

The Russell Sage Foundation: 70 Years Of Monetarist Subversion

On March 1, *the New York Times* announced that the Russell Sage Foundation (RSF) had hired three of the USA's most prominent social scientists to direct a program with new emphasis on "New York City's problems and institutions" to begin this fall. To the political analyst familiar with twentieth century political intelligence operations, the naming of the relatively obscure Russell Sage Foundation comes as no surprise. In the forging of monetarist hegemony over traditional U.S. institutions, the Russell Sage Foundation has played the central role.

At every key historical juncture in the twentieth century, starting from the moment of its founding in 1907, the RSF has been called upon by the ruling monetarist circles to initiate the programs, set up the infrastructure, and educate the educators that would exercise monetarist influence and control over American society. The RSF is, in fact, not an American institution at all but the foremost expression of the "British system" imported into the United States by the American heirs of that imperialist looting system. Predictably then, the RSF spawned or was instrumental in forming every significant intelligence operation created by Wall Street, including the Rockefeller "philanthropies," the Council on Foreign Relations, Interpol and present day Wall Street controlled sections of the CIA, Military Intelligence, the Justice Department and Treasury. The corporatist social policies spawned by the RSF add up to fascism on the model of the Mussolini government.

When the RSF was founded in 1907, its huge initiating endowment (\$10 million from the widow of the "robber baron" Russell Sage) and its blue ribbon panel of Fabian social planners and financiers immediately made it the leading institution in the field. The RSF was greeted in the New York press as the ultimate solution to the "social and living conditions in the United States of America." With only eight foundations in existence in the U.S. at the time, most of them conduits and havens for the personal fortunes of old American families, the RSF goal of developing "scientific social work," the "national scope" of the foundation and its self-appointed role as initiator of "necessary agencies and institutions," immediately made it the central institution in the country for launching every form of social control and Fabian political subversion operation that Wall Street found necessary to subdue their industrial and labor opposition. In the decade leading up to U.S. entry into World War I, the RSF evolved into a cornerstone of Rockefeller family operations. In collaboration with such Rockefeller family fronts as the National Civic Federation and hirelings like Raymond Fosdick, the RSF

pioneered the corporatist social institutions which were the underpinnings of monetarist political hegemony forged at Versailles.

Labor Counterinsurgency

The central domestic goal of the RSF was to develop strategies and institutions that would ensure Wall Street's goal of keeping the labor movement isolated from industrial capitalists opposed to Wall Street's looting policies. The RSF accomplished this by simultaneously propagandizing for corporatist forms of industrial organization, and fostering the development of anarchist terrorist networks through the Settlement House movement.

While the RSF, from its inception, conducted major profile studies of the working population, the first major push for corporatist forms of industrial organization was the RSF's study of the so-called "Rockefeller Plan." The Rockefeller Plan was the "solution" imposed on the workers of Rockefeller's Colorado Fuel and Iron Company following the bloody strikes which culminated with the Ludlow Massacre in 1913. It called for impotent worker-management committees to discuss "working conditions," and was the first coparticipation scheme introduced in the U.S. In 1919 the RSF did a study of the plan and concluded that it should serve as a model for the nation's industry. As the RSF evaluated the problem, "There was much industrial unrest in the U.S. in part due to the rising costs of living, but also to mounting dissatisfaction of workers with the slight share they had in determining working conditions. The great need seemed to be for a plan of organization that would give them a voice in determining the condition of their employment while at the same time placing upon them more responsibility for the quality and quantity of their output." The RSF's study of the Rockefeller Plan found that "the Rockefeller Plan... marked a distinct step in advance in an industry so devoid of a tradition concerning the representation of workers" and concluded that "the Colorado Fuel and Iron Company stood out as a pioneer in the improvement of human relations"!

In one of the largest, most sophisticated studies of its kind ever undertaken in the U.S., the RSF, in the year of its founding, funded and produced an in-depth study of the working population of Pittsburgh. Modelled after the famous study of the London working class done by the British Fabian Society, the Pittsburgh Survey became the focus of national attention as the first comprehensive mapping of a working population in a major industrial city. It paved the way for Fabian trade unions to enter the company towns and was the chief means by which

Wall Street gained political leverage over local industrialists. The survey became a constant source for muck-racking journalists hired by Wall Street to propagandize about the "evils of industrialization."

