

SPECIAL REPORT

NATO Brussels Meeting Maps Nuclear Showdown

by Uwe Parpart
IPS Military and Security Intelligence

Dec. 10 — First reports from the present Brussels NATO Defense Planning Committee meeting, a body constituted of the defense ministers of the North Atlantic Alliance, indicate that the meeting is dominated by two inter-related themes: (1) growing NATO "concern" over "rapidly improving Warsaw Pact war-fighting capabilities" in Europe, and (2) the alleged challenge posed to both Western Europe and North America by "vastly increased Soviet naval strength" and by new deployment capabilities for the Soviet Navy through the acquisition of several bases on the African continent.

A NATO intelligence report to this effect for the alliance's chiefs of staff was circulated at a Dec. 9 Defense Planning Committee meeting and further elaborated by Admiral Sir Peter Hill-Norton, the current chairman of the NATO Military Committee (MC).

According to Hill-Norton, Warsaw Pact developments are characterized by "a steady and continuous improvement in both quality and quantity of weapons, equipment, and training, with growing emphasis on offensive capability." Commenting on the establishment of Soviet air and naval facilities in Somalia and Guinea and alleged Soviet plans for bases in Angola and Nigeria, the honorable admiral interprets these moves, which at least in part are purely his own invention, as underlining the importance that the Soviets attach to cutting the lifeline between North America and Europe and between Europe and the oil-producing areas."

This is exactly the line spouted by Nelson Rockefeller in his Dec. 5 speech before a National Association of Manufacturers' (NAM) meeting, which simultaneously initiated a key feature of the ongoing NATO Hilex 75 exercise: a Third World raw materials and oil embargo, causing massive social disruption in Western Europe. What is real about Rockefeller's and NATO's scheme of things is their own desperate determination to instigate such embargos — motivated by some "nice little war" in the appropriate areas — and to simultaneously create provo-

cations against the Soviet Union and its allies, which would lead to MC 14-4 style "limited" East-West nuclear confrontation.

The Hill-Norton report's most immediate significance is its attempt to retroactively justify the cumulatively most extensive and provocative series of military maneuvers (in the period from August to December 1975) conducted by NATO since its inception. The main thrust of these maneuvers — emphasized as well by the August assignment of two additional U.S. brigades to Europe and their deployment in northwest Germany — has been the defense of NATO's northern flank and the securing of the North Atlantic-North Sea U.S.-Europe NATO resupply lines. Thus in the "Autumn Forge" series of maneuvers between September and November, the "Reforger '75" airlifting and associated land exercises in West Germany, and the massive "Ocean Safari" maneuver off the west coast of Scotland involving U.S. ships, several hundred planes, and over 17,000 men were of key significance.

The dangerously provocative character of these two maneuvers in particular is indicated by two facts: (1) the context in which they occurred: the "Shapex '75" NATO headquarters exercise simulating a sequence of events in which the Soviet Union allegedly takes military advantage of economic and social dislocation in Western Europe, and (2) the undeniable reality that northwestern Europe is conventionally undefensible against a full Warsaw Pact onslaught, so that major NATO deployments in that area must signal to the Soviet Union aggressive NATO intervention aimed at creating a Schlesinger-style "limited" nuclear confrontation.

The Soviet Union is fully aware of this situation, correctly defining it as a massive effort by "some influential circles in the Western countries" to violate and subvert the August 1975 Helsinki accords on European cooperation and "through all sorts of pinpricks intended to cause a reply reaction" forcing the Soviet Union into counter deployments. No such "limited" Soviet deployments obliging

a Schlesinger-type game plan will occur. Rather, as the Soviet leadership has stressed on numerous occasions, the Soviet Union is fully prepared to meet any actual provocations against Warsaw Pact territory with the full force of its military might.

We merely shall reference at this point three groups of actual worldwide NATO and U.S.-directed military deployments further underlining the immediacy of the war danger.

