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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE  
EARLY EVENING NEWS SUMMARY

SUNDAY, JANUARY 19, 1975.

I. WORLD NEWS.

SOVIETS, EAST GERMANS TARGET CAPITALIST COLD WAR POLICIES.

JAN. 19 (IPS) - IN A FULL-PAGE FEATURE GUEST ARTICLE IN THE JAN. 17 ISSUE OF THE DANISH COMMUNIST PARTY PAPER, LAND OG FOLK, WELL-KNOWN EAST GERMAN COMMUNIST PARTY HARDLINER JUERGEN KUCZYNSKI HAS EXPOSED THE NECESSITY OF LEADING CAPITALIST CIRCLES TO MOVE TOWARDS FULL-SCALE COLD WAR REARMAMENT. COMMENTING ON THE DEVASTATING EFFECTS OF THE DEPRESSION ON THE U.S. ECONOMY, KUCZYNSKI WRITES THAT THE ONLY ALTERNATIVES TO SAVE "SUCH AN ANARCHISTIC ECONOMY" IS "AN INCREASE IN THE STATE BUDGET MAINLY WITH INVESTMENT SUPPORT FOR THE MULTINATIONALS AND ALSO REARMAMENT."

HOWEVER, KUCZYNSKI FURTHER NOTES THAT THE KEY POLITICAL FACTOR IN THIS MOVE TOWARDS REARMAMENT IS THE ROLE THE WORKING CLASS WILL PLAY. "THE RELATIVE STRENGTH IN THE WORKING CLASS STRUGGLE WILL PLAY AN IMPORTANT ROLE... ONLY WORKERS ARE ABLE, IF THEY PUT FORWARD THEIR DEMANDS, TO FIGHT THE CRISIS."

JAN. 19 (IPS) - WRITING IN THE OFFICIAL DAILY PRAVDA ON JAN. 16, LEADING SOVIET COMMENTATOR IURII ZHUKOV SAID THAT THE PUPPET REGIMES OF THIEU IN SOUTH VIETNAM AND LON NOL IN CAMBODIA ARE BEGGING FOR FINANCIAL SUPPORT FROM THE UNITED STATES. SAIGON'S INFRACTIONS OF THE PARIS PEACE ACCORD, WROTE ZHUKOV, WOULD BE IMPOSSIBLE WITHOUT PENTAGON SUPPORT.

JAN. 19 (IPS) - A COMMENTARY IN THE SOVIET GOVERNMENT NEWSPAPER IZVESTIYA ON JANUARY 17 ACCUSES THE U.S. OF USING "THE TACTIC OF PRESSURE" AGAINST THIRD WORLD AND EUROPEAN COUNTRIES.

SOVIET PRESS FEATURES WESTERN EUROPEAN CP DECLARATION

JAN. 19 (IPS) - THE SOVIET PRESS OF JAN. 17 GAVE PROMPT AND PROMINENT COVERAGE TO THE JOINT DECLARATION SIGNED BY 20 WESTERN EUROPEAN COMMUNIST PARTIES AGAINST AMERICAN IMPERIALISM WHICH WAS ISSUED THIS WEEK. THE MILITARY NEWSPAPER RED STAR PUBLISHED THE DECLARATION ON PAGE ONE.

PRAVDA FEATURES ARTICLE CALLING FOR CLOSER COMECON INTEGRATION.

JAN. 19 (IPS) - ON JAN. 16, THE SOVIET COMMUNIST PARTY PAPER PRAVDA FEATURED AN ARTICLE WRITTEN BY WERNER LAMBERTZ OF THE EAST GERMAN CP (SED) POLITBURO, ON IDEOLOGICAL WORK OF THE COMMUNIST PARTIES. LAMBERTZ STRESSED THE CRUCIAL IMPORTANCE OF A FIRMLY INTEGRATED COMECON ORGANIZATION - THE EASTERN EUROPEAN ECONOMIC GROUPING. LAMBERTZ ARGUED THAT IDEOLOGICAL STRUGGLE MUST BE COORDINATED AMONG THE COMMUNIST PARTIES, ESPECIALLY WITH THE SOVIET UNION, AND DIRECTED AGAINST INTERNATIONAL IMPERIALISM AND NATIONALISM.

EAST GERMANS SCORE WEST GERMAN GOVERNMENT MOVE.

JAN. 19 (IPS) - THE EAST GERMAN RADIO STATION STIMME DER DDR TODAY BROADCAST AS ITS LEAD ITEM AN ATTACK ON THE WEST GERMAN (BRD) GOVERNMENT'S PROPOSAL TO GRANT BRD PASSPORTS TO EAST GERMAN (DDR) CITIZENS VACATIONING IN AUSTRIA. STIMME DER DDR QUOTED THE SOVIET PRESS AGENCY TASS THAT, "THE DISTURBING ACTION OF THE BRD GOVERNMENT IS A CONSCIOUS AND DELIBERATE ACTION AGAINST THE FURTHER NORMALIZATION OF BRD-DDR RELATIONS... AN OPEN VIOLATION OF THE UNITED NATIONS BILL OF RIGHTS."

DANISH COMMUNIST PARTY ATTACKS PORTUGUESE SOCIALISTS.

JAN. 19 (IPS) - WRITING IN THE "WORLD TODAY" COLUMN OF THE JAN. 17 ISSUE OF THEIR PARTY NEWSPAPER, LAND OG FOLK, THE DANISH COMMUNIST PARTY HAS LAUNCHED A SCATHING ATTACK ON THE PORTUGUESE SOCIAL DEMOCRATS. ACCUSING THE SOCIALIST PARTY OF TRYING TO SPLIT THE "ANTI-FASCISTIC AND DEMOCRATIC FORCES, LAND OG FOLK IDENTIFIES THIS AS NOTHING MORE THAN AN EXTENSION OF THE POLICY WHICH BROUGHT THE DEMOCRATIC FASCIST MILITARY GOVERNMENT OF ANTONIO DE SPINOLA TO POWER ON APRIL 25, 1974 -- A POLICY, NOTES LAND OG FOLK, WHICH GOT STRONG SUPPORT FROM SOCIAL DEMOCRATIC LEADERS SUCH AS WILLY BRANDT AND OLOF PALME."

CANADIAN PRESS STEPS UP COLD WAR PROPAGANDA.

JAN. 19 (IPS) - THE JAN. 18 TORONTO STAR RAN A FRONT-PAGE ARTICLE HEADLINED "NUCLEAR DEFENSE: HAS IT BEEN FORGOTTEN?" THE ARTICLE, WHICH JUMPS TO A FULL-SPREAD ON PAGE 3, SAYS THAT CANADA IS VERY VULNERABLE TO NUCLEAR ATTACK, WITH THE U.S. ON THE SOUTH AND THE SOVIET UNION TO THE NORTH. ARTICLE URGES THAT CANADA MUST DEVELOP EMERGENCY MEASURES AND ORGANIZATIONS, AND INCREASE MILITARY SPENDING, TO BE PREPARED FOR NUCLEAR WAR.

JAN. 19 (IPS) - ACCORDING TO THE TORONTO STAR OF JAN. 18, RICHARD ROHMER HAS BEEN APPOINTED BY THE CANADIAN DEFENSE MINISTRY TO THE POST OF BRIGADIER GENERAL AND MADE SENIOR ADVISOR TO THE AIR RESERVE. ROHMER IS THE AUTHOR OF SEVERAL BOOKS WHICH DETAIL THE HYPOTHETICAL INVASION OF CANADA BY THE U.S., WITH RECOMMENDATIONS ON WHAT CANADA'S MILITARY RESPONSE TO SUCH AN INVASION SHOULD BE.



## IRAQI-SOVIET MILITARY CONTACT.

JAN. 19 (IPS) - THE SOVIET MILITARY PAPER RED STAR REPORTED ON JAN. 16 THAT CHIEF OF THE SOVIET GENERAL STAFF, V.G. KULIKOV, RECEIVED HIS IRAQI COUNTERPART, A.D. SHANSHAL, IN MOSCOW. THE TWO DISCUSSED STRENGTHENED COOPERATION BETWEEN THE SOVIET AND IRAQI ARMIES."

## MIDEAST: GRUMMAN.

JAN. 19 (IPS) - HOPING TO OVERCOME THE AMERICAN WORKER'S NATURAL RESISTANCE TO BEING SHIPPED OUT TO SLAVE-LABOR WORK CAMPS IN THE BESTIAL SHAH'S IRAN, THE GRUMMAN CORP. HAS INSTITUTED A BRAINWASHING PROGRAM TO ACCLIMATIZE ITS WORKFORCE TO SUCH AN EVENTUALITY. STARTING TOMORROW, GRUMMAN KICKS OFF ITS "TRANS-CULTURAL TRAINING PROGRAM" FOR 2,000 OF ITS EMPLOYEES WHO WILL SHORTLY BE EXPORTED TO IRAN, ACCORDING TO TODAY'S NEW YORK TIMES. GRUMMAN HAS RECENTLY RECEIVED A \$75 MILLION LOAN FROM AN IRANIAN BANK, AND LAST WEEK, IN AN EXCLUSIVE INTERVIEW WITH IPS, IRAN'S CIA-INSTALLED FINANCE MINISTER JAMSHID AMOZEGAR SAID THAT FUTURE RECYCLING OF IRANIAN PETRODOLLARS INTO THE WEST WOULD BE MADE CONDITIONAL ON WESTERN LABOR BEING SHIPPED TO IRAN.

JAN. 19 (IPS) - ACCORDING TO TODAY'S NEW YORK TIMES, THE \$200 MILLION LOAN FROM AMERICAN BANKS AND A STATE-OWNED IRANIAN BANK APPEARS TO HAVE PULLED THE GRUMMAN CORP. OUT OF ITS FIVE-YEAR TAILSPIN. THE COMPANY IS NOW EXPECTED TO EXPAND ITS WORKFORCE FOR THE F-14 PROJECT, INCLUDING THE RELOCATION OF 2,000 OF ITS EMPLOYEES WHO WILL BE TRAVELLING TO IRAN TO WORK ON THE TOMCAT PROJECT. IRAN HAS ORDERED 80 OF THE F-14'S FOR \$2 BILLION. THIS IS A CONFIRMATION OF THE IRANIAN POLICY OF TYING LOANS TO THE RELOCATION OF SKILLED WORKERS TO IRAN, A POLICY WHICH IRANIAN INTERNATIONAL MONETARY FUND DIRECTOR AMOZEGAR ELABORATED TO IPS EARLIER THIS WEEK.

## IRAQ UNDER PRESSURE

JAN. 19 (IPS) - INDIA'S PRIME MINISTER INDIRA GANDHI ARRIVED IN BAGHDAD THE CAPITAL OF IRAQ, YESTERDAY FOR A THREE-DAY VISIT, WHOSE PURPOSE IS TO FOSTER GREATER ECONOMIC AND POLITICAL TIES BETWEEN IRAQ AND INDIA.

TODAY, IN AN ATTEMPT TO DRAW IRAQ AWAY FROM THE SOVIET UNION, THE NEW YORK TIMES PUBLISHED TWO POSITIVE ARTICLES ABOUT IRAQ. ONE ARTICLE INDICATED THAT \$10 BILLION OF ITS OIL REVENUE WAS BEING ALLOCATED FOR AGRICULTURAL EXPANSION IN THE FORM OF PROJECTS AND TRAINING OF SPECIALISTS. THE OTHER ARTICLE WAS A WEEK-OLD REUTERS RELEASE WHICH REPORTED THAT THE LONG-FESTERING KURDISH REBELLION HAD VIRTUALLY COME TO AN END. THE TIMES IS NOW ATTEMPTING TO PORTRAY IRAQ AS THE MAJOR NEUTRAL, NON-ALIGNED NATION OF THE ARAB WORLD.

## II. WORLD FINANCIAL SURVEY

### MILITARY BUILDUP PLANS

JAN. 19 (IPS) - THE AIR FORCE HAS COMMITTED ITSELF TO THE PRODUCTION OF A NEW TACTICAL FIGHTER, THE YF-16. PRODUCTION WILL INVOLVE CREATION OF 130,000 NEW JOBS. THE PENTAGON EXPECTS TO SELL AT LEAST 350 PLANES TO EUROPEAN NATIONS, CO-PRODUCING YF-16'S IN EUROPEAN FACTORIES. OTHER POSSIBLE CUSTOMERS, REPORTS THE NEW YORK TIMES, INCLUDE SOUTH KOREA, IRAN, A NUMBER OF ARAB AND LATIN AMERICAN STATES, AND ISRAEL.

### AUCTION OF U.S. PLANT AND EQUIPMENT.

JAN. 19 (IPS) - SALES OF USED TOOLS AND MACHINERY OVER THE LAST TWO YEARS HAVE MORE THAN DOUBLED, REPORTS THE NEW YORK TIMES, WHILE PREDICTING THAT LIQUIDATIONS, CUTBACKS AND BANKRUPTCIES IN SCORES OF INDUSTRIES WILL KEEP AUCTIONEERS' PORTABLE PODIUMS ROLLING EVER FASTER THROUGH PLANTS ACROSS THE NATION.

## II. CONTINENTAL.

### KISSINGER CRITICIZED FOR KILLING U.S.-SOVIET TRADE BILL.

JAN. 19 (IPS) - THE JAN. 18 RICHMOND, VIRGINIA TIMES-DISPATCH CARRIED AN EDITORIAL SHARPLY CRITICIZING SECRETARY OF STATE HENRY KISSINGER FOR PROVOKING THE NULLIFICATION OF THE U.S.-SOVIET UNION TRADE BILL. THE EDITORIAL DEFENDS THE SOVIET UNION'S RIGHT TO INTERNAL SOVEREIGNTY AND DECRIES A RETURN TO A COLD WAR SITUATION AS SILLY AND UNNECESSARY.

### CANADIAN COMMODITY EXCHANGE TO HALT TRADING IN LIVE BEEF FUTURES.

JAN. 19 (IPS) - THE TORONTO GLOBE AND MAIL OF JAN. 18 REPORTS THAT THE WINNIPEG COMMODITY EXCHANGE WILL HALT TRADING IN LIVE BEEF FUTURES MONDAY, JAN. 20. EXCHANGE PRESIDENT RONALD ENNIS SAID THAT THE DECISION WAS MADE BECAUSE, WHILE FEEDLOT OPERATORS ARE EAGER TO SELL, THERE ARE NO BUYERS. THE GLOBE AND MAIL QUOTES ENNIS AS SAYING: "THE BOARD OF GOVERNORS (OF THE EXCHANGE) FELT WE SHOULD NOT CONTINUE TRADING WHEN THERE IS DANGER OF SOMEONE GETTING LOCKED INTO A CONTRACT AND NOT BEING ABLE TO GET OUT."

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE - EVENING NEWS ROUNDUP  
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JAN. 18 (IPS) - ASSOCIATED PRESS, AGENCE FRANCE PRESS, AND TIDNIN GARNAS TELEGRAMBYR (SWEDEN) ARE CARRYING AN UNCONFIRMED REPORT TODAY THAT GENERAL SECRETARY LEONID BREZHNEV IS RELINQUISHING HIS DUTIES. THE STORY ORIGINATES FROM THE MOSCOW CORRESPONDENT OF THE PRESS TRUST OF INDIA, BUT HAS NOT BEEN CONFIRMED BY TASS, THE OFFICIAL PRESS AGENCY OF THE SOVIET UNION.

JAN. 18 (IPS) - TRUD, THE NEWSPAPER OF THE SOVIET ALL-UNION CENTRAL COUNCIL OF TRADE UNIONS, REPORTED JAN. 16 ON A PLENARY SESSION OF THE COUNCIL ADDRESSED BY ALEXANDER SHELEPIN, A MEMBER OF THE POLITBUREAU OF THE COMMUNIST PARTY OF THE SOVIET UNION AND CHAIRMAN OF THE ACCTU. TRADITIONALLY A FACTIONAL OPPONENT OF GENERAL SECRETARY LEONID BREZHNEV. SHELEPIN EXPRESSED SUPPORT FOR BREZHNEV'S RECENT SPEECH AT A CLOSED SESSION OF THE CENTRAL COMMITTEE OF THE SOVIET UNION'S COMMUNIST PARTY. THE ACCTU RESOLUTION, PUBLISHED IN TRUD, CALLED FOR "STRENGTHENING THE UNITY OF ACTION OF ALL DIVISIONS OF THE TRADE UNION MOVEMENT IN THE STRUGGLE FOR PEACE, DEMOCRACY, AND SOCIAL PROGRESS."

PCF -- CPUSA COMMUNIQUE

JAN. 18 (IPS) - L' HUMANITE, THE DAILY PAPER OF THE FRENCH COMMUNIST PARTY (PCF), REPORTS TODAY A COMMUNIQUE PUBLISHED AFTER A MEETING BETWEEN A DELEGATION OF THE NOMINAL "COMMUNIST PARTY OF THE USA" AND PCF LEADERS IN PARIS. IN LANGUAGE SIMILAR TO THAT OF THE JAN. 6 JOINT DECLARATION BY 20 EUROPEAN COMMUNIST PARTIES, THE COMMUNIQUE CALLS FOR "UNITY OF ACTION OF THE INTERNATIONAL COMMUNIST MOVEMENT."

