

On the account of Britain, Italy, Denmark, and France alone, Europe is running a current account balance of payments deficit of \$20 billion. European nations are "paying" for the quadrupled oil prices--equivalent to one-fifth of Europe's share in world trade--through the destruction of working class living standards and the bankruptcy of vast sections of the European financial structure.

Britain Bankrupt

A new oil embargo immediately would reduce the European continent to the status of Britain, whose entire corporate sector is technically bankrupt. The additional claims upon Europe's output imposed by another round of Rockefeller's protection racket would destroy the value of European currencies. As claims upon the output of European industry and agriculture increase, European currencies would be "devalued" by a hike in Arab oil demands--as they have been devalued since the October 1973 oil hoax.

European currencies have fallen substantially against the dollar during the past month as a result of massive dumping of these currencies by Rockefeller banks. The Labor Committee Intelligence Staff estimates that European banks are being swindled in the process--repeating Rockefeller's wipe-up on the foreign exchange markets during the past six months. Franklin National Bank, West Germany's Herstatt Bank, and scores of other banks outside of the Rockefeller machine went under or took substantial losses as a result of monkey-business on the foreign exchange markets.

According to the Treasury source, the Rockefeller banks now are making several billions of dollars in commitments to sell European currencies in exchange for dollars to European banks at some time in the future. But, failing to take the Mideast timebomb into their accounting, the European banks at the other end of these deals are still placing a high value on European currencies on the currencies futures market. Although the cash-on-the-barrelhead rate for European currencies has fallen sharply with respect to the dollar, the "futures" rate remains high. When the value of European currencies collapses, European banks taking their own currency in payment will have problems that will make their present crisis look like a mild off-day.

MONTREAL FIREFIGHTERS STRIKE USED TO PROVOKE PUBLIC HYSTERIA

Nov. 3 (IPS)--In an attempt to prepare the U.S. population psychologically for the upcoming coal strike and massive layoffs, the U.S. press has given extensive coverage to a strike by Montreal firemen that began Oct. 31 and ended today. This coverage is in sharp contrast to blackouts of most labor disputes in Canada--even those that have crippled all grain exports and Great Lakes shipping. Reporting that "Montreal is a city racked by major blazes that left blocks

11/3/74

IPS A5

reduced to rubble and scores of persons homeless" and playing up reports of mobile police units being brought in to protect strikebreakers (supervisory personnel) used to quell the fires, this press barrage is being used to provoke hysteria in the public. It is a warning to the working class that labor disputes may necessitate police and military intervention to "protect the public interest."

The U.S. press took their information from AP and UPI releases, both exposed in New Solidarity as CIA propaganda outlets. UPI stated that the fires in Montreal which occurred during the strike possibly were set by the firemen themselves. The New York Daily News directly linked the fearful picture of the Montreal strike to the upcoming coal strike by carrying the UPI story next to a box headlined, "Coal Strike Talks Falter."

Canadian Military Gears Up

In Montreal, rumors of military intervention flew through the city this weekend as headlines in Montreal's major newspaper La Presse and elsewhere announced that shots had been fired and fire-fighting equipment had been sabotaged. A call from IPS to military headquarters near Montreal revealed that if the military intervened, they would serve as police--while the police themselves, who have received special training in domestic operations, would take over the firefighting. This is a complete rehearsal for the roles each of these units will play in a military takeover of the economy.

In Quebec, hysteria generated over the firemen's dispute caps a week of front-page articles linking the Quebec Federation of Labor (QFL) with plots to overthrow the government and other accounts of labor violence. This anti-union propaganda emanates from the newly reopened Cliche Commission's investigation into labor violence. This Commission has a mandate from Quebec's Labor Minister Cournoyer to place the blame for labor violence on union hiring halls and replace them with joint labor-government-management Manpower Boards.

The Montreal Star ran a giant headline Oct. 29 entitled "QFL Plotted Fall of Government," quoting a Cliche Commission witness who states that the QFL was planning to launch a general strike that would lead to an economic crisis that would bring down the government and leave an opening for the unions to make a grab for power.

These blatantly false reports convey a clear message to the unions: Either accept fascist-corporatist productivity boards or the military will bust your strikes and the police will carry out your job.