The RSF did a similar study of the working population in San Francisco after the great fire, and then branched into profiling women workers in the New York City's garment district and the munitions industry. These profiles were later used when the RSF was called in to supervise the munitions production industry and make recommendations for replacing men wherever possible with women to free manpower for fighting during World War I.

The RSF, Fosdick and Terrorism

The RSF's push for developing corporatist forms of industrial organization was complemented in their strategic design by the deployment of anarchist terrorist networks against the labor movement and industrial capitalists. This Fabian-RSF technique of simultaneously subverting the labor movement and discrediting conservative industrialist political opposition is best exemplified in the career of one of the RSF's star pupils, Raymond Blaine Fosdick.

Trained by the RSF, Fosdick throughout most of his adult life was John D. Rockefeller, Jr.'s chief political operations man and financial manager. During his career Fosdick controlled the Rockefeller Foundation, the Rockefeller Institute for Medical Research, the Rockefeller General Education Fund, the Laura Spelman Rockefeller Fund, the Brookings Institution (of which he was a founding member) and the National Institute for Public Administration.

Fresh out of Princeton, Fosdick came to New York City in 1907 where, while attending New York Law School, he worked at the Henry Street Settlement House. Henry Street, as all settlement houses, was essentially a field office for the RSF. The RSF used the mass of statistics compiled by the settlement house workers on local immigrant and working populations as the basis for much of their social control legislation. The RSF, for example, plugged into existing settlement house and Charity Organization Society networks when they did the Pittsburgh Survey.

In addition to engaging in these "respectable" operations, Henry Street was the New City center for international Russian anarchist networks and part of a budding international intelligence operation being assembled by the RSF. Such personalities as the Russian anarchist Prince Kropotkin were regular visitors and guests at Henry Street.

It was in association with these anarchist networks that Fosdick gained his early experience. One of his early assignments found Fosdick providing bail money for Emma Goldman, a notorious anarchist leader being held in a New York City jail at the time. Goldman was the close associate and mistress of the would-be assassin of Carnegie Steel's Henry Frick, and in 1901 engaged in a nationwide speaking campaign in defense of President McKinley's assassin, who not coincidentally, assassinated McKinley not long after attending a lecture on anarchist action by Emma Goldman!

"Reform"

While fostering the development of anarchist "black operations" through the Settlement House Movement, the RSF directed a series of "progressive reform" campaigns designed to break labor and public support for the inner city political machine of New York City's Tammany Hall and secure the city as political base of operations for Wall Street. One such "reform" was the takeover of New York City's loan sharking rackets. At this time, the RSF began an association with organized crime that has persisted to the present day. The anti-loan-shark campaign was launched in 1909 by the RSF and joined officially by New York City in 1911 when, at the "request" of the RSF, Raymond Fosdick, who had graduated by this time to Commissioner of Accounts for New York City, launched an official investigation. By 1913 as a result of the Fosdick investigation, and constant exposure in the press, all orchestrated by the RSF, New York City loan sharking operations were replaced by a Wall Street-controlled system of credit unions and savings banks operating on the Fabian principle of "philanthropy plus 6 percent." Far from eliminating the loan sharking operations, the RSF put high interest usury on a more rigorous basis. The RSF introduced laws into virtually every state (24 by 1913) licensing high rate loans and making arrangements with employers to ensure that workers who had contracted debts to credit unions and the like had continued employment at least until the loan was paid off. Commenting on some of the problems RSF operatives had in foisting this operation off on the public, the official RSF history reports that "it was comparatively easy to expose the illegality and immorality in the loan shark's activities... it was more difficult to convince the public and legislators of the necessity for permitting higher charges than were legal for ordinary business loans and to determine what the charges should be."