II. MIDEAST

JAN. 18 (IPS) -- ACCORDING TO THE NEW YORK TIMES TODAY, THE UNITED STATES CONFIRMED ITS SALE OF ANTI-TANK MISSILES TO THE LEBANESE GOVERNMENT. THE SALE IS INTENDED TO PROVIDE "PSYCHOLOGICAL ASSISTANCE" TO SMALL LEBANESE FORCES WHICH ARE NOW UNDER PRESSURE FROM COMPUTER RAIDS" ACROSS THE LEBANESE BORDER.

JAN. 18 (IPS) - SAUDI ARABIA'S KING FAISAL PLEDGED \$150 MILLION FOR THE SYRIAN WAR EFFORT, AS WELL AS A \$200 MILLION LOAN FOR ECONOMIC DEVELOPMENT PROJECTS, ACCORDING TO TODAY'S WASHINGTON POST. MEANWHILE, PALESTINE LIBERATION ORGANIZATION LEADER YASSAR ARAFAT ASSUMED PERSONAL COMMAND OF GUERRILLA OPERATIONS IN SOUTHERN LEBANON.

JAN. 18 (IPS) - MARILYN BERGER REPORTS IN TODAY'S WASHINGTON POST THAT ISRAELI FOREIGN MINISTER YIGAL ALLEN SAYS MIDEAST NEGOTIATIONS ARE READY TO MOVE INTO THE "PRACTICAL PHASE" AND THAT U.S. SECRETARY OF STATE HENRY KISSINGER HAS AGREED TO ARAAFAT'S INVITATION TO VISIT ISRAEL. KISSINGER WOULD NOT GO UNTIL FEBRUARY, AND STATE DEPARTMENT OFFICIALS COMMENT THE INVITATION WAS EXTENDED "IN PRINCIPLE."

JAN. 18 (IPS) - PRESIDENT SADAT OF EGYPT HAS WARNED ISRAEL THAT UNLESS SHE WITHDRAWS FROM SOME OCCUPIED TERRITORY, HE WILL ABANDON COOPERATION WITH U.S. SECRETARY OF STATE HENRY KISSINGER'S STEP-BY-STEP PEACE EFFORTS, ACCORDING TO AP AND REUTERS REPORTS IN THE TORONTO GLOBE AND MAIL.

JAN. 18 (IPS) - THE WEST GERMANY COMMUNIST PARTY NEWSPAPER UNSERE ZEIT REPORTED TODAY ON AN INTERVIEW WITH THE CHRISTIAN DEMOCRATIC MILITARY EXPERT WOERNER AND THE NATO-ALLIED WEEKLY, DIE ZEIT. THE FOLLOWING SECTION OF THE WOERNER INTERVIEW IS PROVIDED: "POSSIBLE WAR SCENARIOS AND CORRESPONDING DECISION ON THE PART OF THE AMERICANS AND THE GERMANS ON MIDEAST POLICY ARE THE SUBJECT OF INTERNAL CONSIDERATION BY THE FEDERAL GOVERNMENT AND THE OPPOSITION (OF WEST GERMANY)."

### III. INDOCHINA

JAN. 18 (IPS) -- IN AN ARTICLE MARTIN WOOLACOTT WROTE IN YESTERDAY'S TORONTO STAR "SOUTH VIETNAM'S DAY OF RECKONING IS CLOSE AT HAND." WOOLACOTT DESCRIBES THE NORTH VIETNAMESE AS BEING ABLE TO CHOOSE THE SITE AND TIME AND OBTAIN SUPERIOR FIREPOWER FOR ANY BATTLE. THE OBJECTIVE OF THEIR CURRENT CAMPAIGN IS TO DISPLACE THE THIEU GOVERNMENT," WOOLACOTT SAYS.

JAN. 18 (IPS) -- CAMBODIA'S LON NOL GOVERNMENT HAS INSTITUTED A "POLICY ON AUSTERITY," PLANING LOW SUPPLIES ON THE COMMUNIST FORCES' "TOTAL BLOCKADE" OF THE MEKONG RIVER, ACCORDING TO SYDNEY SCHANBERG WRITING IN TODAY'S NEW YORK TIMES. BOTH THE CAMBODIAN GOVERNMENT AND THE UNITED STATES HAVE REFUSED TO REVEAL HOW LOW THE AMOUNTS OF VITAL STOCKS ARE, SO AS NOT TO "PANIC" THE POPULATION. THE AMERICAN "CONTINGENCY PLAN" TO BE USED AS A "LAST RESORT" TO PROP UP THE CAMBODIAN GOVERNMENT IS TO USE U.S. AIR FORCE PLANES IN THAILAND TO AIRLIFT IN SUPPLIES.

JAN. 18 (IPS) -- THE TORONTO GLOBE AND MAIL YESTERDAY CARRIED AN ASSOCIATED PRESS - REUTERS ARTICLE QUOTING PRAVDA COMMENTATOR YURI ZHUKOV TO THE EFFECT THAT THE U.S. WAS NOT FULFILLING THE TERMS OF THE PARIS ACCORDS, WHICH BAN U.S. ARMS SHIPMENTS TO SOUTH VIETNAM. PRAVDA SAYS THAT SINCE JANUARY 1973 THE U.S. HAS SENT 1100 TANKS AND ARMORED CARS, 800 GUNS, 700 AIRCRAFT, AND 200 WARSHIPS TO SOUTH VIETNAM.

### IV. WESTERN EUROPE

JAN. 18 (IPS) -- WEST GERMAN CHANCELLOR HELMUT SCHMIDT BEGAN HIS FOREIGN POLICY SPEECH AT A SOCIAL DEMOCRATIC CONFERENCE YESTERDAY STATING THAT THE DANGER OF A MIDEAST WAR WAS "THE GREATEST DANGER TO OUR SECURITY." ACCORDING TO THE RIGHT-WING WEST GERMAN DAILY DIE WELT, SCHMIDT CLOSED WITH A WARNING TO THE U.S.: "...WE MUST AVOID THAT OUR AMERICAN FRIENDS, BASED ON AN OVERESTIMATION OF OUR ECONOMIC < FINANCIAL AND POLITICAL ABILITIES < POSE DEMANDS TO US WHICH WE CANNOT FULFILL." THE STANDING VIEW OF THE SCHMIDT GOVERNMENT IS THAT "THE RIGHT TO EXIST OF ISRAEL WITHIN ASSURED AND SECURED BORDERS MUST BE GUARANTEED."

## BRD MILITARY POLICY DECISION

JAN. 18 (IPS) -- THE MAJOR WEST GERMAN DAILY DIE WELT TODAY REPRINTED THAT THE FEDERAL GOVERNMENT OF WEST GERMANY HAS REACHED A COMPROMISE DECISION WITH MEMBERS OF THE CHRISTIAN DEMOCRATIC PARLIAMENTARY OPPOSITION ON REFORM OF THE NATIONAL ARMY (BUNDESWEHR). THE COMPROMISE IS BASED ON A JOINT DECISION TO POSTPONE THE REDUCTION OF THE BUNDESWEHR BY 45,000 MEN, PENDING A POSITIVE OUTCOME OF THE VIENNA TROOP REDUCTION TALKS; AS WELL AS TO MAINTAIN THE PRESENT STRUCTURE OF THE NORTH GERMAN COMMANDO UNITS.

JAN. 18 (IPS) -- THE WEST GERMAN GOVERNMENT ANNOUNCED THAT BECAUSE OF PRESSURE FROM THE CHRISTIAN SOCIAL AND CHRISTIAN DEMOCRATIC PARTIES, IT WOULD GIVE UP ITS PREVIOUS PLAN FOR BUDGET RE-ORGANIZATION TO PROVIDE EXPENDITURES FOR MORE MODERN WEAPONS SYSTEMS, REPORTS TODAY'S FRANKFURTER ALLGEMEINE ZEITUNG. THE STRENGTH OF THE ARMY WILL NOT BE REDUCED, AND SUCH CONSIDERATIONS WOULD DEPEND UPON "SATISFACTORY RESULTS" AT THE BRD TALKS IN VIENNA. CDU DEFENSE SPOKESMAN WOERNER CONTENDED THAT THE MAJOR CONSIDERATION NOW WAS COOPERATION BETWEEN THE OPPOSITION AND THE GOVERNMENT.

### WARFARE ESCALATES IN PORTUGAL BETWEEN COMMUNIST AND SOCIALIST PARTIES

JAN. 18 (IPS) -- THE LATEST ISSUE OF AVANTE, THE WEEKLY NEWSPAPER OF THE PORTUGUESE COMMUNIST PARTY, INCLUDES AN UNPRECEDENTED, SCATHING ATTACK ON THE CIA-LINKED PORTUGUESE SOCIALIST PARTY. ON JAN. 16, AVANTE DOCUMENTED HOW THE PSP'S "SYNDICAL PLURALISM" (THE POLICY OF HAVING MANY COMPETING "INDEPENDENT" TRADE UNIONS) IS THE SAME LINE USED BY THE CIA IN THE POSTWAR PERIOD TO DIVIDE AND CRUSH THE FRENCH AND ITALIAN LABOR MOVEMENTS.

JAN. 18 (IPS) -- THE PORTUGUESE ARMED FORCES MOVEMENT HAS JOINED COMMUNIST GROUPS IN PORTUGAL IN BACKING LEGISLATION THAT WILL ABOLISH ANY OTHER LABOR GROUP IF 50% OF VARIOUS LABOR FEDERATIONS VOTE FOR SINGLE CONFEDERATION. THE PORTUGUESE SOCIALIST AND CENTRIST POPULAR DEMOCRATIC PARTIES WARN OF A NEW DICTATORSHIP, ACCORDING TO TODAY'S WASHINGTON POST.

JAN. 18 (IPS) -- POLISH COMMUNIST PARTY CHIEF EDWARD GIEREK COMPLETED HIS VISIT TO COSTA GOMES, COMMUNIST PARTY CHAIRMAN, OF PORTUGAL, REPORTS TODAY'S FRANKFURTER ALLGEMEINE ZEITUNG. GIEREK ALSO MET WITH MEMBERS OF THE PROVISIONAL GOVERNMENT. MEANWHILE, THE LEADER OF THE CENTRIST DEMOCRATIC PEOPLES PARTY OF PORTUGAL, PORTUGUESE SA CARNEIRO, WARNED OF A "LEFT DICTATORSHIP IN PORTUGAL," WHICH HE TERMED A FUNDAMENTAL DANGER TO THE CONSOLIDATION OF DEMOCRACY IN PORTUGAL. HE CHARGED THAT "POLITICAL FORCES ARE ATTEMPTING TO SEIZE POWER THROUGH UNDEMOCRATIC MEANS."

AT THE SAME TIME, IRENE SELICO OF THE CIA-DOMINATED PORTUGUESE SOCIALIST PARTY ACCUSED THE COMMUNIST PARTY OF USING "SHOCK TACTICS AND MANIPULATION" TO PUSH EVERYONE BUT THEMSELVES OUT OF THE GOVERNMENT.

## STRIKE WAVE HITS SPAIN

JAN. 13 (IPS) -- A FIRMLY ENTRENCHED STRIKE WAVE OF POLITICAL OVERTONES, HAS BEGUN IN THE CORE OF SPANISH INDUSTRY, PRINCIPALLY IN THE AUTO SECTOR, DUE TO PRODUCTION CUTBACKS. ACCORDING TO THE SPANISH PRESS, IN THE NORTHERN CITIES OF PAMPLONA AND BARCELONA, 21,000 IN BRITISH LEYLAND-AUTHI AND 26,000 IN SEAT HAVE BEEN OUT ON STRIKE FOR THE PAST WEEK. UNLIKE RECENT STRIKES, THE STRIKING WORKERS HAVE BEEN JOINED BY STUDENTS, AND THEY HAVE THROWN UP BARRICADES.

## V. WORLD FINANCIAL SURVEY

JAN. 18 (IPS) -- THE NEW YORK TIMES TODAY BUOYED A REPORT OF THE INTERNATIONAL MONETARY FUND DECISION TO DEMONETIZE GOLD. THE RECENTLY-CONCLUDED IMF MEETING AGREED TO ABOLISH THE OFFICIAL GOLD PRICE AND ALLOW ALL CENTRAL BANKS TO VALUE THEIR GOLD IN ANY WAY THEY WISH. THE IMF MOVE, WHICH THREATENS TO PLUNGE WORLD TRADE INTO TOTAL CHAOS, WAS MENTIONED ONLY PARENTHETICALLY AT THE END OF AN ANALYSIS BY TIMES WASHINGTON, D.C. CORRESPONDENT EDWIN DALE.

## INCREASE MILITARY SPENDING

JAN. 18 (IPS) -- THE TORONTO STAR TODAY REPORTED THAT CANADIAN FEDERAL DEFENSE MINISTER JAMES RICHARDSON HAS ANNOUNCED A 12 PER CENT INCREASE IN DEFENSE SPENDING FOR 1975 UP TO \$2.5 BILLION.

## ATHABASCA PROJECT IN JEOPARDY

JAN. 18 (IPS) -- THE NEW YORK TIMES REPORTS TODAY THAT TEXACO CANADA, LTD., HAS ANNOUNCED IT WILL NOT PARTICIPATE IN ATHABASCA OIL-SANDS DEVELOPMENT PROJECT IN NORTHERN ALBERTA. THE PROJECT WILL COLLAPSE UNLESS AN ADDITIONAL \$1 BILLION IS COMMITTED WITHIN TWO WEEKS, A HIGHLY UNLIKELY PROSPECT.

JAN. 18 (IPS) -- THE TORONTO GLOBE AND MAIL TODAY REPORTED THAT GREAT WEST STEEL INDUSTRIES LTD. AND WEST GERMANY'S KRUPP INDUSTRIES HAVE FORMED A JOINTLY-OWNED SUBSIDIARY, GWS KRUPP INDUSTRIES LTD. WHICH WILL TAKE OVER AND OPERATE THE EDMONTON (ALTA.) STEEL OPERATIONS OF GREAT WEST STEEL. THE FIRMS'S PRESS RELEASE NOTED THAT IT WILL PRODUCE EQUIPMENT THAT "IS USED EXTENSIVELY IN OIL SANDS DEVELOPMENT AND COAL MINING."

JAN. 18 (IPS) -- THE NEW YORK TIMES REPORTS THAT THE DOW JONES INDUSTRIAL AVERAGE FELL 11.11 POINTS YESTERDAY. ACCORDING TO THE TIMES, INVESTORS ARE APPREHENSIVE OVER THE HIGHLY DEFLATIONARY EFFECT OF PRESIDENT FORD'S ENERGY CONSERVATION PLAN.

JAN. 18 (IPS) -- ACCORDING TO TODAY'S NEW YORK TIMES, FARM COMMODITIES PRICES RECORDED SHARP DECLINES YESTERDAY AS TRADERS PANICKED OVER THE DEEPENING DEPRESSION AND CONSUMERS' INABILITY TO AFFORD MEAT. CORN DROPPED THE DAILY 10-CENT-A-BUSHEL LIMIT ON THE CHICAGO BOARD OF TRADE, WITH MARCH DELIVERY CLOSING AT \$3.20 A BUSHEL. SOYBEANS ALSO

FELL THE LIMIT OF 20 CENTS A BUSHEL, CLOSING AT \$6.13. CORN AND SOYBEANS ARE KEY ANIMAL FEEDS. TRADERS ALSO PUSHED TO SELL LIVE CATTLE AND HOG FUTURES, WHOSE PRICES HAVE DECLINED PERSISTENTLY FOR WEEKS. FEBRUARY DELIVERY CATTLE CLOSED AT 34.45 CENTS A POUND, ABOUT

A POUND BELOW THE PRICE AT THE YEAR'S START. FEBRUARY DELIVERY HOGS FELL TO 36.97 CENTS A POUND.

JAN. 18 (IPS) -- ACCORDING TO TODAY'S NEW YORK TIMES, THE BRITISH GOVERNMENT ANNOUNCED TODAY THAT INFLATION IN BRITAIN RAN AT THE RECORD RATE OF 19.1 PER CENT IN 1974. THE BIGGEST FACTOR IN THE DECEMBER RETAIL PRICE INCREASES WAS THE TRIPLING OF THE VALUE-ADDED TAX ON GASOLINE, ADDING 0.5 PER CENT TO THE INDEX BY ITSELF.

JAN. 18 (IPS) -- THE MONTREAL GAZETTE REPORTED TODAY THAT ATTORNEY-GENERAL HOWARD PAWLEY OF MONTREAL IS ON "HOLIDAY" IN HAVANNA AND IS ENGAGED IN "INFORMAL TRADE TALKS WITH CUBAN OFFICIALS."

#### LAYOFFS REPORT

JAN. 18 (IPS) -- THE TORONTO STAR REPORTED TODAY THAT WOOD INDUSTRY LAYOFFS IN BRITISH COLUMBIA NOW TOTAL 20,000. THE STAR RELATED THE LAYOFFS TO THE COLLAPSE OF HOUSING CONSTRUCTION IN THE U.S. AND CANADA.

