eight industrial countries at CIEC) at the onset of the CIEC exercise, risks serious losses on both fronts.

We are convinced that there is no negotiable CIEC package which the industrialized countries could accept and which would also represent sufficient inducement to OPEC to refrain from a substantial oil price increase over several years, given the lack of leverage by consumers over oil prices. While the oil price decision can affect our ability to take actions responsive to LDC proposals in the North-South dialogue, we must address these issues on their own merits in CIEC. The linking of CIEC and OPEC could undermine this effort, making decisions in OPEC depend on decisions in CIEC, rather than the reverse.

We have been relatively successful in CIEC in intensifying LDC restraints on OPEC. A strategy linking the two would negate these gains and confirm the effectiveness and utility of the OPEC-LDC alliance.

The outcome of the OPEC December ministerial meeting to decide on prices has not yet been determined and we continue to believe a price increase is not inevitable. Linking the two now could result in OPEC's maintaining that it had been planning a large increase but is willing to reduce it in exchange for costly concessions on resource transfer in CIEC. In other words, actual increases in oil prices would not necessarily be any different from what OPEC would have arrived at without CIEC, but the cost to the industrialized countries would be higher.

In our view, the connection which some OPEC officials have made between CIEC's outcome — a highly subjective judgment — could be used by OPEC to justify an oil price increase, it is unlikely that OPEC countries view CIEC as a major factor in a decision on an oil price increase.

Der Spiegel Takes A Harsh Look at the Rockefeller Empire

Dec. 15 — *Der Spiegel*, West Germany's largest circulation weekly magazine, took a critical look this week at the size and political influence of the financial-industrial empire of the Rockefeller family.

"Whatever Presidents and Ministers do or say, wherever pedestrians and automobile drivers move about unconsciously, whenever TV programs are beamed, and newspapers report, everywhere, Rockefeller country is shining."

Der Spiegel asserts that the political careers of family members — particularly of the most ambitious (Vice-President) Nelson Aldrich (Rockefeller) — would have been impossible without the combined financial and political clout of the family empire. They note the peculiar fashion in which Rockefeller family influence spans both the Democratic and Republican parties: "Foreign Minister Henry Kissinger was the chief of Nelson Rockefeller's brain trust before Richard Nixon drew him into the State Department. Jimmy Carter's foreign policy advisor Dean Rusk, also a former U.S. Foreign Minister, was previously chief of the Rockefeller Foundation. Practically the entire array of their predecessors at the State Department, all the way back to the proud John Foster Dulles are tied into the Rockefeller Clan through appointments, money or marriage."

The feature article identifies brother David as sitting at the top of the empire hierarchy. Through Chase Manhattan Bank, "David and his brothers direct the funds and influence of three other banks of global importance and four of the largest petroleum concerns, a dozen universities and research institutes, funds and foundations. David Rockefeller thus brought to fruition the reconstitution of the former oil imperium into a world-wide financial syndicate and thereby holds in family matters, always, the last word: the General Secretary and Politburo Chairman all in one."

Although much of the contents of the *Spiegel* article are taken from current popular biographies of the family available in the U.S. and Europe, there are indications throughout the issue that the journal is embarking on a decisively more critical approach to the U.S. political scene. In a news piece on the World Bank, explaining how and why that institution is presently bankrupt, *Der Spiegel* introduces World Bank President Robert McNamara in a fashion hardly typical for West German reporters. "As U.S. Defense Minister," says *Spiegel*, "he was responsible for the bombardment of North Vietnam. Now, he disposes over international credits for the reconstruction of Vietnamese power plants and waterways." In accounting for the process by which the Bank fell into irreparable financial decline, *Spiegel* notes: "Many developing countries had to indebt themselves to such a degree that a major portion of their export earnings were funneled into amortization and interest payments on debt, so that little was left for the purchase of foreign investment goods."