Occurring simultaneously were investigations into New York City's police department and court system, both bastions of Tammany political power. Part of the investigation into police "corruption" was a study on "white slave traffic" (prostitution) launched jointly by the RSF and Fosdick. The study commission was chaired by John D. Rockefeller, Jr. and marks the first direct collaboration between Rockefeller, Fosdick and the RSF. The result of these various campaigns was the total reorganization of the police department and the city's court system, centralizing patronage in city hall and taking power away from the ward bosses. It is in this period, immersed in Fabian intrigues to secure New York City for Wall Street, that Fosdick, under the guiding hands of the RSF, first conceived of using control over illicit activities and anarchist networks as the ideological basis for an anti-labor, anti-industrial movement that would ensure monetarist political hegemony worldwide. Fosdick elaborates this program explicitly in his later proposals for the League of Nations.

The RSF and Versailles

When U.S. monetarist circles finally maneuvered the U.S. into war against Germany in 1917, an operation in

which RSF founder Cleveland H. Dodge was intimately involved, the RSF was immediately brought into the Wilson government to engineer the post-war financial and political arrangements. The strategic design for this American monetarist hegemony was the so-called "Parvus Plan" designed by British intelligence operative Alexander Helphand (Parvus) and adopted as a policy by the Rockefellers and other American monetarists.

The Parvus Plan called for breaking up Eastern Europe and Russia into small nominally independent liberal states, their financial credit institutions controlled by London bankers. British intelligence services were supposed to ensure the creation of such liberal states through the promotion of nationalist and assorted pan-Slavic anarchist movements which would sabotage any overall socialist or capitalist approach dealing with questions of economic development.

U.S. monetarists however, planned to implement the British Parvus Plan without the British. The primary means for accomplishing this would be private intelligence operations organized by the RSF. Not only did the RSF, together with Rockefeller flunkie John Foster Dulles, actually write the reparations sections of the Versailles Treaty, gaining a crucial foothold for American monetarists over the post-war German reparations, but the RSF deployed the political intelligence networks that made this Wall Street foothold over British monetarists a political reality.

The planning for this began in a Washington, D.C. meeting in April 1917 between top RSF executives John M. Glenn and Leonard Ayres, Secretary of War Newton Baker, Director of the Council of National Defense (CND) Grosevnor B. Clarkson, and the head of Civilian Relief for the American Red Cross. It was decided at this meeting that the RSF would supervise the expansion of the U.S. Army and Navy to a full war footing and organize the U.S. government's economic intelligence capabilities.

The job of organizing the nation's economic intelligence operations fell to Leonard Ayres, the head of the RSF Statistics Division. Ayres immediately moved to Washington and became head of the CND's economic intelligence operations. In this capacity Ayres was charged with assembling a current picture of the disposition of men and supplies for the CND. By October 1917 Ayres was in charge of economic intelligence for the War Industries Board, headed by Rockefeller crony Bernard Baruch; the Allies Purchasing Committee headed by monetarist Charles Dawes; and provided weekly intelligence reports for the War Department, the Maritime Conference and the House and Senate Military Affairs Committees. Early in 1918, having completed the establishment of a civilian organization in the government and preparing for postwar negotiations, Ayres and his operations were moved directly into the Army General Staff, where he organized a similar operation which soon began providing daily reports to General Pershing in France.

In November 1918, Ayres accompanied Woodrow Wilson to Versailles. His intelligence department wrote the "sections of the peace treaty relating to indemnities and economic matters." Working with Ayres was John Foster Dulles. He wrote the U.S. delegation's main

economic brief as well as some of the "economic clauses" of the treaty and article 231 of the treaty, which placed the entire blame for the war on Germany.

Simultaneous to the shaping of the beginnings of lower Manhattan's financial hegemony over competing British interests, the RSF deployed the political intelligence networks that would be the collection apparatus for the debts imposed at Versailles and the basis for the later launching of organizations such as Interpol.