JAN. 18 (IPS) -- ACCORDING TO THE WASHINGTON POST, THE U.S. LABOR DEPARTMENT REPORTS THAT THE JOELESS RATE FOR CONSTRUCTION WORKERS CLIMBED FROM 13.9 PER CENT TO 15 PER CENT FROM NOVEMBER TO DECEMBER.

JAN. 18 (IPS) -- THE WASHINGTON POST AND THE NEW YORK TIMES REPORTED TODAY THAT 53,250 ON TEMPORARY LAYOFF WILL BE REHIRED ON MONDAY BY FORD AND GENERAL MOTORS. CHRYSLER WILL NOT BE REHIRING.

JAN. 18 (IPS) -- THE NEW YORK TIMES REPORTED TODAY THAT BETHLEHEM STEEL AT SPARROWS POINT, MD., WILL BE REHIRING 600. THE TIMES SAYS THAT ALL BUT 1,000 OF THE 4,300 LAID OFF DUE TO THE COAL STRIKE WILL BE BACK AT WORK WHEN THE 600 RETURN.

JAN. 18 (IPS) -- ACCORDING TO THE NEW YORK TIMES, THE DAN RIVER TEXTILE WILL CLOSE 9 PLANTS IN THE GREENVILLE, S.C. AREA FOR 2 WEEKS RESULTING IN 4,500 LAYOFFS.

JAN. 18 (IPS) -- THE NEW YORK TIMES TODAY REPORTED THAT XEROX WILL LAYOFF 1,200 (800 IN ROCHESTER). UNIROYAL WILL LAYOFF 1,142 AT 5% OF 7 OF ITS PLANTS. THE SIXTH PLANT WILL GO ON A 4-DAY WORK WEEK.

#### VI. CONTINENTAL

JAN. 18 (IPS) -- SENATORS EDWARD KENNEDY (D.-MASS.), CHARLES MATHIAS (R-MD.), AND WALTER MONDALE (D-MINN.) HAVE PROPOSED A RESOLUTION FRAMED AS "ADVICE TO THE SENATE" TO STRENGTHEN THE VLADIVOSTOK AGREEMENT AS WELL AS TO PUSH FOR FURTHER NEGOTIATIONS IN NUCLEAR ARMS REDUCTION BY THE FORD ADMINISTRATION. SECRETARY OF STATE HENRY KISSINGER "WELCOMES" THE MOVE, ACCORDING TO LESLIE GELB, WRITING IN TODAY'S NEW YORK TIMES.

WORLD AND FINANCIAL

I. END OF DETENTE

JAN. 17 (IPS) -- IN A FRONT PAGE ARTICLE, THE BALTIMORE SUN NOTES THAT THERE IS "FRESH SPECULATION" AMONG UNNAMED "U.S. OFFICIALS" THAT THE SOVIET GOVERNMENT IS RE-APPRAISING DETENTE, AND THAT A CHANGE OF SOVIET LEADERSHIP MAY BE IMPENDING.

JAN. 17 (IPS) - IN A PAGE 2 ARTICLE, NEW YORK TIMES WRITER BERNARD GWERTZMAN REPORTS THAT ANONYMOUS U.S. OFFICIALS BELIEVE SOVIET AMBASSADOR TO THE U.S. ANATOLY DOBRYNIN IS RETURNING TO MOSCOW "FOR A MAJOR REVIEW OF FOREIGN POLICY RELATIONS, INCLUDING SOVIET -AMERICAN RELATIONS." THESE OFFICIALS BELIEVE THAT A HARDENING OF THE SOVIETS TOWARD THE U.S. IS POSSIBLE.

IN THE SAME ARTICLE GWERTZMAN QUOTES EXTENSIVELY FROM THE SECRETARY OF STATE HENRY KISSINGER'S PUBLIC BROADCAST TELEVISION INTERVIEW LAST NIGHT, LEADING WITH KISSINGER'S COMMENT, "I THINK THAT DETENTE HAS HAD A SETBACK."

SOVIET PRESS CONTINUES TO SCORE U.S.  
GUNBOAT DIPLOMACY

JAN. 17 (IPS) - THE SOVIET PRESS JAN. 14 FEATURES PROMINENT ATTACKS ON THE U.S., INCLUDING A "NEWS ROUNDUP" IN IZVESTIA, THE GOVERNMENT PAPER, OF WORLD OUTRAGE AT THE STATEMENTS OF HENRY KISSINGER IN HIS INTERVIEW WITH BUSINESS WEEK ON THE POSSIBILITY OF MILITARY INTERVENTION IN THE MIDDLE EAST, AND REPORTS OF A VENEZUELAN DISTRESS AT THE U.S. TRADE REFORM BILL FOR ITS "DISCRIMINATORY" CHARACTER. IN ADDITION PRAVDA, THE PARTY PAPER, CARRIED AS ITS INTERNATIONAL NEWS LEAD, REPORTS ON THE PROTESTS OF COUNTRIES IN THE INDIAN OCEAN AREA AT THE PRESENCE OF THE U.S.S. ENTERPRISE, AN ACCOMPANYING COMMENTARY SCORES THIS NEW EXAMPLE OF U.S. "GUNBOAT DIPLOMACY." ANOTHER PRAVDA ARTICLE REPORTS THAT U.S. TROOPS IN THAILAND HAVE BEEN INCREASING THEIR ACTIVITY, IN VIOLATION OF THE 1973 PARIS ACCORDS.

THESE SHARP ATTACKS ARE MELLOWED SLIGHTLY BY TWO ARTICLES, ONE IN PRAVDA AND ONE IN IZVESTIA, ON EXAMPLES OF U.S.-SOVIET COOPERATION AND FRIENDSHIP.

FURTHER ATTACKS ON THE WEST INCLUDE AN ARTICLE ON CIA ACTIVITY IN BRITAIN (IZVESTIA), CRITICISM OF THE "SEVEN SISTERS," THE MULTINATIONAL OIL COMPANIES, FOR CAUSING SUCH GREAT ECONOMIC DIFFICULTIES THROUGH THE HIKE IN OIL PRICES (IZVESTIA) AND A PRAVDA COMMENTARY WARNING OF THE ATTEMPTS BY NATO TO INCREASE ITS ROLE IN ITALY. AN IZVESTIA COMMENTATOR, REVIEWING AN ARTICLE ON DETENTE IN THE LONDON TIMES, CRITICIZES THAT PAPER FOR SAYING THAT ONLY THE SOVIET UNION HAS BENEFITTED FROM DETENTE, AND HAS IN FACT USED IT TO THE DETRIMENT OF THE WESTERN COUNTRIES.

IN ADDITION, THE FRENCH C.P. PAPER, HUMANITE, EXPANDED ON CRITICISM OF U.S. SECRETARY OF STATE HENRY KISSINGER'S REMARKS, IN BUSINESS WEEK. CITING THE NEWSPAPER EL MOUJAHID, HUMANITE FOCUSED ON CIA PENETRATION OF THE MIDEAST, ESPECIALLY THROUGH FORMER CIA CHIEF RICHARD HELMS, NOW U.S. AMBASSADOR IN TEHRAN, IRAN>



## NATO TO RE-EXAMINE DETENTE

JAN. 17 (IPS) - IN A LEADING PAGE ONE ARTICLE DOCUMENTING THE REACTIONS OF THE INTERNATIONAL PRESS TO THE SOVIET TRADE DEAL CANCELLATION, TODAY'S DIE WELT INFORMS THAT, "THE PERMANENT REPRESENTATIVES OF NATO IN BRUSSELS HAVE MEANWHILE ENTRUSTED AN EXPERT COMMITTEE WITH THE TASK OF EXAMINING THE ACTION OF THE SOVIET UNION IN RELATION TO THE CONSEQUENCES FOR THE EFFORTS AT RELAXATION OF TENSION IN THE DEFENSE AREAS." IN RELATION TO THIS, THE WESTERN POSITION IN THE VIENNA AND GENEVA TALKS WILL BE THOUGHT OVER. DIE WELT ALSO REPORTS THAT THE PEIPUT NEWSPAPER IN NAHARI DOES NOT EXCLUDE THE POSSIBILITY THAT THE ARAB OIL NATIONS "HAVE OFFERED THE SOVIET UNION FINANCIAL ASSISTANCE FOR DEVELOPMENT PROJECTS IN SIBERIA, AND IN RETURN RECEIVED A PROMISE OF A CUT-BACK IN JEWISH EMIGRATION."

JAN 17, (IPS) - TODAY'S FRANKFURTER ALLGEMEINE ZEITUNG RUNS A COMMENTARY WHICH EXAMINES THE VARIOUS FASHIONS IN WHICH THE INTERNATIONAL PRESS VIEWS THE SOVIET CANCELLATION OF THE TRADE AGREEMENT WITH THE U.S. WHILE U.S. AND BRITISH PRESS SOURCES DO NOT SEE THIS EVENT AS "A CHANGE OF COURSE IN SOVIET FOREIGN POLICY," THE FRENCH, MOST ESPECIALLY, VIEW THIS AS A SIGN OF INCREASING "STIFFNESS" BETWEEN THE SUPERPOWERS, BOTH AGREE THAT THE MOVE RELATES TO SOVIET DOMESTIC POLITICAL CONDITIONS.

JAN. 17 (IPS) - UNDER THE HEADLINE, "PRAGUE TOO CANCELS AGREEMENT WITH AMERICA," THE FRANKFURTER ALLGEMEINE ZEITUNG JAN. 17 REPORTS THAT CZECHOSLOVAKIA HAS ANNULLED AN OUTLINE FOR AN AGREEMENT WITH THE USA DRAWN UP IN JULY 1974. THE AGREEMENT PROVIDED FOR COMPENSATION OF SEIZED HOLDINGS, AND WAS ANNULLED BECAUSE OF THE "ATTACHED POLITICAL CONDITIONS." THIS WAS REPORTED ON THURSDAY, IN THE PARTY NEWSPAPER, RUDE PRAVO, THROUGH PUBLICATION OF THE DECISION OF THE FOREIGN POLICY COMMITTEE OF THE CZECHOSLOVAK PARLIAMENT.

### II. DECLARATION OF TWENTY EUROPEAN COMMUNIST PARTIES

JAN. 17 (IPS) - TODAY'S ISSUES OF THE WEST GERMAN COMMUNIST PARTY (DKP) PAPER, UNSERE ZEIT, THE ITALIAN CP'S UNITA, AND THE FRENCH CP'S HUMANITE, CARRIED IDENTICAL VERSIONS OF YESTERDAY'S DECLARATION BY TWENTY WESTERN EUROPEAN COMMUNIST PARTIES, WHICH CALLED UPON THE EUROPEAN WORKING CLASS TO STOP "AMERICAN IMPERIALISM" IN ITS TRACKS. HUMANITE ADDED A COMMENTARY FROM PCF POLIBURO MEMBER JEAN KANAPA STATING THAT "THIS COLLECTIVE INITIATIVE CAN BE SEEN AS AN EXTENSION OF THE BRUSSELS CONFERENCE HELD BY OUR PARTIES A YEAR AGO." THE BRUSSELS CONFERENCE TO WHICH KANAPA REFERRED, RESOLVED TO STRUGGLE AGAINST THE MULTI-NATIONAL CORPORATIONS.

JAN. 17 (IPS) - THE ITALIAN COMMUNIST PARTY DAILY UNITA TODAY GAVE FRONT PAGE COVERAGE TO THE CALL BY THE COMMUNIST PARTIES OF CAPITALIST EUROPE FOR ACTION AGAINST THE NEW IMPERIALIST MENACE. THE CALL SITES THE DANGERS CREATED BY THE U.S. POLICY IN THE MIDDLE EAST AND VIETNAM AND APPEALS TO WORKERS AND DEMOCRATIC FORCES FOR A STRUGGLE FOR A "PEACEFUL, DEMOCRATIC, AND INDEPENDENT EUROPE."

JAN. 17, (IPS) - HUMANITE, NEWSPAPER OF THE FRENCH COMMUNIST PARTY (PCF) RAN AN EDITORIAL TODAY WHICH DESCRIBED THE PCF'S CAMPAIGN TO " DEMONSTRATE THE MECHANISM OF AUSTERITY TO THE PEOPLE," IN THE CASE OF OIL PRICE RISES IN FRANCE. "THE COMMUNISTS WILL NOT BE QUIET," STATED THE EDITORIAL, WHICH IS FOLLOWED BY A POLITBURO COMMUNIQUE ANNOUNCING NEW INITIATIVES IN PCF ORGANIZING AROUND THE CAMPAIGN. A NATIONAL MEETING ON RECRUITMENT AND STRENGTHENING OF PARTY CELLS WILL TAKE PLACE JAN 23, AND BE CHAIRED BY POLITBURO MEMBER ROLAND LEROY, A LEADER OF THE PCF LEFT FACTION.

HUMANITE ALSO REPORTED TODAY A RELEASE FROM THE SOVIET PRESS AGENCY TASS, STATING THAT THE EXCHANGE RUBLE USED WITHIN THE EASTERN EUROPEAN ECONOMIC COMMUNITY, COMECON, MIGHT BE USED AS A BASIS FOR WORLD TRADE.

JAN. 17 (IPS) - UNSERE ZEIT, NEWSPAPER OF THE WEST GERMAN COMMUNIST PARTY (DKP) TODAY RAN AN ARTICLE ON SUBVERSION IN PORTUGAL, WHICH TAKES THE OPPORTUNITY TO ATTACK THE RIGHT WING OF THE INTERNATIONAL SOCIAL DEMOCRACY. "THE RIGHTIST SPD (SOCIAL DEMOCRATIC PARTY IN WEST GERMANY) IN THE INTERNATIONAL SOCIAL DEMOCRACY HAS ALWAYS STOOD FOR AN ANTI-COMMUNISM THAT IS DIRECTED AGAINST THE CAUSE OF UNIFIED ACTION."

JAN. 17 (IPS) -- TODAY'S NEW YORK TIMES RAN A PAGE 7 ARTICLE BY FLORA LEWIS ON THE STATEMENT ISSUED JOINTLY YESTERDAY BY 20 WEST EUROPEAN COMMUNIST PARTIES, WHICH CONDEMNED THE "MILITARY ADVENTURE PLANNED BY THE UNITED STATES IN THE MIDDLE EAST." THE TIMES ARTICLE STATES THAT THE SIGNIFICANCE OF THE STATEMENT IS THAT "IT IT SEEMED TO SHOW A SHIFT FROM THE MORE TRADITIONAL COMMUNIST LINE THAT EUROPE SHOULD NOT BE DIVIDED UP BETWEEN EAST AND WEST," INDICATING A LOOSENING OF TIES BETWEEN THE WEST EUROPEAN COMMUNIST PARTIES AND MOSCOW. THE STATEMENT WENT UNREPORTED BY EUROPE'S MAJOR DAILY NEWSPAPERS.

### I III. MIDEAST

#### LONDON-ROCKEFELLER AXIS ESCALATES BLACKMAIL AGAINST IRAQ

NEW YORK, JAN. 17 (IPS)--STEPPING UP ITS BLACKMAIL AGAINST THE PRO-SOVIET REGIME OF IRAQ, THE LONDON-ROCKEFELLER AXIS HAS ESCALATED OPERATIONS IN OMAN AGAINST THE PRO-IRAQI POPULAR THE LIBERATION OF OMAN REBELS. ACCORDING TO THE JAN. 17 DIE WELT, THE WEST GERMAN DAILY, THE SULTAN OF OMAN, DURING A RECENT TRIP TO THE U.S. MET WITH NELSON ROCKEFELLER AND JAMES SCHLESINGER, AND WAS CONCEDED MILITARY SUPPORT AND ASSISTANCE. UNDER COVER OF A MILITARY MISSION, WASHINGTON "NOW WANTS TO ESTABLISH ITSELF THERE." BASING ITS REPORTS ON ARAB PRESS SERVICE RELEASES, DIE WELT GOES TO REVEAL THAT THE U.S. IS "IN QUIET" PREPARING THE CONSTRUCTION OF A "LEGAL MILITARY PRESENCE ALONG THE PERSIAN GULF." THIS FOLLOWS BY A FEW WEEKS THE VISIT OF CIA CHIEFTAINS WILLIAM COLBY AND RICHARD HELMS TO OMAN. AMERICAN WEAPONS INSTRUCTORS HAVE ARRIVED AND THEIR NUMBER WILL INCREASE WITH DIRECT US WEAPONS DELIVERIES.

JAN. 1. (IPS)--YESTERDAY'S DAILY TELEGRAPH OF LONDON HAS REPORTED THAT THE UNITED STATES' 7TH FLEET IS CONDUCTING JOINT NAVAL OPERATIONS WITH THE IRANIAN NAVY. WHILE IRANIAN OFFICIALS HAVE INSISTED ON INTERVIEWS WITH IPS THAT THESE ARE "NORMAL" CENTO DEPLOYMENTS, THE OBVIOUS SIGNIFICANCE IS TO HEAT UP A MIDDLE EAST WAR SCARE AGAINST THE SOVIETS TO DEFLECT FROM THE CURRENT COMMUNIST OFFENSIVE IN VIETNAM.

