

Arab oil countries to underwrite export credits from U.S. manufacturers.

At the moment, sources added, the Eximbank is, in effect, under the direct control of Treasury Secretary William Simon.

Since its founding 40 years ago, the Eximbank has devoted a large part of its funds to providing interest-rate subsidies for loans to the Soviet Union and other East bloc countries, to enable them to purchase U.S. goods. But Simon canned this long-standing policy last September, with an agreement to ban all state subsidies for trade deals between "developed" countries that involve loans of more than three years. According to Treasury sources, the Soviet Union is considered a developed country.

In recent trade deals, the Soviets have been compelled to accept high-interest loans for the purchase of Western goods, as a result of Simon's ban on state subsidies of trade credit.

The Eximbank's proposed "Arab guarantee" for trade financing is identical, in principle, to an offer made to the Soviets at a top level meeting on East-West trade last week in Vienna. Three Western representatives told the Russians that because of a "world capital shortage," future large-scale financing of East-West trade would have to come from the oil sheikhs, Eximbank sources said.

Privately, the Soviets have already accepted Mideast trade financing--"laundered" through Austrian and British banks, as IPS reported Nov. 16.

The aim of these proposals is to compel the Soviet Union and its allies to place increasing portions of their economic resources in hock to the Rockefeller-controlled banks and multinational corporations, directly or through the puppet oil sheikhdoms.

TRADE UNION LEADER ADVOCATES CONVERSION OF AUTO INDUSTRY TO SERVE ROCKY'S REDEVELOPMENT

Nov. 29 (IPS)--Philip Sims, Consumer Affairs Director for the Detroit Trade Union Leadership Council (TULC), has announced his ideas on how to convert the empty auto assembly plants in the Detroit area into use-value for Rockefeller's world restructuring. Convert all the auto industry into the manufacture of road building and farm equipment, he says, to be used abroad in Rockefeller's "new" development projects. Sims cited as an example Nigeria where \$5 billion is earmarked for building roads, \$8.5 for industry and over \$4.5 billion for "other" development projects.