In one of these sundry intelligence operations in 1918, the RSF, at the request of the Secretary of State Lansing, organized the highly secret National Alien Enemy Relief Committee (NAERC). Acting as the agents for German and Austro-Hungarian interests "innocently handicapped by war regulations," the committee established crucial contacts in the Swedish and Swiss legations creating additional intelligence capabilities in Eastern Europe and the Soviet Union. The NAERC was in effect a continuation of operations begun by the famous 1917 Red Cross mission to Moscow headed by William Boyce Thompson, the head of the New York Federal Reserve. Thompson was trying to line up Russian raw materials for Wall Street looting operations. The RSF was involved in that early mission through heavy contributions to the Red Cross made by RSF founders Margaret Olivia Sage and Cleveland H. Dodge. The most crucial of these operations, however, was the preservation of the British intelligence squadron being run out of the German Naval Transport Department by British agent Admiral Wilhelm Canaris. Almost all the German military departments were dismantled by the Allies at Versailles, but Admiral Canaris' Naval Transport Department survived intact. Ayres, who was the American Army representative to a U.S.-British conference late in the summer of 1918 to negotiate U.S. access to British shipping resources, was personally involved in the process that led to the Canaris operation surviving.

At the outset of this process, Raymond Fosdick was on "special assignment" to the U.S. Mexican border. When the U.S. entered the war, he was called back by Secretary of War Baker to head the U.S. Commission on Training Camp Activities. On the executive committee with Fosdick was Leo Hanmer of the RSF Recreation Department. Together with the staff of the Recreation Department, Hanmer and Fosdick organized the massive expansion of training programs for the U.S. Army and Navy. While Hanmer ran the training programs out of RSF offices in New York City, Fosdick traveled to Canada and Europe, settling eventually in Pershing's HQ in France. At Pershing's HQ, Fosdick, now Pershing's personal aide, teamed up with Ayres to provide Pershing with reports analyzing U.S. troop strength and morale and making recommendations for their further disposition and training.

The RSF, Interpol and The League of Nations

As the Bolsheviks consolidated power in the newly formed Soviet republic in October 1917, it became clear to monetarist forces in the U.S. that their option for Balkanizing Eastern Europe and Russia for natural resource looting through the "Parvus Plan" had ended,

or at least had been temporarily blocked. While a series of mercenary armies were hurled against the new Soviet republic, the Fabian social work networks in the U.S. and Europe were launched into furious activity to consolidate anti-Bolshevik political formations in Europe and the U.S. The crux of this activity was RSF and related operations and purely Rockefeller family networks created by Raymond Fosdick. The League of Nations (1919) and the International Criminal Police Organization (1923) became integrated aspects of this anti-Bolshevik deployment through the joint efforts of Fosdick and the RSF.

When war broke out in Europe in 1914, Raymond Fosdick could be found touring the continent doing a study of the police departments of every major European city. Fosdick assembled detailed operating profiles of police departments while cultivating a network of like-thinking Fabian operatives. Funded by Rockefeller money conduited through the eugenics theorists at the Bureau of Social Hygiene in Columbia University, the study was published in 1915 under the title *European Police Systems* and immediately became the theoretical and practical basis for Fabian law enforcement in general and Interpol in particular. Fosdick's study coincided, not accidentally, with the first International Criminal Police Congress held in Monaco in 1914 under the guidance of Dr. Johan Schober, the police commissioner of Vienna. Schober had his police department singled out by Fosdick as a model for all European and American cities. Although war interrupted these activities, the efforts were later consolidated with the founding of Interpol in 1923 at the next international police congress, once again presided over by Schober.

Before this private police network was made absolutely necessary however, Fosdick and the RSF attempted to launch the same operation but with direct interface in U.S. and European governments through the League of Nations. With the Versailles treaty guaranteeing Rockefeller financial hegemony over German reparations, Fosdick saw the opportunity to launch his anti-industrialist, anti-labor subversive crusade on an international scale using the methods (control of illicit activities) developed in joint collaboration with the RSF during his early "reform" activities in New York City. Appointed as U.S. Undersecretary to the League of Nations by his close friend and former teacher at Princeton, Woodrow Wilson, Fosdick outlined his scheme in a letter to then Secretary of War Newton Baker:

The non-political activities of the League are going to be immensely important and are going to furnish an admirable place to start the building of a new technique. I mean the functions outlined in articles 23-24 of the Covenant — the control of disease, drugs, traffic in women and children, arms communications and transit etc. Through these relatively non-controversial matters we can build a technique, we can establish a procedure and develop precedents; we can get the "feel" of international cooperation in pursuit of a common goal. Each step that we take however halting, every decision that we reach as a result of frank discussion, will be a definite advance toward ultimate world peace. The

result will be that when another Sarajevo comes, the world can meet it with a system which has been developed and matured in many different areas and in many meetings of the family of nations.

