

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