#### U.S. TO SUPPLY LEBANON WITH ARMS

JAN. 17 (IPS)--IN WHAT MAY BE REGARDED AS A DEVELOPING PINNACLES MOVEMENT AGAINST IRAQ, THE U.S. STATE DEPARTMENT TODAY ANNOUNCED A DEAL WITH THE LEBANESE GOVERNMENT TO SUPPLY "HIGHLY SOPHISTICATED ANTI-TANK MISSILES TO LEBANON" TO "COUNTER ISRAELI RAIDS", ACCORDING TO REPORTER JIM HOGAN OF THE WASHINGTON POST. THE US ALSO INTENDS TO PROVIDE JORDAN WITH HAWK ANTI-AIRCRAFT MISSILES. FOLLOWING THE RECENT VISIT TO SYRIA OF FANATIC ANTI-COMMUNIST KING FAISAL OF SAUDI ARABIA AND THE INCREASING MILITARY COOPERATION BETWEEN SYRIA AND LEBANON, THE POSSIBILITY OF THE DEALS REPRESENTING A FLANKING ACTION POSTURE AGAINST IRAQ CANNOT BE IGNORED.

JAN. 17 (IPS) --UNITA', DAILY OF THE ITALIAN COMMUNIST PARTY, REPORTED TODAY THAT THE LEBANESE GOVERNMENT HAS DECIDED TO CONVOKE AN URGENT MEETING OF THE DEFENSE COUNCIL OF THE ARAB LEAGUE IN RESPONSE TO ISRAELI MILITARY OPERATIONS IN SOUTHERN LEBANON. ACCORDING TO UNITA', "THE OUTRIGHT OFFENSIVE IN PROGRESS IN THE ARKOUR AREA IS TAKING ON INCREASINGLY THE CHARACTER OF A LIMITED WAR AND MAY BE AIMING AT THE OCCUPATION OF SOUTHERN LEBANON."

JAN. 17, (IPS)--IZVESTIA JAN. 14 REPORTS IN ITS LEAD INTERNATIONAL ITEM ISRAELI ATTACKS ON LEBANON, AND THE VISIT OF ISRAELI FOREIGN MINISTER ALLON TO THE UNITED STATES IN SEARCH OF FINANCIAL SUPPORT. THE VISIT OF THE SHAH OF IRAN TO EGYPT IS BEING COVERED FACTUALLY, WITH NO EDITORIAL COMMENT TO DATE. AN ARTICLE IN PRAVDA REPORTS THAT AN EGYPTIAN DAILY PAPER, ROZ AL-YOUSEF, HAS DENOUNCED THE STEP-BY-STEP APPROACH TO NEGOTIATIONS (ASSOCIATED WITH KISSINGER) IN FAVOR OF THE GENEVA CONFERENCE.

#### IV. INDOCHINA

JAN. 17, (IPS)--IN AN OP ED ARTICLE IN TODAY'S WASHINGTON POST, TAD SZULC CALLS US AIR SURVEILLANCE OF NORTH AND SOUTH VIETNAM A "DANGEROUS 'DEJA VU'" OF THE 1968 "PROTECTIVE REACTION STRIKES" WHICH LED TO LARGE-SCALE ATTACKS ON NORTH VIETNAM. THE POST QUOTES "SENIOR OFFICIALS" IN WASHINGTON AS SAYING THEY ARE PREPARED TO "PULL OUT THE STOPS" TO AID SAIGON WITHOUT BREAKING THE LAW.

JAN. 17, (IPS)--IN AN EDITORIAL BY THE NATO-ALLIED JOURNALIST, ROBERT CYCON, TODAY'S DIE WELT PROPOSES, "PERHAPS IT IS NOT SUCH A BAD THING, IF WITHIN A LENGTHY PROCESS, THE ADJUSTMENT OF THE SOUTH TO

THE NORTH WOULD PROVIDE THE MANY ANTI-COMMUNISTS THE POSSIBILITY OF EMIGRATING OUT OF VIETNAM"...IF AMERICA IS NOT PREPARED TO TAKE SERIOUSLY ITS MORAL OBLIGATIONS, THEN AT LEAST THIS MUCH SHOULD HAPPEN."

JAN. 17 (IPS)--THE BALTIMORE SUN HAS PRINTED AN ASSOCIATED PRESS REPORTS THE NORTH VIETNAMESE GOVERNMENT HAS CHARGED THE FORD ADMINISTRATION WITH "DISTORTING FACTS" ABOUT U.S. INVOLVEMENT IN VIETNAM. THE AP RELEASE ALSO NOTES THAT THE KREMLIN HAS CHARGED THAT THE U.S. HAS VIOLATED THE CEASE-FIRE BY SHIPPING UNAUTHORIZED ARMS TO SOUTH VIETNAM.

#### V. WESTERN EUROPE

##### KIEP PUSHES CDU TO GOVERN

JAN. 17 (IPS)--IN TODAY'S COVERAGE OF THE VISIT OF CHRISTIAN DEMOCRATIC UNION (CDU) TREASURER WALTER LEISLER KIEP TO THE GERMAN DEMOCRATIC REPUBLIC (DDR), THE FRANKFURTER RUNDschau REPORTED THAT KIEP "NOTED A STRONG INTEREST IN THE CDU AS A POSSIBLE GOVERNING PARTY." "AT THE SAME TIME, WE HAVE TO EXPECT A STRONGER IDEOLOGICAL FIGHT AND A SHARPER DELINEATION THROUGH THE DDR..." THE FRANKFURTER RUNDschau ALSO REPORTS THAT CDU CHAIRMAN HELM KOHL WAS NOT INFORMED OF KIEP'S INTENTION TO MEET WITH OFFICIAL GOVERNMENT REPRESENTATIVES, NOR WITH THE DDR'S OWN CDU PARTY, AND THAT HE REJECTS ANY FUTURE CONTACT BETWEEN THE TWO CDU PARTIES.

##### DC'S FANFANI TURNS RIGHT

JAN. 17 (IPS)--TODAY'S UNITA', DAILY OF THE ITALIAN COMMUNIST PARTY, REPORTED A SPEECH BY AMINTORE FANFANI, LEADER OF THE ITALIAN CHRISTIAN DEMOCRATIC PARTY, WHO HAS RECOMMENDED A POLICY OF PREVENTIVE POLICE DETENTION AND OTHER STRONG MEASURES TO COMBAT CRIMINALITY AND DEFEND PUBLIC ORDER AND STATE SECURITY. UNITA PRESENTED THE SPEECH AS A MAJOR RIGHT WING TURN BY FANFANI WHICH HAS DRAWN THE CRITICISM OF THE OSTENSIBLY LEFT WING FORZE NUOVE AND BASE FACTIONS OF THE CHRISTIAN DEMOCRACY.

#### VI. FINANCIAL NEWS ROUNDUP

JAN. 17 (IPS)-- IN A WALL STREET JOURNAL FEATURE TODAY DATED IN WASHINGTON, TREASURY SECRETARY SIMON WAS QUOTED AS TELLING REPORTERS "THE SIZE OF THE DEFICIT HORRIFIES ME". HE ALSO PREDICTED THAT GOVERNMENT AT ALL LEVELS WILL ABSORB AN ESTIMATED 80% OF ALL FUNDS RAISED IN COUNTRY'S BOND MARKET, THUS PLACING SEVERE STRAINS ON THE LIQUIDITY OF AMERICAN INDUSTRY. SIMON SHIFTED THE FLAME ON THE PROJECTED BUDGET DEFICITS FROM FORD'S PROPOSED TAX CUTS TO THE CURRENT RECESSION ITSELF AND EMPHASIZED AS A SOLUTION THAT "WE HAVE TO GET THIS CRAZY GOVERNMENT SPENDING UNDER CONTROL AND WE'VE GOT TO START RIGHT NOW."

JAN. 17 (IPS)-- THE NEW YORK TIMES REPORTED FRONT PAGE TODAY THE COMMERCE DEPT. ANNOUNCEMENT THAT THE TOTAL US OUTPUT DECLINED BY 9.17%, THE SHARPEST YEARLY RATE OF DECLINE FOR ANY THREE MONTH PERIOD IN SIXTEEN YEARS. DURING THIS SAME PERIOD THE GNP PRICE INDEX ROSE TO A RECORD ANNUAL RATE OF 13.7%. SPEAKING IN UNUSUALLY GLOOMY TERMS, COMMERCE DEPT. SPOKESMAN DECLARED THE CURRENT ECONOMIC SITUATION TO BE "EXTREMELY SERIOUS", PREDICTING THAT IF PRESENT TREND CONTINUES FOR THREE TO SIX MONTHS, THE ECONOMY WILL BE IN THE WORST RECESSION IN FORTY YEARS.

#### NEW YORK BANKS CONTRACT LOANS.

JAN. 17 (IPS) -- FEDERAL RESERVE BANK STATISTICS RELEASED LAST NIGHT INDICATE THAT DURING THE PAST TWO WEEKS THE LARGE NEW YORK COMMERCIAL BANKS HAVE CONTRACTED THEIR OUTSTANDING LOANS BY AN UNPRECEDENTED \$1 BILLION. THE STATISTICS WERE REPORTED THIS MORNING IN BOTH THE NEW YORK TIMES AND THE WALL STREET JOURNAL. REFLECTING THIS SQUEEZE ON THE CREDIT SYSTEM AS A WHOLE, THE MONEY SUPPLY NATIONWIDE DROPPED BY \$2.1 BILLION

JAN. 17 (IPS) -- THE FINANCIAL SECTION OF THE NEW YORK TIMES REPORTS THAT FOURTEEN LARGE BANKS HAVE AGREED TO POSTPONE PAYMENT AND INTEREST ON A 600 MILLION DOLLAR SHORT-TERM LOAN TO MT GRANT COMPANY UNTIL THE FIRST QUARTER OF 1976, IN RETURN FOR A RETRENCHMENT POLICY WHICH WILL CLOSE DOWN 166 OF ITS STORES AND LAYOFF 12,600 EMPLOYEES.

JAN. 17 (IPS)-- FINANCIAL CORRESPONDENT EDWIN DALE REPORTS ON THE FRONT PAGE ON THE NEW YORK TIMES THAT THE FINANCE MINISTERS MEETING IN WASHINGTON YESTERDAY CONCLUDED INTERNATIONAL MONETARY NEGOTIATIONS WHICH RESULTED IN THE ESTABLISHMENT OF A \$6 BILLION OIL FACILITY WITHIN THE IMF TO LOAN TO LESS DEVELOPED NATIONS, AND AGREEMENT ON ALL THE ESSENTIALS OF THE KISSINGER \$25 BILLION "SAFETY NET" FOR ADVANCED INDUSTRIAL NATIONS.

JAN. 17 (IPS)-- NEW YORK TIMES CORRESPONDENT TERRY ROARDS REPORTS FROM GREAT BRITAIN TODAY THAT, IN AN ATTEMPT TO HASTEN THE DEVELOPMENT OF ITS NORTH SEA OIL PROJECT NOW FACED WITH OBSTACLES, THE BRITISH GOV'T HAS BEGUN TO REASSURE OIL COMPANIES THAT TAXES ON PROFITS WILL NOT BE BURDENSOME.

JAN. 17 (IPS) -- THE NEW YORK TIMES REPORTS TODAY THAT TOP POLITICAL LEADERS OF THE JAPANESE GOV'T. STATED YESTERDAY THAT DESPITE THE REFLATIONARY MOVES OF THE UNITED STATES AND WESTERN GERMANY, THEY WILL CONTINUE TO MAINTAIN TIGHT CREDIT POLICIES IN THE FIGHT AGAINST INFLATION.

JAN. 17 (IPS) -- GOLD AND THE U.S. DOLLAR FELL ON INTERNATIONAL MARKETS YESTERDAY ACCORDING TO THE WALL STREET JOURNAL "BECAUSE OF THE ABSENCE OF ENCOURAGING NEWS".

INTERNATIONAL PRESS SERVICE WORLD NEWS IN BRIEF FOR JANUARY 17,  
1975, AT 2400 HOURS -- OVERNIGHT NEWS SUMMARY.

I WORLD AND FINANCIAL NEWS.

JAN. 17 (IPS) -- A FRONT PAGE ARTICLE BY EDMUND STEVENS IN YESTERDAY'S LONDON TIMES ARGUES THAT THE CANCELLATION OF THE U.S.-SOVIET TRADE AGREEMENT WILL HAVE LITTLE EFFECT ON TRADE BETWEEN THE TWO NATIONS. DON CONNERS, AN AMERICAN BUSINESSMAN IN MOSCOW, IS QUOTED AS SAYING, "EVEN WITHOUT A TRADE AGREEMENT WE SHALL GO ON DOING BUSINESS AS USUAL."

MEANWHILE THE TIMES' LEAD EDITORIAL, TITLED "A COOL PERIOD FOR DETENTE," STATES THAT SINCE THE POLITICAL PREMISES FOR AN ALTERNATIVE POLICY TO DETENTE "HAVE LONG SINCE ERODED," IT WILL BE NECESSARY FOR WASHINGTON TO AVOID AN "ALARMIST REACTION" TO THE SOVIET MOVE. THE EDITORIAL ALSO SPECULATES THAT THE AFFAIR MAY HAVE WEAKENED THE POSITION OF SOVIET PARTY CHIEF BREZHNEV VIS-A-VIS "PROponents OF A HARDLINE" IN HIS PARTY.

ON PAGE 7 THE TIMES RUNS AN ARTICLE BY DAVID SPANIER, WHICH NOTES THAT DESPITE BREZHNEV'S ATTEMPTS TO BRING EAST AND WEST CLOSER TOGETHER, HIS "RESTRICTIVE POLICY AT HOME HAS LARGE NUMBERS OF SOVIET CITIZENS "VOTING WITH THEIR FEET" BY EMIGRATING TO THE WEST.

JAN. 17 (IPS) -- IN AN EDITORIAL YESTERDAY THE LONDON DAILY EXPRESS DESCRIBED THE CANCELLATION OF THE U.S.-SOVIET TRADE AGREEMENT AS "THEIR LOSS -- OUR GAIN." CITING THE EUROPEAN EXPERIENCE OF DIFFICULTIES IN DEALING WITH THE USSR, THE EDITORIAL URGES THAT PRESIDENT FORD'S POSITIVE ECONOMIC PROPOSALS, NOT THE TRADE AGREEMENT, BE FOCUS OF EUROPEAN ATTENTION.

JAN. 17 (IP) -- THE TWO MAJOR FRENCH DAILIES, LE MONDE AND LE FIGARO, TODAY ALLUDED TO THE FACT THAT THE SOVIET POPULATION WAS INFORMED OF THE CANCELLATION OF THE U.S.-USSR 1972 TRADE AGREEMENT IN A MANNER WHICH WOULD TEND TO PREVENT ANY SENSATIONALISM. BUT, LE FIGARO WONDERS, "WHAT IS BEHIND THIS CHANGE?" LE MONDE COMMENTED THAT MOSCOW DOES NOT WANT A "COMPLETE BREAK" OF ECONOMIC EXCHANGE WITH THE U.S., BUT THAT THE "POSSIBILITY OF AN ARMED INTERVENTION IN THE MIDDLE EAST" AND "WASHINGTON'S CONSTANT REFUSAL TO REACTIVATE THE GENEVA CONFERENCE" ARE PROBABLE CONSEQUENCES OF THIS SHIFT.

JAN. 17 (IPS) -- ACCORDING TO LE MONDE TODAY, MOSCOW'S CANCELLING OF 1972 TRADE AGREEMENT HAS CREATED WIDESPREAD FEAR THAT THE CHANCES OF ANY AGREEMENT BETWEEN ISRAEL AND THE ARAB COUNTRIES HAVE GONE DOWN THE DRAIN. IN FACT, LE MONDE STRESSES, THE ISRAELI OPERATIONS IN LEBANON HAVE BECOME "SYSTEMATIC" AND ARE DEVELOPING ACCORDING TO "PRECISE PLAN" OF ANNIHILATING THE PALESTINIAN NETWORK IN THAT AREA.

JAN. 17 (IPS) -- TODAY'S LE MONDE REPORTS THAT FIGHTING CONTINUES FOR CONTROL OF THE MEKONG. CAMBODIAN REPUBLICANS HAVE BEEN MOBI- LIZING HELICOPTERS FROM KAPOT, BATTEMPANG, AND SVAY-RIANG AS THE ONLY MEANS OF GIVING VITAL SUPPLIES SUCH AS ARMS AND FOOD TO THE TROOPS DEFEATING THE CAPITAL AGAINST AN OPERATION WHICH IS TERMED "ASPHYXIATION OF THE CAPITAL."

JAN. 17 (IPS) -- THE EAST GERMAN RADIO STATION STIMME DER DDR TODAY LED ITS NEWS BROADCAST WITH ANNOUNCEMENT OF TWO NEW

DEVELOPMENTS IN THE EAST GERMAN COMMUNIST PARTY'S (SED) LEFTIST ORGANIZING DRIVE AMONG WORLD COMMUNIST PARTIES. SED CENTRAL COMMITTEE OFFICIAL WINKELMANN HAS TRAVELLED TO ITALY TO DELIVER A MESSAGE TO ITALIAN CP (PCI) SECRETARY ENRICO BERLINGUER FROM SED HEAD ERICH HONNECKER. THE PCI, STILL DOMINATED BY CIA GENT GIORGIO AMENDOLA, IS A KEY TARGET FOR THE HARDLINERS TO ORGANIZE.

