

move aimed to push passage of the bill, parliamentary representatives from Bavaria, home base of neo-Nazi Franz Josef Strauss, introduced legislation to the Upper House Nov. 8 which would allow police to arrest political demonstrators with impunity. The legislation also would allow police to arrest innocent bystanders who fail to avoid "violent" demonstrations, deliberately adding to the red scare and terrorist hysteria.

#### ISRAEL PUT ON WAR FOOTING; POUND DEVALUED 42 PER CENT

NEW YORK, N.Y., Nov. 11 (IPS)--Moving to implement a full-scale war economy, the Israeli government yesterday announced a brutal package of sweeping austerity measures, including an incredible 42 per cent devaluation of the Israeli pound. Along with the devaluation, taxes were increased and price subsidies were eliminated on basic food commodities. The price of bread, milk, eggs, and sugar has doubled overnight.

As small-scale rioting erupted in several Israeli cities over the austerity measures, Israeli Premier Rabin declared, "This will not be the last step. We have to face all the struggles--military, political, economic, and social." General Rabin cited Israeli arms purchases as the main impetus for the economic assault, ranting about the fact that "arms have poured into the Arab countries and we have to confront this increased strength." It was not clear whether Rabin was referring to the multi-billion dollar arms sales by the U.S.--Israel's "staunch ally"--to Saudi Arabia.

In New York, a spokesman for the Israeli government told IPS that Israelis would willingly accept the new hardship. "The harder life is for Israelis, the harder they give," he said. "Over the last few years, Israelis have gotten used to the idea of peace, and now they have to respond as if we were in a state of war."

At the same time, in what the Washington Post called "another war-preparation measure," the Israeli Cabinet extended the length of service of women in the army, included high school senior volunteers in the Civil Guard, and announced that it was considering steps to speed up military mobilization in emergency.

#### HUNGARY SUBMITS TO CAPITALIST PENETRATION

Nov. 11 (IPS)--The Hungarian government has passed a bill permitting foreign capitalist businesses to open up branch offices in the country. Presented by a government spokesman as a step toward "new and more successful forms of cooperation," this move, reported to have taken place in early October, actually constitutes a

major step toward opening up the Soviet bloc for incorporation into Rockefeller's fascist "new world order."

The Hungarian government's concession was followed early this month by a similar one between Poland and West Germany. While Yugoslavia and Romania have permitted such capitalist penetration for some years, Poland and Hungary are the countries closest to the Soviet Union to surrender their state monopoly on foreign trade to this extent.

Such deals are meant to achieve the result outlined last week by New York Times columnist C. L. Sulzberger, who called for the "Finlandization" of Eastern Europe--i.e., coaxing it away from the influence of the Soviet Union. But the wealth of the Soviet Union itself is the real prize, and inroads such as these in Hungary and Poland illustrate what is in store for the Soviets if they capitulate to Rockefeller's psychological warfare against them. Their current bargaining for a \$100 million Eurocurrency syndicated bank loan is forcing them to bring all their economic vulnerabilities right out into the open, enabling Rockefeller to wring important concessions from them.

#### GOVERNORS TO MEET ILLEGALLY TO PLAN ENERGY CRISIS CONTINGENCIES

Nov. 11 (IPS)--Tomorrow in Lansing, Mich., the Midwest Governors' Conference will convene an illegal meeting for the purpose of planning short-range and long-range energy crisis contingencies for the United Mine Workers strike and beyond, according to informed sources. This planning session is unauthorized by Federal law, which explicitly denies states the right to implement emergency powers autonomous of Federal authorities.

Alex Sutherland, a liaison from the Council of State Governments to the Midwest Governors' Conference, told IPS: "You should not be surprised that the Feds don't know what is going on with this planning....They can counsel all they want, but they have no authority in this."

A scheduled meeting of the National Governors' Conference with the Federal government for crisis planning was cancelled abruptly last week.

In Michigan, where Midwest Governors' Conference organizer Governor Milliken already has set up emergency measures under the state's "Emergency Energy Act," state authorities are now empowered to seize private property; to allocate fuel and other critical supplies, including manpower; to mandate stockpiling and rationing; to evacuate and relocate populations; and to mobilize state and local police, including state militia and National Guards. Fourteen other states already have enacted similar laws.