In a similar letter to John D. Rockefeller, Jr. Fosdick outlines a comprehensive plan for making the League a vehicle for consolidating Rockefeller's hegemony over the British monetarists.

With the defeat of the Versailles Treaty in the U.S. Senate, all of these preparations received a temporary setback. Forced to resign from the League in January 1920, and deprived of any official standing, Fosdick founded the League of Nations News Bureau and continued to build his operations privately. By 1923 the League News Bureau was absorbed into an expanded League of Nations Association, and had become the center of League activities in the U.S. During this period Fosdick participated in the founding of the Council on Foreign Relations with his close friend Hamilton Fish Armstrong, and deployed Rockefeller agents of influence through Europe from his position as controller of the Rockefeller philanthropies. 1923 also marked the first international police conference since Fosdick toured Europe in 1914, and the successful launching of Interpol. All of the old familiar themes from the founding of the League of Nations were sounded at the Interpol founding conference with Schober and Oscar Dressler, the head of Interpol until 1938 when it was taken over by Nazi SS chief Heydrich, leading the ideological battle against "Bolshevism." Both Dressler and Schober made pleas during the conference for League recognition of Interpol. By 1936 Interpol had evolved into an international police network under the control of the Nazis, with Fosdick's anti-Bolshevik ideological perspective hardened to the point that Interpol was viewed by its own top officials as a "counterintelligence ideological front to combat Bolshevik infiltration."

While Fosdick organized pro-League activities out of the League News Bureau, the RSF, equally unrestrained by official U.S. policy, incorporated the League into its international operations through the League's International Labor Office (ILO). Mary Van Kleek, the director of the RSF Industrial Studies Department, was appointed to the American Advisory Committee of the League (1924) and through her extensive travels in Europe coordinated the development of a vast array of Fabian labor-management think tanks which included overlaps and coordination with the espionage network run by Karl Korsch's Frankfurt School. The Frankfurt School was later fully integrated into the overall RSF networks when, in 1932, ILO director Alber Thomas asked the Frankfurt School to open offices in ILO facilities in Geneva.

Contacts developed in this period were the basis for the creation in 1933 of an organization called the Hospites. Run by top RSF executives, the Hospites was ostensibly concerned with the plight of "German social workers" interned in concentration camps in Germany. This "highly secret" program was actually involved in smuggling people out of these camps and out of Germany, and relocating them in the U.S. These private Rockefeller-RSF controlled escape networks, initially

Russell Sage Set Up Twentieth Century Fund

The Twentieth Century Fund, the Rockefeller family thinktank that created Jimmy Carter's Federal Election Commission plumbers unit and that is now circulating Capitol Hill proposals for a Mussolini-modeled rationalization of the U.S. banking system, is a second-generation offspring of the original "CIA" institution in the U.S., the Russell Sage Foundation.

The Fund was incorporated in Massachusetts in 1919 as a project of Edward A. Filene and Louis Brandeis, the New England representative of Standard Oil's Sullivan and Cromwell law firm. During the first years of the Fund's operations, Filene and Brandeis relied heavily on the Russell Sage Foundation for personnel, project outlines, and funds. From the Foundation, the Twentieth Century Fund took over U.S. dissemination of "Fabian Socialist" intelligence and counterinsurgency policies from Britain, where they have long been used by the Rothschild bankers' personal socialists, Sidney and Beatrice Webb.

A recent Fund task force project, implemented in the Russell Sage tradition, has prepared the legal groundwork for wholesale looting of U.S. trade union pension funds by the New York banks with a study of "corruption" and "conflict of interest" in the trade unions.