MEANWHILE SED POLITBUREAU HARDLINER ZURT HAGER MET WITH JANOS KADAR, CHIEF OF THE HUNGARIAN COMMUNIST PARTY, TO "DISCUSS IDEO- LOGICAL COOPERATION BETWEEN THE PARTIES." KADAR HAD EXPRESSED SUPPORT FOR AMENDOLA'S POLYCENTRISM LINE AT THE RECENT BUDAPEST MEETING OF EUROPEAN CP'S. A SIMILAR MEETING ON IDEOLOGY BETWEEN HAGER AND JAN SZYDLAK OF THE POLISH COMMUNIST PARTY PRECEDED THE POLISH CP LEADERSHIP'S RECENT SHIFT TOWARDS SUPPORTING A UNIFIED COMMUNIST PARTY MOVEMENT WITH SOVIET LEADERSHIP.

#### BRITISH TRUCKDRIVER STABS WIFE OVER SUGAR

JAN. 17 (IPS) -- A CASE NOW PENDING IN A WINCHESTER, ENGLAND, CROWN COURT CHARGES THAT JOHN SCARD, 53, STABBED HIS WIFE AFTER HE CAUGHT HER STEALING SUGAR FROM "HIS" SUPPLY. APPARENTLY, THE COUPLE WHOSE RELATIONS WERE ALREADY STRAINED KEPT SEPARATE FOOD SUPPLIES. SCARD HAD JUST BORROWED THE SUGAR FROM A NEIGHBOR FOR AN AFTER-WORK CUP OF TEA.

#### II. CONTINENTAL NEWS.

JAN. 17 -- SCIENCE MAGAZINE, WHICH HAS A HISTORY OF DISTORTING CRITICISMS DIRECTED AT THE U.S. ATOMIC ENERGY COMMISSION, TODAY CARRIED A LIBELOUS ATTACK. THE U.S. LABOR PARTY FOR ITS EXPOSURE OF AEC HEAD DR. EDWARD TELLER. TELLER HAS COME UNDER CONCENTRATED FIRE FROM THE LABOR PARTY FOR HIS SUPPRESSION OF FUSION RESEARCH AND PERSECUTION OF DISSIDENT SCIENTISTS WHO OPPOSE THE POLICIES OF THE ROCKEFELERS' "SEVEN SISTERS" OIL CARTEL.

TODAY'S ARTICLE IN SCIENCE BELITTLES THE LABOR PARTY'S INSIS- TENCE THAT A MANHATTEN-PROJECT-STYLE CRASH PROGRAM FOR THE DEVELOP- MENT OF THERMONUCLEAR FUSION TECHNOLOGY IS ESSENTIAL TO HUMAN SURVIVAL, ATTRIBUTING THIS PROGRAMMATIC POSITION TO THE RAVINGS OF A "HIGHLY SECIAN MARXIST-LENINIST GROUP."

## SPECIAL FEATURE

### ROCKEFELLER'S DEADLY NEEDLE TRADE: HOW THE HEROIN NETWORK WAS SET UP

#### I. INTRODUCTION

Jan. 16 (IPS)--The entire present world heroin trade--from poppy fields to Harlem addicts--has been deliberately established by the last two generations of Rockefellers.

The process by which the opium-producing poppy flower spread its way across the mountain valleys of a chain of CIA-controlled countries and uplands from Turkey in western Asia down to South-east Asia is centralized and deliberate. The poppy would not be planted unless there were a permanent, worldwide organization of traders, processors, smugglers, and distributors protected at the highest level of government, by police agencies, armies, etc. A single break in this chain passing through a score of countries, and the poppy farmer would soon find himself without a market, forcing him to revert to subsistence farming.

The refining and distribution network which processes the resulting opium is itself the product of three decades of Rockefeller organizing. During World War II, the large U.S. addict population had undergone involuntary detoxification because they were cut off from overseas drug supplies. By war's end, there were only 20,000 addicts left, a remainder that could have been readily treated, thus eliminating drug addiction from the United States. Instead, the Office of Strategic Services (OSS) and its successor organization, the CIA, undertook a deliberate policy of reviving the production, distribution, and consumption of heroin internationally.

#### OSS Revives Mafia

The OSS re-established the Sicilian Mafia during the American occupation of Italy and set it up in the heroin trade. It similarly protected and revived the Corsican Mafia, using it to take over the Marseilles waterfront and turn that port into Europe's largest heroin refinery. The CIA then trained a network of anti-Communist Cuban exiles to expand the dope smuggling of the U.S. Mafia, also under CIA control. In the 1960s the CIA began flooding three continents with heroin deriving from the "Golden Triangle" area of Southeast Asia--which was under its control. A portion of this heroin was manufactured at CIA-run laboratories in Laos, flown to Saigon on CIA-owned and -piloted airlines and then distributed to U.S. soldiers in Vietnam as their commanding officers looked on. In some parts of Vietnam, CIA heroin was cheaper than Coca Cola.

As intelligence liaison between the New York financial community and the OSS-CIA from World War II to present, Nelson



Rockefeller is personally responsible for setting up and guiding this entire worldwide death network.

A significant portion of the heroin produced in Italy, Marseilles, and Southeast Asia was funneled to New York City, center of the Rockefeller financial and political apparatus. This was a deliberate move to "cool out" New York's ghettos, extreme victims of looting by the Rockefeller-controlled New York banks. It was also to use that city as a test-tube from which to spread heroin to other North American cities, as in the case of Detroit after the 1967 riots.

An estimated half of U.S. drug addicts still reside in New York City. Rockefeller family control of New York Republican and Democratic Party politics since the 1930s has nullified the likelihood of police, judicial, or journalist interference with the Rockefeller "Godfathers."

The major expansion of New York's addict population occurred during Nelson Rockefeller's long reign as governor of New York. By the time he stepped down in 1973, there were a conservatively estimated 280,000 addicts in New York City. In New York City alone there were 1,400 per cent more drug addicts than existed in the entire United States at the end of World War II.

## II. THE ROCKEFELLER FAMILY'S SHANGHAI CONNECTION

The Rockefellers first entered the drug-pushing business as an aspect of their suppression of the 1925-1927 Chinese revolution. The turning point of that counter-revolution was the Shanghai massacre. Thousands of working-class organizers and trade unionists were murdered by the "Green Gang" gangsters who ran Shanghai's notorious narcotics racket. To carry out the massacre, the gangsters were given \$30 million by the consortium of international bankers who ran China. The leading U.S. representative of this consortium was the Rockefeller family-owned National City Bank, today's First National City Bank. The Rockefellers also monopolized China's petroleum supplies. U.S. General Smedley Butler, head of the Marine Corps detachment stationed in China, wrote in his memoirs: "All I ever did for 25 years in China is watch Standard Oil cans."

The Green Gang gangsters were crucial in 1927 to the imperialists because the peasant- and worker-based Kuomintang (Nationalist) Army could not at that time be relied on to fire upon the Shanghai working class. The gangsters were the only social base in China the bankers had.

The \$30 million was only an initial down payment. Delighted with the results, the National City Bank-controlled Shanghai Power Company arranged for the Green Gang leader who had organized the massacre, Tu Yueh-sheng, to be placed on its payroll--in this manner supplementing the millions of dollars Tu made by exporting

Shanghai heroin to the United States during the late 1920s and throughout the 1930s.

There was little danger of the post-1927 Chinese Nationalist government suppressing Tu's activities. Taxes and kickbacks from the narcotics trade were its principal source of revenue. The government itself was dominated by the Soong family, whose leading member--T. V. Soong--was a Harvard- and Columbia-trained "former" employee of National City Bank. Generalissimo Chiang Kai-shek--himself a Green Gang member--married into this family and brought Green Gang murderer Tu Yueh-sheng into the government with him.

In Shanghai, Green Gang-controlled trade unions were established to ensure that the city's working class--the largest urban proletariat in Asia--would not rise again. Overall coordination of policing of the Shanghai working class was supervised by the Shanghai Municipal Council, whose labor director worked directly with the notorious Rockefeller think-tank for Asia, the Institute for Pacific Relations.

As the Depression deepened, arrangements were made to establish a similar "Green Gang" apparatus throughout the United States, both to distribute the heroin now being mass-produced by the Rockefeller family's Shanghai allies and to use as goons against Communists and trade union organizers.

### III. THE U.S. OPERATION BEGINS

#### Alinsky and Lucky Luciano Hired

At the Rockefeller family-founded and -funded University of Chicago, an obsequious student named Saul Alinsky was recruited in 1931 to infiltrate the Al Capone gang and collect psychological profiles on the gang and its leaders for the purpose of controlling them. Alinsky became particularly close to one of Capone's lieutenants, a mobster by the name of Frank Nitti. Alinsky had high praise for Nitti's sense of "organization"--the most important quality required for successful operation of a heroin ring. When Alinsky had completed his profiles, Capone was conveniently removed to the penitentiary and Alinsky's friend, Nitti "the Organizer," became head of the gang. Under Nitti, the gang became the leading distributor of heroin in the Midwest.

Meanwhile another gangland reorganization was going on in New York--the famous 1931 "Castellamare" gang war. When the gun-smoke cleared, it became apparent that for the first time in U.S. gangland history there was now a national crime syndicate. The syndicate's emergent leader, Lucky Luciano, was the one New York gang leader who had committed himself to organize the narcotics and prostitution trade, rackets universally shunned by the older generation of conservative Mafiosi.

It is no secret who Luciano's connections were during this formative period of a national heroin ring in the United States. Luciano, his underboss Vito Genovese, and his lieutenant Frank Costello all attended the 1932 Democratic National Convention in Chicago as part of the Tammany Hall delegation to nominate Franklin Delano Roosevelt for President. Roosevelt was the Rockefeller family's heavily backed candidate. The Roosevelt family fortune was closely linked with that of the Rockefellers through interlocks in the Chemical Bank and Hanover Bank. The FDR administration marked a turning point in the Rockefeller family's political fortunes. By the time Roosevelt's regime drew to a close, the Rockefellers had become the leaders of capitalism and had secured for themselves permanent footholds in crucial departments of Federal government.

During this period, tens of thousands of Americans were turned into narcotics addicts for the first time through heroin produced by Tu Yueh-sheng's Shanghai gangsters and distributed by Frank Nitti and Lucky Luciano's mobs. When World War II and the Chinese Civil War brought relief to U.S. addicts by cutting off the supply, the newly formed OSS, acting as intelligence and executive arm of the Rockefeller-dominated New York financial community, decided to recruit a permanent reserve army of gangsters and addict zombies to use in enforcing the postwar Pax Americana.

#### IV. OSS REVIVES AND TRAINS THE SICILIAN MAFIA AS HEROIN SMUGGLERS

During the immediate postwar period, smuggling of "morphine base"--the poppy-flower derivative from which heroin is produced--proceeded from Turkey to heroin labs in Italy and thence to the United States. The key intermediary was the Sicilian Mafia, a gangster apparatus deliberately revived by the OSS for that purpose (among others) beginning in 1943. The Italian branch of the Mafia had been virtually suppressed by the fascist dictator Benito Mussolini during the 1920s. With Mussolini's Black Shirt thugs running Italy, the Italian bourgeoisie and landlords no longer needed Sicilian Mafiosi to help them terrorize workers and peasants, as they had in pre-fascist days. It was, however, precisely for this that the OSS did need the Mafia in the wake of the collapse of Mussolini's government and the fascist party after the spring 1943 mass strikes throughout northern Italy.

The Anglo-American generals, who had sat grinning as Hitler bled the Soviet Union to near death, now rushed to invade Italy to prevent the working class from destroying the remaining Nazi occupying divisions by themselves. Instead of invading Sardinia, which would have enabled the Allied forces to jump directly into Tuscany--dividing Nazi forces in half and linking up with partisan forces in Tuscany and the north--Sicily was invaded for the sole purpose of building up the Mafia there and throughout the south. This was so a "South Korean" solution could be imposed on Italy

if the working class got out of hand in the north. Cutthroats and bandits came down from the Sicilian hills wearing pins with the number "49" on their coats--Sicily was to become the newest State of the Union!

To build the Mafia up again from its virtually extinguished state, Mafia mayors such as Don Calogero Vizzini were installed by the OSS throughout Sicily. At the same time, the Anglo-American occupying generals sabotaged the resumption of agricultural production, making Italians dependent on the occupying army's breadlines or the outrageously priced U.S. Army-backed Mafia black market. Sicilian Mafioso chief Vizzini, for example, was given a Fiat truck and other equipment so that he could engage in smuggling. Other Mafiosi were given special U.S. Army identification papers which enabled them to come and go with impunity past the numerous military checkpoints in the occupied land.

With such assistance, the Mafia quickly built itself into a thriving smuggling operation at the expense of starving Italians and the U.S. working class, who were paying for the military depot supplies the Mafia smugglers "somehow" managed to obtain. An overzealous FBI agent who had caught Vito Genovese red-handed in this operation, complete with U.S. Army free-conduct papers (Genovese had fled from the United States to Italy in the middle 1930s), was removed from his post and transferred elsewhere.

It was through this black market operation that the OSS trained and equipped the Italian Mafia for its post-World War II career as heroin smugglers, skills they had never before had. This OSS-Italian Mafia "united front" had been prepared in advance by OSS agents who met regularly with leading U.S. Mafioso Charles "Lucky" Luciano, then in a New York State prison. In return for Luciano's personal arrangement for collaboration between the OSS and his Mafia friends in Sicily, the OSS moved him to cushy new prison quarters and let him run his gangster operations out of his jail cell. Luciano's visitors, in addition to various agents of the OSS, included such beneficial influences on his rehabilitation as Meyer Lansky, the Jewish hoodlum who had organized the "Castellamare" gangland bloodbath and who later organized the U.S. heroin syndicate with Luciano.

#### Lt. Governor Poletti Secretly Dispatched to Sicily

To prepare for the invasion, the former lieutenant governor of New York, Charles Poletti--a flunkey of the Rockefeller-allied Herbert Lehmann family, already notorious for the number of gangsters he had pardoned during his three weeks as surrogate New York governor--secretly landed off the west coast of Sicily along with other OSS agents and was hidden in the homes of Mafiosi. When Anglo-American forces subsequently landed in Sicily, Poletti was made military governor of the island. It was Poletti who boosted the moribund Mafia to a prestige such as it had never enjoyed in its century-and-a-half history.

As allied forces moved north, Poletti accompanied them as military governor of the continually expanding Anglo-American-occupied portion of Italy. At his headquarters near Naples, Poletti hired as his translator and liaison to the subject population Lucky Luciano's number two man, Vito Genovese, who had fled earlier to Italy to escape trial for murder in the United States. Once in Italy, Genovese became a leading contributor to the Fascist Party and confidant of Mussolini. Genovese passed directly from his intimacy with Mussolini to his top post with OSS "station chief" Charles Poletti.

The relationship between Poletti and Genovese was no ordinary employer-employee relationship, however. The car Poletti drove around Italy was a gift to him from Mafioso chieftain Genovese. Poletti on his part provided Genovese with the military papers which enabled him to make millions smuggling food between Naples and OSS Mayor Vizzini's operations in Sicily. Within a short period, the Mafia network established by the Rockefeller-linked Poletti was moving morphine base from Turkey to Italy and pure heroin from Italy to the United States. The ports used to get the Turkish morphine base ashore for refining from freighters bound westward through the Mediterranean were the same West Sicilian Mafia-controlled fishing villages that had been used to land OSS agents prior to Allied invasion of the island.

#### Luciano Deployed

To expand the Italian heroin network into a multicontinental operation, the OSS wanted the best in the profession. Lucky Luciano was quietly pardoned in 1946 by the very Rockefeller flunkie, Thomas Dewey, who had built his public career on the strength of having put Luciano in prison and (supposedly) thrown the key away (Luciano had another 30-40 years to serve). Along with a number of other imprisoned Mafiosi, Luciano was "punished" by being deported to Europe to build up the understaffed operations there. This was the essential link in the re-drugging of the U.S. after World War II, given the curtailment of the Chinese opium supply as a result of the Civil War there.

#### V. CIA OPENS MARSEILLES HEROIN FACTORIES

The CIA's ultimately successful efforts to turn Marseilles into a vast heroin refinery also date back to the 1943 period, although full-scale refining did not get underway until the early 1950s. The Corsican underworld of Marseilles had much to recommend it to the OSS and CIA operations men. The gangsters of "l'Union Corse," as it was called, had manufactured heroin and hired themselves out as hoodlum strikebreakers during the 1930s, following the Green Gang pattern. They had distinguished themselves as exceptionally zealous Nazi collaborators during the German occupation of France. Many a Marseilles Resistance organizer owed his arrest, torture, and execution to these Corsican thugs.