*** NATO's Northern Flank**

The "Ocean Safari" maneuver, officially concluded on Nov. 18, has been de facto extended, involving primarily British units, under the cover of British-West German disputes with Iceland over the latter country's claim to a 200 mile zone for exclusive fishing rights. Britain has sent several frigates and smaller units to protect its fishing trawlers in Icelandic waters. Conveniently, the Norwegians are supporting Iceland's claims — both countries might quit NATO as a result of the dispute according to the Swedish press and thus "lay Norway open for a Russian invasion." No need to develop the scenario further.

*** "Terrorism" in Britain and the Netherlands.**

Over the past two weeks IRA and South Moluccan (!) kidnapping operations have been used by British and Dutch authorities to fully militarize their respective countries and simultaneously subject their populations to a barrage of psychological warfare intimidation measures, now beginning to spill over into West Germany. The Italian defense and interior ministries, in turn, are taking advantage of these developments to motivate a "temporary" military takeover of all nodal points of the nation's telecommunications system.

*** Third World Trouble Spots**

It suffices to say that the situation on the Indian subcontinent, the Thailand blockade of Laos, the South African and Zairean intervention into Angola, and the renewed major flare-ups in Lebanon — not necessarily any one it itself, but taken in conjuncture — could, at any moment, build to the threshold potential for actual NATO-Warsaw Pact nuclear confrontation.

outlet is now largely exhausted, through the lack of export-financing capacity of the exporter-nations themselves, and the exclusion of the Soviet Union from private international financing channels since the third quarter of this year.

The inability of Japan, Britain, Italy, and other sectors with a weak payments position to finance a recovery is illustrated by the fact that the Japanese yen began collapsing in November when import bills from the four months' previous "upturn period" began to come due.

The breaking point of the U.S. situation is the near-bankruptcy of the large commercial banks which, by the best estimates available, have soft loans comprising 50 to 70 per cent of their assets, excluding foreign loans, which are the weakest sector of their portfolio. The commercial banking system is in no position to finance a recovery. Its efforts during the period since Sept. 30, when illiquidity could no longer be contained in the real estate, airlines, aerospace, and other weak sectors, have been centered on maintaining balance-sheet solvency on the basis of unprecedented liquidity injections from the Federal Reserve.

These same banks are the private-sector institutions most intimately associated with the planning and personnel of the Helix operation.

Black Propaganda

The OECD's propaganda to black out the reality of the worldwide liquidity collapse is an operation primarily aimed at the personnel involved in the operation, managed through two groups founded at the beginning of October. The first, composed of George Schultz for the U.S., Karl-Otto Poehl for West Germany, Raymund Barre for

France, and John Hunt for Great Britain, acted as a coordinating team outside normal government channels to prepare ground for the series of international meetings culminating in the Dec. 16 Conference on International Economic Cooperation. These individuals provided the interface at the highest level between selected governmental circles in NATO countries and OECD staff efforts in the fields of energy, raw materials, and North-South relations assigned to OECD by the May ministerial meeting of NATO in Brussels.

The second group, headed by U.S. Trilateral commission member Paul McCracken and former Bank of Italy governor and NATO economic warfare expert Guido Carli, was created at the same time to feed out "longer range" perspectives in the same areas.

Apart from their coordinating function, these gentlemen have the task of inoculating official layers to the most hideous aspects of the Helix scenario, in particular, the manipulation of official understanding of economic warfare and international controls. Along with Rockefeller family associates Zbigniew Brzezinski, George Ball, C. Douglas Dillon, et. al., they provide a suitable "insiders view" of OECD, NATO, and related operations within the Helix maneuver. The objective is to encourage maximum cooperation among these layers without infringing on the "need-to-know" limit on information concerning operational plans for confrontation with the Warsaw Pact.

More important is the relationship of the OECD's public deception on the state of the world economy to the "Hilex" command and control procedures into which OECD is integrated. Through the command and control

procedures of the Helix operations, not only the OECD staff, but in the United States (for example) selected "cells" are linked to the NATO staff in the Departments of Commerce, Labor, Treasury, Transportation, and Defense. These cells are briefed as to what they individually must do when activated, but not what similar cells are doing, and least of all what the overall objectives of Hilex 75 are.