Following the model of its relationship to the otherwise-doomed Italian Mafia, the OSS committed itself to protecting, arming, and subsidizing the membership of l'Union Corse, whose destiny after Liberation would otherwise have been to adorn Marseilles' lampposts. Beginning in 1943, agents Arthur Goldberg (later a U.S. Supreme Court justice), Lucien Conein (later a high CIA official), and Gaston Deferre (now CIA Mayor of Marseilles) began recruiting the Corsican gangsters into the OSS' own countergang "Resistance" movement, the Mouvements Unis de Resistance (MUR). MUR's function was to sabotage the efforts of the already existing and growing actual Resistance movement, which was under French Communist leadership. The OSS saw to it that supplies of arms, munitions, and money from the Anglo-American "Allies" went only to the Corsican hoodlums. The OSS' expectation was that the Nazis would kill off the poorly-armed pro-Communist partisans, so that agent Gaston Deferre's Corsican mob would have merely a mopping-up job to do on the few Resistance members who were left.

#### Deferre's Game

As OSS network chief for the Marseilles area, Deferre's right-hand man was the notorious gangster Antoine Guerini. Guerini has been triggerman for the Gestapo's two leading agents in Marseilles, Paul Carbone and Francois Spirito. During the 1930s, Carbone and Spirito had also distinguished themselves in the French fascist movement, their particular specialty being the assassination of militant workers, a specialty in which they were doubtless assisted by their triggerman Antoine Guerini. Impressed with Guerini's credentials, the OSS officers who were secretly parachuted into the Marseilles area to direct their countergang lived and worked out of his bistros.

Despite the OSS sabotage of the war effort, the Communist-led trade unions and Resistance movement became hegemonic in the August 1944 liberation struggles in Marseilles and throughout rural and working-class France. Under a Communist municipal government in 1946, the Nazi-ridden Marseilles police force was reorganized, creating a new unit called the Companies Republicaines de Securite (CRS), many of whose members had belonged to the pro-Communist Resistance.

The CRS soon became the bane of the Corsican underworld. Heroin traders, black marketeers, former Nazi collaborators, and the rest of the OSS' allies began to be arrested and securely lodged in prison. The OSS' newly formalized (Fall 1947) successor, the CIA, moved into action to protect its own. American "advisers" had just ordered the French government to twist the screws even tighter on the French working class. The first section of the French working class to take to the streets in protest was that of Marseilles. When a Communist city councilman was roughed up by the CIA-Guerini gangsters in Marseilles City Hall--followed by the murder that night of a demonstrating sheet metal worker--the entire working class in the city went out on

strike. The strike quickly became general throughout all France, where even the Parisian skilled worker was making a mere 65 per cent of the wages he had received during the depths of the Depression.

Gaston Deferre and Jules Moch of the CIA-run French Socialist Party called out 200,000 troops to battle strikers. They released the Corsican gangsters from prisons and purged the pro-Communists from the Marseilles police force to ensure that the gangsters would have a free hand. While Antoine Guerini's CIA gangsters battled workers in the streets, agent Deferre's Marseilles paper, *Le Provencale*, whose editor was Guerini's cousin, churned out page after page of filth against striking workers.

But it was not until the breaking of the 1950 dockworkers' strike that the CIA was able to have their way in Marseilles. CIA planners were insane with rage at the Communist-led dockworkers there, who had refused to handle ships bound for Indochina with war supplies to be used against Indochinese farmers and workers.

Sparked by the Marseilles dockworkers, the boycott of munitions ships spread throughout France so that by February 1950 arms shipments to Indochina were paralyzed. At this point Thomas Braden, a top official of the CIA and close associate of Nelson Rockefeller, conduited funds through the American Federation of Labor official Irving Brown to pay Guerini's Corsican gangsters to repeat the Green Gang scenario against the Marseilles dockworkers. The gangsters, backed up by government troops, mauled the picket lines, murdered striking workers, and helped government troops load the scab ships bound for the war zone. The Communist dockworkers union was effectively broken in Marseilles, and the waterfront now came under the control of the CIA's Corsican syndicate. Within months of this CIA-led strikebreaking, heroin refineries were re-established in Marseilles and were working in intimate collaboration with the CIA's United States and Italian Mafia liaison, Lucky Luciano.

To protect this network of heroin labs and waterfront smuggling, the CIA installed its veteran employee, Gaston Deferre, as mayor of Marseilles--a post he remains at today. As much as 80 per cent of the heroin entering the United States has been produced and shipped from this CIA stronghold on the Mediterranean. To this day the Guerini gang and successors serve as Deferre's personal bodyguards and "election assistants."

## VI. ON THE WATERFRONT IN NEW YORK AND MONTREAL

The takeover of the New York waterfront--a notorious port of entry for narcotics--repeated the Shanghai and Marseilles pattern. The East Coast longshoremen's union had been turned into a gangster-infiltrated, anti-Communist countergang already in the 1930s. As part of the famous OSS-Luciano prison "contract,"

the Mafia was confirmed in its control of the New York waterfront, given a free hand to get rich on the black market during wartime rationing, and granted draft-exempt status for its functionaries. According to the CIA apologists Ralph Salerno and John Tomkins, authors of *The Crime Confederation*, "Most of the bosses of organized crime were either too old to serve, had physical defects, or were deferred as the managers of essential businesses."

With Luciano deported, his lieutenant Vito Genovese was conveniently returned to the United States to fill the now vacated leadership slot. The FBI sighed that the only warrant it had been considering against Genovese was for a 1934 murder, the one witness to which, alas, had just been mysteriously poisoned in his Brooklyn prison cell.

Both Genovese and Luciano before him had built up drug smuggling units within the East Coast longshoremen's union (ILA). For example, the ex-vice president of ILA local 856, Sam Mogavero, was involved in the Harlem heroin trade. A large section of the Brooklyn docks was turned over to the Anastasia brothers. Albert Anastasia, the family boss, was a close friend and associate of Luciano. He had moved to a top position in the Mafia as a result of his leadership of "Murder, Inc.," a hit squad which served to protect heroin operations and terrorize dockworkers generally.

When desperate dockworkers struck in 1953, despite the CIA-backed terror apparatus against them--including their own union leadership--Rockefeller stooge Gov. Thomas Dewey used the excuse of "union gangsterism" as a pretext for smashing the strike, although he himself had signed Luciano's pardon and was later revealed to be co-owner of a Bahaman gambling haven together with Caribbean heroin and prostitution czar Meyer Lansky.

#### The Montreal Operation

A similar combined strikebreaking and drug-running operation was set up by the CIA in Montreal. It was initiated by the CIA-controlled leadership of the American Federation of Labor Executive Council, which ordered its Canadian affiliate to expel the pro-Communist Canadian Seamen's Union in favor of the gangster-run Seamen's International Union (SIU) led by Hal Banks. Soon after this, the Europe-Montreal-New York heroin route came into prominence.

U.S. citizen Hal Banks, despite his long period record including three-and-a-half years in San Quentin, was allowed to remain for 15 years in Canada without Rockefeller's Liberal Party collaborators in the Canadian government ever raising a peep. As in the case of the East Coast longshoremen, Banks was kept on as a convenient CIA time bomb to be detonated against the hapless SIU rank-and-file whenever convenient. In the early 1960s, the Canadian government union busters finally struck, using the opportunity to put all Canadian maritime unions into receivership for a period.



Banks, whose usefulness to the CIA in Canada was now at an end, fled home to the United States. When the Canadian government tried to have him extradited on perjury charges, Banks was saved from extradition--he might have blabbed in a Canadian court --thanks to the personal intervention of U.S. Secretary of State Dean Rusk, who took the unusual step of overruling his own legal advisers in this matter. Prior to his position as Secretary of State, Rusk had spent eight years serving his favorite family while president of the Rockefeller Foundation.

#### VII. THE CIA UNEARTHS THE GUSANOS AS A COUNTERINSURGENT FORCE

The biggest postwar expansion of the CIA's North American distribution apparatus came following the 1959-1960 revolution in Cuba, when the demi-monde of the Caribbean, which had resided in Havana, was forced to flee to Florida refugee camps to escape the wrath of the Cuban population. The most fetid of these expropriated whore house operators, casino managers, Battista police detectives, and hustlers--usually referred to collectively under the polite name of "gusanos" (worms)--were now recruited and trained by the CIA for its two (at first) interchangeable operations: invading Cuba and drugging U.S. ghettos. Even the New York Times was to provide belated if understated documentation of the CIA blowing itself in this affair. The Times noted that "Among those who have moved into the drug trade are certain members of the ill-fated Assault Brigade 2506, which landed at the Bay of Pigs on April 17 [1961]."

The Long Island publication Newsday was slightly more expansive, admitting "that at least 8 per cent of the 1,500-man [Bay of Pigs invasion] force has subsequently been investigated or arrested for drug dealing, including Cuban exile hero Emanuel Penabas, now serving 9 1/2 years for cocaine smuggling." Newsday also quotes a Bureau of Narcotics agent it interviewed. The official admits: "If it hadn't been for their CIA training, some of these might never have gone into the [smuggling] business."

This CIA-trained force of Latin counter-revolutionaries now runs significant payloads of heroin and cocaine from Florida to the New York-New Jersey area and points west, as well as personally servicing Harlem via the gusano community in New York's Washington Heights. The number of human beings these CIA Cubans have murdered for Rockefeller on his Harlem plantation makes his Attica massacre seem modest by comparison.

#### VII. THE "GOLDEN TRIANGLE" DOPE FARM IN SOUTHEAST ASIA

To service the added distribution capacity afforded by the gusanos, Rockefeller now turned Southeast Asia into the greatest opium plantation in history. At the end of World War II this area--known as the "Golden Triangle" and comprising northeastern Burma, northern Thailand, and northern Laos--produced less than

80 tons of opium annually. By 1970, under CIA tutelage, the same area was now producing 1,000 tons of opium per annum--making it the supplier of 70 per cent of the world's illicit supply.

The CIA's technique for increasing agricultural productivity in Southeast Asia was as simple as it was unsubtle. Hill farmers were told to grow heroin or be napalmed. Rice was air dropped by CIA helicopters so that maximum acreage would be devoted to the poppy growing. Women were told to care for the poppy fields; "men" (even 13-year-olds had to go) were abducted in helicopters, given a gun, and told to fight Commies or Uncle Sam would blow their brains out.

The CIA's first Southeast Asian opium plantation had a slightly different, if no less compulsory, origin. By 1949 several divisions of troops belonging to Rockefeller's original dope peddlers, the Chinese Nationalist government, had been run out of China by the victorious Communist government. Rather than resettle the Kuomintang units on the counter-revolutionary fortress of Taiwan, they were kept in the "Golden Triangle" area on their new assignment as the armed overseers of the CIA's newly organized poppy fields. To revive their collapsed morale, the CIA encouraged the soldiers to use their machine guns vigorously in subjugating the virtually Stone Age farming people in the Shan State area of northern Burma. The Shan people were forced to grow opium for the Kuomintang, rendering a yearly tribute which Kuomintang troops then transported by caravan to railroad junctions or airfields to be picked up by the CIA airline, "Air Opium."

By the 1960s, the CIA-led Kuomintang armies in Burma were producing one-third of the world's illegal opium. In little over a decade they had expanded Burma's opium production from 40 tons to 300 tons. Until then, the Shah State area had been a relatively minor poppy cultivating area.

"Air Opium"--officially known as CAT or Air America--which flew the opium out of the bush, was under CIA contract. The CIA front that nominally owned the airline--"Pacific Corporation"--contained an all-star cast of various Rockefeller associates, including a deputy director of the CIA, a director of Boeing and the Stanford Research Institute, and a life trustee of Columbia University.

The Burmese government made numerous efforts to expel the CIA's army from its own sovereign territory, including appeals to the United Nations. In 1961, with the help of Chinese Communist forces, the government managed to overrun the headquarters of the Chinese Nationalist forces in Burma. Five tons of recent manufacture U.S. ammunition were captured; the government also managed to shoot down an American-made Liberator bomber making supply runs within Burma.

The cover story the CIA circulated to dupe credulous conservatives in the United States was that its support of the Chinese

Nationalists illegally in Burma was for the purpose of reinvading China. This in 1961--when the U.S. Army itself could not get past the Korean 38th parallel in 1951-1953!

The opium armies in Burma and Thailand had little to do with China. The opium that was not flown out of the bush by Air America travelled by Kuomintang caravan to the northern Thai rail depot of Chiang Mai, where it was delivered to the Thai police chief, General Phao, another CIA client. Beginning in 1951, Phao's police had been supplied with lavish quantities of naval vessels, arms, armored vehicles, and aircraft by the CIA front organization, Sea Supply Corporation. This equipment was predominantly put to use by the Thai police in transporting the opium from Chiang Mai to Bangkok for processing and subsequent export.

#### Under Donovan's Supervision

The roads the Kuomintang used to bring its caravans to Chiang Mai were built by one of Rockefeller's strongholds in the State Department, the Agency for International Development (AID). Both the Kuomintang and Thai police operation were personally supervised by the CIA's first director, William Donovan, when he was conveniently present in the area as "U.S. Ambassador to Thailand" in 1953-1954.

Subsequently, Kuomintang armies not only were able to come and go with impunity in northern Thailand, but even were able to set up heroin laboratories at Mae Salong, Thailand (headquarters of the Kuomintang Fifth Army) and at Tam Ngop, Thailand (headquarters of the Third Army). Both of these camps and labs are in actuality run by the CIA.

CIA operations with the Meo hill farmers of Laos began in the late 1950s. Again, there was the familiar pattern of several-fold multiplication of opium production once the CIA "agronomists" entered the area with their special tools and techniques. Opium was collected by CIA-paid Meo mercenary officers who were flown in on helicopters piloted by U.S. citizens who were also on CIA payroll. The opium was then flown to refineries at Long Tieng or Ban Houei Sai, both in Laos. The first was an actual CIA base; the second was nominally under the jurisdiction of the Royal Laotian Army, which is the only army in the world, besides the U.S. Army itself, wholly financed by the U.S. government.

#### IX. NELSON ROCKEFELLER'S ZOMBIE ARMY

The same pattern of CIA-installed drug peddlers at the top-most levels of government was also characteristic of that citadel of U.S.-backed prosperity and democracy, South Vietnam. The CIA official who set up the South Vietnamese operation, Lucien Conein, brought with him a rich experience from Marseilles, his previous station. Transferring to Saigon with him were a number of the CIA's l'Union Corse gangsters.

South Vietnamese "Air Force Chief" Nguyen Cao Ky actually gained most of his flying time transporting raw opium from Laos to Saigon. As leader of the "first Transport Group," he was on direct assignment to the CIA. Ky was later rewarded for these services by being made one of the CIA's puppet premiers for a period. While he was premier, the South Vietnamese end of the CIA's opium and heroin network was handled by the director-general of the Vietnamese National Police, the internationally despised General Nguyen Ngoc Loan, whose other sport was executing bound Vietcong prisoners.

### The "New Army"

By the late 1960s, morale of U.S. soldiers in Vietnam had become so low that the CIA decided to turn its G.I. cannon fodder into platoons of narcotized zombies--"the New Army." In a deliberate, coordinated move, CIA heroin labs in the Golden Triangle area added to their repertory the dangerous ether precipitation process which results in the highly purified, soluble powder ("No. 4" grade) suitable for hypodermic injection.

This 95 per cent pure heroin was flown into South Vietnam by Air America. One of the factories which produced the heroin was a "Pepsi Cola bottling factory" on the outskirts of Vientiane, Laos. According to one researcher, the factory has yet to produce a single bottle of Pepsi! But it did receive generous financing from the Rockefeller-controlled AID.

At the same time that the Golden Triangle labs were retooling heroin production for American G.I.'s, commanding officers in Vietnam were ordered to crack down ruthlessly on marijuana smoking. Marijuana virtually disappeared just when the CIA's heroin became available at the give-away price of two dollars. (The same envelopes were sold for \$300 in the United States.) As further encouragement, commanding officers opened up bases to Vietnamese prostitutes, who brought large quantities of the drug on base with them, selling it. By 1969, there were already 37,000 G.I.'s strung out on heroin.

### Back Home

To welcome these G.I. addicts home, New York Governor Nelson Rockefeller led the nation in the early 1970s by passing model laws giving the courts the right to put junkies away for life. The purpose of these life imprisonment laws was to terrorize the existing addict population and drive them into the proliferating state and private methadone brainwash centers. There, deprived of their minds, they could be mobilized into a zombie strike force to be used at Rocky's will.