Should the tens of thousands of individuals who must cooperate under centralized command and control for Helix 75 to succeed become broadly aware that the objectives of the purported exercise are to lead the NATO countries into nuclear confrontation with the Warsaw Pact, and to respond to an exploding economic crisis by imposing supranational fascist controls on the world economy, the Hilex operation would instantly dissolve.

From the standpoint of NATO planners, therefore, what the thousands of civilian and military bureaucrats whom they manipulate must remain in the dark about is the reality premise of the Hilex operation. This, as leading individuals associated with Hilex identified in the period immediately prior to the June 30 debt-rollover date, is the inevitability of a general world liquidity crisis in the same period as the scheduled span of the Helix maneuvers. This, as noted, is also the actual premise of senior OECD staff as of the same period. The principal purpose of the OECD black propaganda concerning the state of the world economy is to influence a bureaucratic belief-structure insulated from the reality underlying the Helix maneuvers, and therefore safe from the dangerous knowledge of what the actual purpose of Helix is.

In comparison with the size of the Eurodollar market — roughly \$220 billion — we have calculated the total Third World debt (of non-OPEC Third World government and private debtors) at no less than \$200 billion. Of this, the bulk is Third World government debt.

The total amount due over 1976 in debt service from the Third World is between \$25 and 30 billion (debt service public and private.) This is the number we are dealing with when discussing the explosion of the international monetary system. Along with this, the total of Zaire-style forced rollovers — money that is being **defacto defaulted** upon and thus continually rolled over on a 24-hour basis because no means of payment exists and payment was not made in the last year — is at least \$8-10 billion.

Below are listed for full reference the 26 top non-oil producing nations debt and relevant statistics by commodity to grid with the potential for a raw materials hoax or production scenario under Hilex-75. Essentially, this would be a case of the Rockefeller forces attempting to utilize the actually disadvantageous situation from their standpoint — the imminence of the Third World debt blowout — to selectively dump countries by cutting off their financing and thus shutting down their production. This would go along with the New York banks' threat to "pull the plug" on the U.S. railroads, the tanker industry and other production, thus engendering massive shortages. This method of shutdowns would be very delicate, however, as the blowing of the banking system which goes along with cutting off these countries from the world monetary system would have political-economic repercussions involving mass strikes, etc., in the advanced capitalist sector. Therefore it would have to be carefully timed with other methods or planned for a late stage in fascist military takeover. In any case, the capability is as follows:

MILLIONS OF U.S. DOLLARS		TOTAL	1976	DEFACTO	TOTAL
COMMODITY	COUNTRY	GOV'T DEBT	DEBT	DEFAULTS	FOREIGN
		12-75	SERVICE		RESERVES
					12-75
Commercial Debt (major debtor with no particular products)	Argentina	11,000	5,000	2,000	500
	Mexico	23,500	2,000		1,200
	S. Korea	7,000	1,000	850	400
	Egypt	10,000	2,000	2,200	0
	Turkey	5,500	1,000	800	1,000
	Greece	5,000	500	500	600
Debt to Gov'ts, WB	India	15,000	1,000		1,400
	Pakistan	6,000	1,200		400
	Bangladesh	1,000			0
	Yugoslavia	5,500	1,300		1,000
Coffee	Brazil	25,000	4,000		3,000
	Colombia	4,000	500		400
Phosphates	Morocco	1,500	200		300
Copper	Zaire**	2,500	600	1,000	0
	Zambia	1,000	200		100
	Chile**	4,500	800		0
	Peru	3,000	500		170
	Philippines	2,000	200		1,200
Tin (% World Production)	Indonesia** (14%)	10,000	2,000	1,000	500
	Bolivia** (18%)	800	100		50
	Malaysia (43%)	1,500	100		1,600
	Thailand (13%)	1,000	100		1,500
	Zaire (4%)	(above)			
Rubber	Sri Lanka**	700	100		100
	Singapore	1,000	100		1,500
	Malaysia	(above)			
	Indonesia**	(above)			
	Thailand	(above)			
Cocoa	Ghana (33%)	800	30		50
	Ivory Coast (16%)	1,000	70		50
	Nigeria (19%)	1,000	100		-5,000
	Brazil (15%)	(above)			
TOTAL		\$170 bil (public only)	\$25 Bil	\$9 Bil	