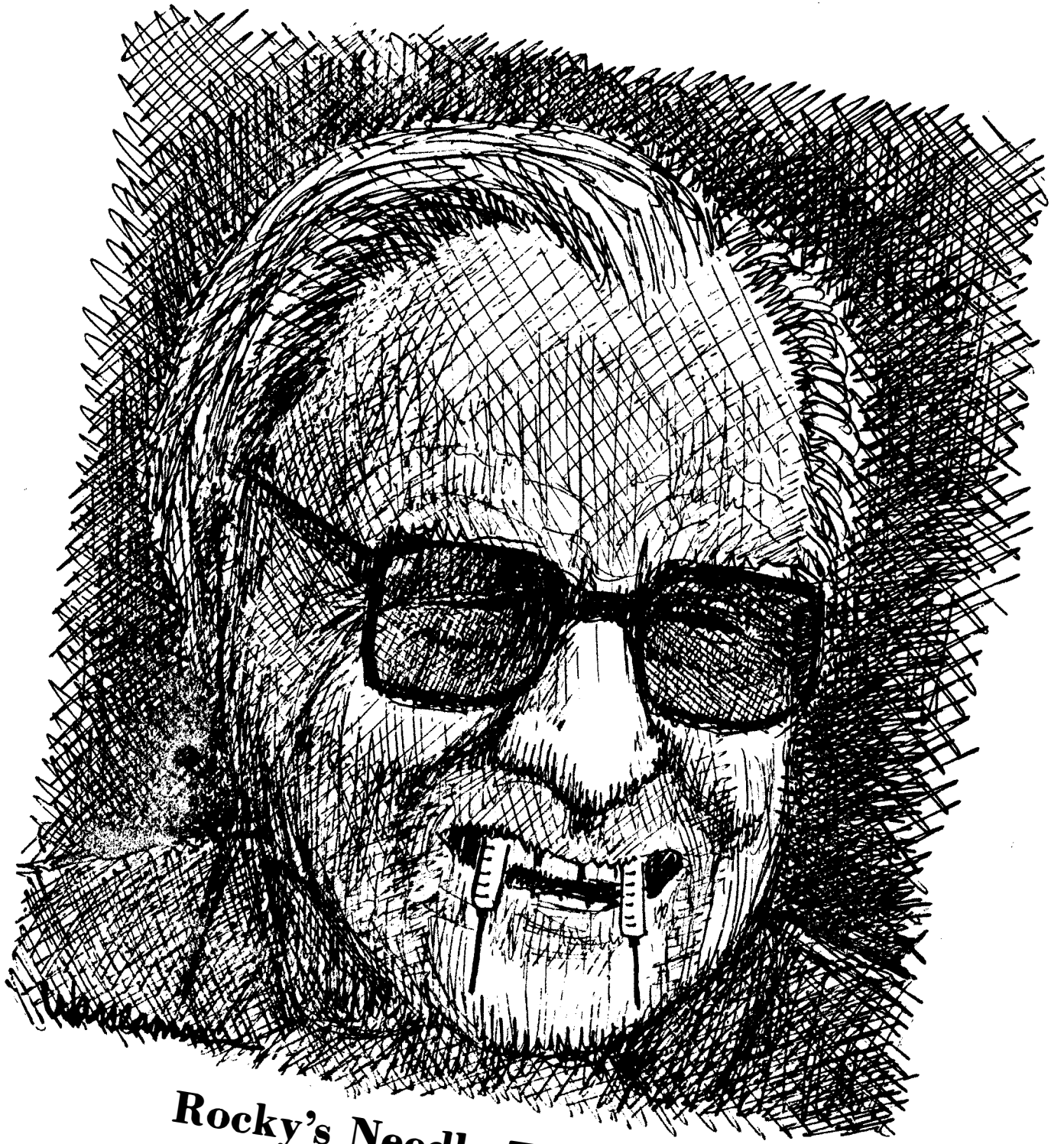
## X. STOP ROCKEFELLER'S ORGANIZED CRIME

Why haven't "our" law enforcement agencies put a stop to these criminal activities? We quote Nelson Gross. As "Senior Adviser and Coordinator for International Narcotics Matters, Department of State," Mr. Gross told the Senate Judiciary Committee in 1972 that "responsibility for narcotics intelligence coordination" resides in the...CIA. "The Central Intelligence Agency," Mr. Gross expanded, "provides invaluable assistance in its collection and analysis of drug-related intelligence."

The House of Representatives' Committee on Foreign Affairs is also charged with overseeing narcotics investigation. We read in a report of the Staff Survey Team appointed by the Committee: "In the past year there have been several public allegations to the effect that the Central Intelligence Agency has been involved, directly or indirectly, in narcotics traffic in Southeast Asia.... The Staff Survey Team found no evidence to support these allegations." Inquiring further we discover that the figure responsible for the functioning of the Staff Research Team is Congressman Robert Steele, a former employee of...the CIA.

And the U.S. Bureau of Narcotics? It must have been feared that even this bumbling federal agency might stumble into the CIA's "Pepsi Cola bottling plant" in Vientiane, Laos. For when the Bureau mooted sending a team of agents to Laos to investigate the source of heroin that was drugging G.I.'s in South Vietnam, the investigation was quashed both by Rockefeller minion Henry Kissinger and...the CIA.

What about the Narcotics Division of the New York Police Department, charged with investigations in the narcotics capital of the United States? Newsday writes that as a result of demoralizing "...corruption charges by the State Investigation Commission and the Knapp Commission...most of the men, including a large number of honest ones, were transferred out of the division." Newsday omits, however, that the entire membership of the State Investigation Commission was appointed by Governor Nelson Rockefeller and that the Knapp Commission was similarly composed of various individuals whose political and financial ties are to Nelson Rockefeller.



**Rocky's Needle Trade**

## CABAL ATTACKS FUSION ENERGY FOUNDATION SCIENTIST

Jan. 15 (IPS)--On Friday, Jan. 10, Internal Revenue Service (IRS) agent Joe Wierney telephoned the residence of Dr. Louis Gold, founding member of the Fusion Energy Foundation and member of the Scientific Advisory Board of that organization. Gold was told to expect a letter threatening immediate seizure of all his assets unless he paid approximately \$1,400 allegedly owed to the IRS in connection with a long pending bankruptcy suit. The IRS' illegal harassment of Dr. Gold is part of the Federal Government's campaign to sabotage crucial brute force development of fusion power.

Dr. Gold recently completed a paper commissioned by the Fusion Energy Foundation for immediate submission to leading physics journals, demonstrating a new approach to laser fusion which he developed and which could be tested with existing technology within months. Presently used programs for laser fusion research have stalemated.

### Bogus Charges Revived

Recent harassment of Dr. Gold dates back to the bogus case brought against him by the IRS in 1970 and actively revived in October 1974, after Dr. Gold began collaboration with the National Caucus of Labor Committees. That case involved the fraudulent takeover of Dr. Gold's former company, Dynamic Conversion, Inc., by a group under the direction of the notorious corporate fraud, Harold S. Brady of Kentec Industries. Immediately following Dr. Gold's resignation from the company in 1969, the company was dissolved under Brady's influence; and patents which normally would have reverted to their inventors were wholly taken over by a newly formed corporation, Personal Communications, Inc. Dr. Gold's attempts to expose Brady's machinations and to win redress were unsuccessful. In fact, Dr. Gold was threatened with arrest on phony charges of default of payment of back salary to a Dynamic Conversion employee known to be frontman for Brady.

In the spring of 1970, the IRS fraudulently notified Gold that he was liable for debts of the defunct Dynamic Conversion, Inc. The case was first re-opened, April 1974. In October 1974, shortly after the publication in New Soliarity--twice-weekly newspaper of the NCLC--of an article outlining government sabotage of Gold's efforts to engage scientists in fusion research around breakthroughs he developed in the field of laser fusion, IRS agent Wierney appeared at Gold's home and demanded immediate payment of the alleged debts. Wierney also inquired into Gold's financial status, including asking how much money Gold carries on his person. Wierney then proposed that Gold sign a handwritten "abatement," with the assurance that then "the matter would be settled."

On Friday, Jan. 10, 1975, agent Wierney recontacted Gold, telling him to expect a letter and that there had been a change

in the case. On Jan. 11, Gold received a form threatening seizure of his property and demanding immediate payment of \$1,376.68. This most recent revival of interest in the case follows publication in the Labor Committees' theoretical journal, The Campaigner, of Gold's "Project Jericho--An All Out Assault on Controlled Fusion," outlining the extent of sabotage of fusion work by the government with the help of Rockefeller agent Edward Teller.

### Stopping Rocky's Witch-Hunt

Systematic harassment of scientists has occurred before, within the context of cold war hysteria. During the McCarthy witch-hunt, many scientists were attacked and ruined for collaboration with Communists and workers' organizations, culminating in the execution of two Communist Party members, the Rosenbergs, for alleged spying.

The Labor Committees are demanding an immediate investigation into the circumstances of the "re-opening" of Gold's case. Workers and scientists determined to stop Rockefeller's planned ecological holocaust will ensure the continuation of crucial scientific research and the political conditions necessary for the development of that research.

### CIA BUMPS 3 OFF CHICAGO BALLOT

CHICAGO, Jan. 15 (IPS)--The CIA-controlled Board of Elections here yesterday sustained challenges filed by lawyers representing the machine of Mayor Richard Daley and disqualified three U.S. Labor Party candidates for Alderman. The "disqualified" candidates were: Leo Scanlon, Labor Party candidate in the 10th ward, John Brown, Labor Party candidate in the 34th ward, and David Hoffman, Labor Party candidate in the 22nd ward. Challenges against Joe Bell, Labor Party candidate in the 3rd ward, were ruled invalid: he will be on the ballot. Dennis Dixon, Labor Party candidate in the 7th ward--a ward in which the Daley machine does not exist--was not challenged and will also be on the ballot.

The Labor Party is currently meeting with the American Civil Liberties Union to draft an appeal.

The three disqualifications followed hearings in which hysterical Daley lawyers tried every legalistic theatric to push their fraudulent case; the final decisions reflect an obvious corrupt bargain struck between the Watergated Daley machine and CIA forces on the Election Board.



## TRADE BILL NULLIFIED; COLD WAR REVIVED

Jan. 15 (IPS)--U.S. Secretary of State Henry Kissinger announced the nullification of the new U.S. trade bill, after the Soviet government rejected repeated provocations by the Rockefeller cabal. The provocations include: requirements on Soviet emigration policies, withholding Most-Favored-Nation status and the absurdly low \$75 million annual ceiling on Ex-Im Bank credits.

After militant warnings last month, Soviet Politburo hardliners put their foot down and refused to play the Rockefeller psywar game. The cabal's response, stated by Kissinger, is to cancel the new trade bill and the 1972 charter agreement of Nixon-Brezhnev detente, threatening imminent massive Cold War moves.

### IPS INTERVIEW: ROCKY MAY LOSE CONTROL OF ARABS

NEW YORK, Jan. 15 (IPS)--David Rockefeller's Arab stooges may jump ship and take care of their own, a banking source close to Rockefeller said today.

"There is a possibility" that the OPEC countries will raise their oil prices to compensate for the collapse of the U.S. dollar," stated the source, who is a member of David Rockefeller's Trilateral Commission. "There are ways that Arab oil money could be used which would be destabilizing, just the way it crosses the [foreign currency] exchanges," he said.

Since mid-December, the U.S. dollar has lost a large portion of its value against other leading currencies, as a result of a breakdown of Rockefeller's plans for large-scale, labor-intensive development projects. Since the "petrodollars," or Arab oil loot, are no longer investable, the dollar's worth has suffered.

In addition, the source hinted that the Arab collaborators of the Rockefeller gang have been shortchanged by the Rockefeller oil companies to the point that some of the oil loot "is still bottled up in the oil company pipeline."

The problem facing Rockefeller, the source indicated, is that the Arab oil sheikhs are "semi-literate bandits" who get into trouble when left to their own devices. "There's a tremendous problem of getting additional contact with OPEC [Organization of Petroleum Exporting Countries] leaders. They are going to have a large stake in the world economy. They need sustained experience in exercising responsibility."

The Trilateral source added: "Suppose someone gave you or me a million dollars. You'd be shocked. You wouldn't know what

to do with it." The problem is that "the OPEC countries can't provide the initiative for this. The responsibility is from our own governments in the developed countries." But, he admitted, there is no centralized institution willing to take responsibility for managing the crisis, because of the political instability of Western governments.

#### U.S. TROOPS INVADE FRANCE

Jan. 15 (IPS)--The Var Department (equivalent to a county) in the south of France will soon be invaded by U.S. troops of the Sixth Fleet, in violation of former President DeGaulle's 1964 decision to pull France out of NATO. The military base of Canjuers will be put at the disposal of U.S. troops for a special training operation, "in geographical conditions close to those they would face in the Middle East," warned French Communist Party General Secretary Georges Marchais.

Since the summer, the Var Department has been the scene of numerous provoked riots. During the summer, hundreds of soldiers staged a demonstration in Draguignan led by anarchist-Maoist grouplets. Months later, Interior Minister Poniatowski ordered that the departmental capital of the Var be moved from Draguignan to nearby Toulon, wiping out a big source of jobs for local residents and provoking violent clashes with the police.

The proximity of Marseilles, a key area for the show of strength between the French Communist Party and Socialist Party, cannot be discounted as the reason why the Var Department has been targeted for these operations.

#### BANKERS DECLARE AUTO PLANTS WILL STAY SHUT

Jan. 15 (IPS)--In stark contrast to the U.S. Labor Party program to use idle auto capacity and auto workers for tractor production, the Rockefeller financiers have declared that they will junk exactly half of the auto industry and its workforce. Unspoken still are their contingency plans to turn the operating section of the industry into production of useless tanks and fighter planes.

Lyn Townsend, chairman of the board of Chrysler Corporation, announced on behalf of the Rockefeller faction that as long as the economy remains under its thumb, several hundred thousand now

unemployed automobile workers will never again re-enter the industry to either produce cars or tractors. To fulfill this prediction--splashed across the front page of the New York Times--Townsend disclosed Chrysler's plans to reduce its overhead workforce by at least one-third.

Townsend's constituents are not auto workers or farmers--they're the New York banks which control his corporation. As previously documented in IPS, Chrysler's own moves toward production cutbacks, layoffs, and wage reductions were the banks' conditions for a new \$400 million credit line which Chrysler needed to avert a bankruptcy. As a result of this permanent elimination of half its workforce and operating capacity, Chrysler, according to Townsend's own estimates, has actually improved its financial condition.

Townsend's remarks could easily have been predicted. On the previous day, the chairman of the board of Manufacturers Hanover, the Rockefeller-dominated New York bank which controls Chrysler, declared that workers would have to accept a "deceleration in living standards as a long-term solution to this crisis."

#### NEWEST HOAX: FORD'S ENERGY PROGRAM

Jan. 15 (IPS)--In a speech rehearsed four times and delivered in the style of a marionette, President Ford outlined on Monday night a combined energy and economic program which, if implemented, will have economic, social, and political consequences far greater than that created by the first Rockefeller-engineered oil hoax.

Despite press play-up of Ford's proposed tax cuts as the central thrust of his speech, this package was but a small concessionary trade-off to the working class in return for its acceptance of war-footing austerity programs on the scale of World War II. "We need within the next 90 days," Ford declared, "the strongest and most far reaching energy conservation program we have ever had."

Threatening the working class with the reality of long gas lines and rationing unless his measures are introduced, their actual implementation will have exactly that effect.

Through the use of emergency presidential powers disclosed in his speech, Ford has set in motion the step-by-step process that will lead to a self-imposed oil embargo. If the \$3 import fee on foreign crude oil does not accomplish the unrealistic goal of a two million barrel a day reduction in imported oil consumption by 1967, this will be supplemented by presidential powers to arbitrarily limit oil imports. The immediate consequence of this would, as Ford himself concedes, create shortages, gas lines, and rationing. In expectation of this inevitability, Ford said today

in his State of the Union Message that he will request "standby authority" to ration gasoline as part of broader emergency powers.

Second, the combined energy price increases resulting from taxes on imported and domestic crude oil, and the deregulation of domestic crude oil and natural gas, will represent a far greater cost to American industry and workers than that produced by the 400 per cent increase in the price of oil last October. The immediate effect this will have on corporations already strapped for cash from the first oil hoax will be uncontrollable bankruptcies, the acceleration of the present breakneck collapse of production, and the continued process of deindustrialization.

Third, the accumulation of over \$30 billion in the hands of the Federal government as a result of the energy tariffs and taxes will create the centralization of credit through which Rockefeller could possibly begin to implement his labor-intensive energy development projects. The extent to which a sizeable portion of these continually accumulating funds will be earmarked for energy projects was made clear by Ford in his declaration that no new federal spending will occur next year for energy development.

Against the reality of these deflationary energy measures, the tax cut proposals will have little stimulative effect. In effect, workers will receive tax cuts, but thrown out of work by a second oil hoax, they will have no income to be taxed.

ROCKEFELLER-LONDON AXIS MOVES FOR COLD WAR SHIFT;  
ICLC PROPOSES REAL DETENTE POLICIES TO BEAT MILITARIZED DEPRESSION

Jan. 15 (IPS)--The Rockefeller-London axis has torn up the detente agreements which provided the foundation for international politics in the past period. This major shift in world politics has thrust the world into an era of cold war confrontation with the Soviet Union leading inevitably to the threat of thermonuclear holocaust. This decision means that the world has now entered a political crisis as grave as that of 1936-37, when Hitler's full-scale militarization program signalled that full-scale European war was on.

In the same way, the London-Rockefeller axis today finally buried the politics of detente. Today as in 1936 the human race stands but a short step away from the horror of war--this time thermonuclear destruction. Schachtian methods of finance and militarization of the economy, as signalled by the London Financial Times Jan. 13, are now the Rockefeller-London orders of the day. Under these political economic conditions, there can no longer be any illusions about the immediate threat to the populations of the Third and Fourth Worlds, condemned to be ground up as grist for the mill of militarization in the advanced world.

While the Rockefeller-London axis has ripped up detente, the International Caucus of Labor Committees (ICLC) proposes the creation of real detente. East-West trade must be expanded on the basis of a crash food and energy program. Immediately:

\*In the U.S. sector, the U.S. Labor Party is proposing that Congress levy the necessary \$32 billion appropriation to ensure this year's spring planting and launch the expansion of fertilizer and tractor production.

\*In Europe, a handelsbank must be created to finance the necessary development of truck, tractor, fertilizer, and pipeline construction, while extending credit to develop such a trade with the countries of the Comecon.

This program represents the only sane alternative for the human race.

## RED SCARE BUILDS IN MEXICO AROUND MORENO CASE

Jan. 14 (IPS)--After two weeks of deferring public responsibility to the local Mexico City police, the Administration of Mexican President Luis Echeverria moved yesterday to take direct control of the red scare being built around the recent assassination of Mexican Communist Party member Hilario Moreno, while hinting at the Soviet Union's involvement in an alleged "Communist conspiracy." Moreno was murdered at the hands of the Mexican Direccion General De Policia Y Transito (DGPT). According to today's Excelsior, Mexico City's leading newspaper, the Federal Attorney General Pedro Ojeda Paullada stated that there was in fact a conspiracy among Guatemalan and Mexican communists, of which Moreno was a part, and that the Federal authorities were moving to investigate it on personal instructions of President Echeverria.

In a related matter, Ojeda Paullada went on to report that six local police officers had been arrested for allegedly robbing jewels and other valuables from the home of Lilian Jimenez, a Salvadorean national recently arrested and terrorized in Mexico City in connection with the "Central American Communist conspiracy."

In an article entitled "In Search of the Guatemalan Conspirators," Excelsior reports that Ojeda Paullada claims to have uncovered an organization of Guatemalan and Mexican communists who were obtaining false Mexican passports to help Guatemalan nationals escape their country's fascist dictatorship. According to the Attorney General, Moreno was a key part of this ring, as were Eusebio Martinez, another Mexican Communist Party member arrested along with Moreno, and Lilian Jimenez. According to Excelsior's accounts of Ojeda Paullada's statements, Mrs. Jimenez, the widow of exiled Guatemalan poet Raul Layva, was also "an employee of the public relations office of the Russian Embassy in our country," and she "maintained contact with the clandestine group" of Guatemalan and Mexican communists.

### Repression Escalates

Repression against the Mexican left continues to accelerate. Four or five shipments of the Latin American Labor Committee's newspaper, Nueva Solidaridad, have been illegally confiscated by Mexican customs officials since the beginning of 1975, while one such official claimed that there was a warrant out for the arrest of LALC member Silvia Palacios Zea as the named recipient of one such shipment.

The International Press Service has learned from a member of the Central Committee of the Mexican Communist Party that Eusebio Martinez, the Communist Party member arrested with Moreno, is still in jail, where he is being held incommunicado without charges. It is reported that his life is regularly threatened by his jailors, and that he is subjected to psychological attacks.

## "Watergating" the Police

This blatant attempt by the fascist Echeverria administration to generate an international red scare out of the assassination of a communist by the Mexican political police has been coupled with a move to lay the blame for the whole ugly incident on low-level policemen. It was also announced yesterday that 25 detectives were taken to Military Field #1 for interrogation about the robbery of 20,000 pesos (U.S. \$1,600) in jewels and other valuables from the home of Lilian Jimenez at the time of her arrest. Of those 25, six were apparently held as responsible for the act, although there are conflicting reports that state that 15 policemen were arrested.

This attempt by Echeverria to deflect any criticism around the Moreno affair onto low-level police officials was pushed forward by an article on the Op Ed page of the Jan. 13 Excelsior. In a column entitled "Pinochet en Tlaxcoaque" (meaning "Pinochet, in Mexico"), Raul Prieto correctly hints at the growing Chileanization of Mexico by detailing the case of an unidentified woman who was kidnapped and held for two days by the Mexican political police. He then misleadingly concludes that Mexico's major "fascist enclave" is in the political police.

### FINANCIAL TIMES RECALLS NAZI FINANCE MINISTER SCHACHT

Jan. 14 (IPS)--Under the pressure of capitalist collapse, the prestigious international financial daily, the Financial Times, this week began publicly reminiscing about bankers' "good old days" in Nazi Germany.

Devoid of current news--the European and American news pages were devoted to a two-page ad from Minnesota Mining and Manufacturing--the Financial Times Jan. 13 featured an article by top Times commentator Samuel Britten on "How the Doctor's Cure Ended Inflation." The "Doctor" Britten referred to was Hitler's Finance Minister Hjalmar Schacht.

While unwilling to admit outright that world bankers today face a situation comparable to that of Germany in the late 1930s, Britten waxed nostalgic over Schacht's ability to restore capitalists' confidence in the German economy after the ruinous three-digit inflation of the early 1920s. Admitting that "irreparable damage had already been done" by the time Schacht officially took over as Finance Minister for the Nazis in 1934, Britten refused to see Hitler's Gestapo and extermination camps as the logical and inevitable consequences of the Schachtian economic policies pursued throughout the preceding decade.

But in backdoor fashion, Britten recognized that the most important feature of Schachtian economics is the political club

required to back up the looting of the working class--the club provided by Hitler's little army of thugs. Sighing over the impotence of Britain's weak-kneed Labour government, Britten reminded his readers that "The indispensable need to control the supply of money in the face of potentially unlimited Government requirements and the greater importance of public credibility than any mechanistic formula seem as true today as they were then"--in the days of the brownshirts.

In a bid to restore Schachtian confidence in the international monetary system, British Chancellor of the Exchequer Denis Healey is currently in Washington meeting with Nelson Rockefeller and Henry Kissinger. U.S. Federal Reserve head Arthur Burns has also been dispatched to Bonn in order to carry on consultations there with West German Chancellor Helmut Schmidt.

The reported subject of these talks is the respective merits of the Healey and Kissinger plans for recycling Arab petrodollars. Britten's piece on Schacht is a gentle reminder to these gentlemen that they'd better concentrate their attention on building the political muscle to enforce one of these bloodsucking operations, muscle which they obviously lack right now.

#### STRAUSS PREPARES FOR NEW COLD WAR BY STRENGTHENING FASCIST-MAOIST AXIS

WIESBADEN, West Germany, Jan. 14 (IPS)--Franz-Josef Strauss, neo-Nazi Chairman of the Bavarian Christian Social Union (CSU), is rapidly consolidating both domestic and international allies in preparing a future mobilization for all-out rearmament of the European economy.

The vociferous anti-working class and anti-Soviet Strauss is presently on an official visit to the People's Republic of China. Received with the pomp of a head of state, he is reportedly discussing a "global analysis of the world political situation" with the Chinese, who have previously given their support to NATO as a means of crushing the "Soviet military threat." He will meet with high military leaders to discuss, among other topics, the Mideast situation.

Discussion has not been confined to international issues. Red Chinese Foreign Minister Tschiao also praised Strauss for the 62 per cent majority he received in last year's Bavarian state elections: "This is a sign that you have reflected the opinion of the largest number of friends. The principle of differing opinions is a beautiful thing." For the ruling elements in the Byzantine Chinese bureaucracy, support of fascist Strauss is merely another tactic in their realpolitiking against the Soviet Union.



## BANKER SINDONA MARTYRED FOR BANK COLLAPSE WAVE

NEW YORK, Jan. 14 (IPS)--Michele Sindona, the Italian financier whose collapsing banking empire was used by Rockefeller media to make him the scapegoat for last spring's wave of bank collapses, is now being resurrected for an encore.

Last week Sindona's Geneva-based Banque de Financement (Finabank) was shut down by Swiss authorities after it was announced that it had lost \$60 million speculating on behalf of another Sindona operation, Edilcentro International, on the foreign exchange market. Financial sources have begun to predict a chain reaction of bank troubles caused by Finabank's losses.

There will most certainly be a wave of bank troubles caused by conditions on the money markets of which the flamboyant Sindona is a victim rather than the cause. Rockefeller's failure to get his slave labor energy development projects off the ground and thereby guarantee the future value of the dollar has thrown the world's foreign exchange markets into chaos. Dumping their dollars like so much toilet paper, speculators have bet daily on one European currency after another depending on where the looting looks most promising. As a result, currencies have been fluctuating wildly which can be fatal to a bank that happens to get caught holding a devalued currency.

Nonetheless, Rockefeller controlled media are trying to tell the credulous that Sindona is the man to blame for the latest bank instability. The Italian weekly Panorama reported that a major part of the Edilcentro transactions were carried out with Credit Suisse and that Credit Suisse would lose huge sums of money because of Finabank's closing. This story was also picked up by the New York Times.

However Jan. 13 Credit Suisse officials hysterically denied that it was owed any money by Finabank and accused the Times and Panorama of spreading false rumors. The Times printed a retraction --buried at the end of another article outlining the Sindona chain reaction theory!

To add more fuel to the story, the Times today reported that First National Bank of Boston would lose \$9.1 million because of the Finabank closing.

Last spring, the Times and other Rockefeller media ran a series of articles on Sindona's shady dealings as part of a campaign to suggest that the slew of bank collapses were the result of bad management, unauthorized foreign exchange trading, and other illegalities. The real cause of the collapses was the capitalist money crisis caused by last winter's oil hoax.

Sindona's position as one of the Vatican's top financial agents makes him the perfect candidate for the scapegoat role.

Rocky knows that the Vatican "big" will muzzle him in order to prevent their multibillion dollar capitalist holding from coming into the public eye.

#### WILL BRITAIN DECLARE A DEBT MORATORIUM?

Jan. 14 (IPS)--A high British monetary official has stated that a debt moratorium for Great Britain--something no British capitalist would have dared to even think about a few months ago--may be the only way out.

In an interview today, the official said, "Britain has a tremendous debt burden that we will have to pay--if we ever do repay it." Asked whether he was referring to the possibility of a debt moratorium, the official responded, "It may come to a debt moratorium if things get worse...it will definitely come to that."

That British bankers--of all animals--should begin frantically whispering about a debt moratorium is indicative of the spreading hysteria throughout the international financial community as the threat of industrial and financial sector bankruptcies overtakes the ability of any central bank to bail them out.

Fueling the hysteria are recent hasty maneuvers at the international financial level, such as the open-ended credit line suddenly extended to Sweden by the Bank for International Settlements, the European central banks' central banker. The credit line was opened up after Sweden's announcement that it could not raise the necessary funds in the capital markets. Similarly provocative is the now widely acknowledged fact that Italy requires monthly infusions of hundreds of millions of dollars in credit to merely keep its head above water.

Apart from an out-dated and moribund industry which threatens to go poof at any moment and the crumbling North Sea Oil scheme, Britain is more or less immediately slated for the undertaker on account of its monthly payments deficit of \$800-900 million. At one fizzled national and international non-meeting after another, British bankers and government flunkeys have been attempting to solve the immediate problem of keeping Britain on the map--without visible success.

In desperate hope of securing the necessary recycled oil dollars to satisfy its voracious deficits, British Finance Minister Healey has been doing his best to follow Trilateral Commission policy to the letter, busily preparing the British working class for the final solution. "It is better that more people should be in work," Healey told fellow Labour Party cronies on Jan. 10, "even if it means accepting lower wages."

## EGYPT PUT ON TRIAGE LIST

Jan. 13 (IPS)--A Canadian consultant to the Rockefeller Foundation today declared that Egypt has been added to Rockefeller's triage list. According to the consultant, Ken Hare, "Egypt, India and Bangladesh are in critical Malthusian states." Hare, Director of Environmental Studies at the University of Toronto, is chairman of a consultation group which is working on "the impact of climate on food production" for the Rockefeller family's genocide think-tank.

While claiming that "I find it too impossible to accept" applying triage to starving countries, Hare's statements during the course of an interview leave little doubt that he and his fellow consultants are working toward a "scientific" justification for Rockefeller's starvation murder of millions.

According to Hare, his group is studying "what one does about distribution of food" when demand is greater than potential production. As to the problem that "the greatest demand for food is in the countries that don't have money to pay for it," Hare moaned the Rockefeller line that "if you pour money into Bangladesh, then you just increase the population."

Discussing his group's subject, Hare said that "the important thing is the climate's tendency to produce disasters and there is a danger we've entered bad climate years where areas such as the Sahel will never have" better climates.

As the Labor Committees have consistently documented, centuries of capitalist looting, accelerated by the Rockefellers, are responsible for such "natural" disasters as drought, floods, and disease which destroy agriculture and not Hare's quack notion of "bad climate years."

While admitting that Canada is the second largest agricultural grain exporter, Hare was quick to spout that sending grain to the Indian subcontinent to avert further deaths would "upset the balance of payments." Canada is currently withholding ten million tons of grain from the market, criminally condemning millions to death.

Hare, however, finally confessed what the real dilemma facing his group was. "Triage," he said, "is a moral question, but the reality is that people aren't moral. But," Hare added, laughing, "they're not immoral either, so this complicates things."

## LABOR PARTY WRECKS SAN FRANCISCO CETA MEETING

SAN FRANCISCO, Jan. 13 (IPS)--Labor Party organizers broke up a meeting of more than 160 officials of the Department of Labor Manpower Administration here today. The officials from 14 Western states had been summoned to discuss the current "emergency" situation facing the collapsing Comprehensive Training and Employment Act (CETA) recycling apparatus.

One Labor Party spokesman seized the microphone and announced to the terrified slave-herders: "We're from the Labor Party.... This meeting will not be allowed to continue....You are planning to administer slave labor programs like the Nazi Labor Boards." The spokesman continued his briefing while another Labor Party organizer sold New Solidarity to the rattled participants.

The chairman finally summoned enough courage to announce a five-minute recess, pleading, "anyone who wants to leave should please do so." Most stayed, however, to try to defend themselves: "I'm not a slave-herder, you know....I don't really understand these programs."

One hysterical CETA staff member begged the organizers, "Couldn't we please begin our meeting." He was told that he couldn't.

The chairman called the police to evict the Labor Party. The two organizers, one a 15-year-old student, were escorted from the hall. It is not known whether the meeting resumed.

## ROCKY'S SPEEDUP KING OVERCOME BY CRISIS

Jan. 13 (IPS)--The uncontrollable economic collapse and the flatulent response of bankers to the crisis have taken their toll on Rockefeller's hard-working trusty academics. When a New Solidarity International Press Service reporter called Harvard economist and speedup specialist John Dunlop today, he totally lost his cool. Dunlop is the head of the President's Labor-Management Committee, acting chairman--until Rocky takes the reins--of the National Commission on Productivity and the recently appointed overseer of the failing Alaska Pipeline project.

IPS asked for Dunlop's opinion on the New York Times' latest suggestion for working-class self-policing: that the British-style corporatist social contract should be instituted in the United States. He responded with an immediate stream of denunciation: "It's utter and complete nonsense, nonsense, you hear, nonsense. It shows absolutely no understanding of the process of wage-setting in this country. This is not Scandinavia; this is not Britain. What works there will not work here. It's ridiculous."

When IPS pressed him on what he thought would work to stem the rising working-class ferment in evidence around unemployment and economic breakdown, Dunlop went right into a psychotic reaction formation: "What do you mean, anyway, working-class ferment! Why just the other day, Lloyd Ullman [top productivity pusher for the Ford Foundation] wrote in the Berkeley Journal of Industrial Relations that there is no such ferment in this country, that there never will be. We don't have anything to worry about; I tell you, we don't."

But in the next minute Dunlop flip-flopped back to reality: "In a social contract, workers agree to keep wages down in exchange for something they get from the other side. But now, in this country, neither side can deliver, will deliver on that," he muttered.

At that, Dunlop hung up, painfully aware that Rockefeller is counting on him and his colleagues to deliver the impossible package that will convince workers to quietly cut their own throats.

#### VEEP ROCKY WRITES HIS OWN OFFICIAL ORDERS

Jan. 13 (IPS)--Added to the ever increasing evidence that Nelson Rockefeller is running the U.S. government as a satrapy of his supranational apparatus is yesterday's revelation by columnists Evans and Novak that Rockefeller himself drafted the executive order that makes him the effective head of the Domestic Council.

The Domestic Council is composed of the heads of the Departments of Defense, Labor, Interior, Commerce, Agriculture, Transportation, HUD, HEW, and heads of several agencies including the Federal Energy Administration. The Council is slated to serve as Rockefeller's "war cabinet," the body which will oversee the U.S. sector of his supranational operations.

Rockefeller himself will control the staffing of the Council. He has so far appointed two former aides from his New York State governor's staff to head key administrative posts.

Rockefeller's determination to assume personal dictatorship of the United States is further underlined by the Evans and Novak report that in order to save face for the puppet President, Ford's aides had to make a change in Rocky's original draft of the executive order. It seems that Rocky had given himself the power to convene meetings of the so-called President's Domestic Council without the President's approval. The aides ensured that Ford will be permitted to announce the time of the meetings.