Reflecting the same "Fabian" outlook and Russell Sage's "social-work" orientation, the Twentieth Century Fund's emphasis from its inception has been Big Brother forms of social control and manipulation, and alteration of U.S. laws and constitutional procedures on behalf of the Wall Street banks. Throughout its history, the Fund has served as an outlet for operations devised by Russell Sage braintrusts, has been a partner in Russell Sage-initiated projects and investigative work, and has functioned as a contracting agent for Russell Sage-devised "community control" heresies against the American system of government, law and economy.

used for getting social workers out of Germany, were later used by the Nazis themselves to escape allied armies closing in on the defeated Third Reich.

The RSF, The New Deal And World War Two

When FDR moved into the White House in 1933 he institutionalized RSF social policy as official U.S. domestic policy. Committed to a variation of the "Parvus plan" as a strategic doctrine, FDR in his first days in office launched the institutions that would insure the integrity of the majority of Wall Street's debt holdings. Not expecting to fight a war in which the entire industrial might of the country would have to be mobilized, FDR proceeded to dismantle the nation's industrial base and disperse its trained industrial cadres into labor camps and projects of various sorts as a means of cannibalizing the wealth of the nation on behalf of Wall Street's debt holdings.

At the center of Roosevelt's assault on the country's productive base was the nakedly fascist National Recovery Administration (NRA). Demagogically playing off of the population's disgust with sweat shop conditions in many marginal industries, Roosevelt used the NRA industrial code hearings simultaneously as a battering ram against the nation's industrialists and any independent labor movement.

For its first six months, the NRA was run by General Hugh S. Johnson, an unstable character prone to bouts of drunkenness and depression. Johnson managed to orchestrate, with the help of a massive media blitz, a semi-successful mobilization of the population in support of the corporatist goals of the NRA. Outflanked by FDR with this operation, virtually every industry was brought

under NRA codes and flew the blue eagle symbol of the NRA as a sign of compliance. This initial phase accomplished, essential policy control over the NRA from January 1934 was exercised by Leon Henderson, the head of the RSF Remedial Loan Department, who was brought in as the NRA's chief economist. While Henderson began shaping NRA policy at the top, the RSF Industrial Studies Department which had been monitoring the functioning of NRA industrial code hearings all along, assembled industry by industry recommendations on labor and economic policy.

When the NRA was declared unconstitutional in May 1935, the policies initiated by it continued under various guises. In June 1934 for example, Henderson commissioned the RSF to do a study of national consumer credit. The study was done by Henderson's former aid at the RSF, Rolf Nugent, now the director of Henderson's old department renamed the Consumer Credit Department. Nugent's study was published in 1939 under the title *Consumer Credit and Economic Stability* and was the basis for the so-called Regulation W promulgated by the Office of Price Administration (one of Henderson's later projects) and the Federal Reserve Board in 1941 before the U.S. entered the war. Regulation W cut off consumer credit by increasing down payments, shortening repayment terms and controlling charge accounts. Because of the cut off of their regular domestic markets, these measures forced the nation's industries into war related production, a shift which was otherwise illegal for Roosevelt to order because the U.S. was not yet at war.

The other major area of RSF implementation and input into New Deal policies was in the area of "unemployment relief," i.e. the labor intensive work camp system of the Civilian Conservation Corps and the Works Progress Administration. From 1933-35 the RSF set up

the administrative infrastructure for these slave-labor projects, training the "recreation leaders" of the WPA in special schools set up in New York and setting up the "recreational and vocational" programs for the CCC camps. The RSF Charity Organization Department additionally functioned as the "advisor on method or center of information" for the WPA as a whole. And when the NRA was disbanded in 1935, Henderson became the WPA's chief economist.

As in World War I the RSF operations were deployed directly into key government positions when war broke out. Henderson became administrator of the Office of Price Administration (OPA) with John E. Hamm, Henderson's former assistant at NRA and former assistant to Rolf Nugent at the RSF appointed deputy administrator. Nugent himself became the chief of OPA's Office of Credit Policy.

The RSF Charity Organization Department was tapped in 1942 by Roosevelt, following the allied North African invasion to set up training schools for Naval and other military officers to instruct them in "the civilian administration" of occupied territories. This was expanded in 1943 when Donald S. Howard, the associate director of the RSF Charity Organization Department became a consultant to the newly formed United Nations Relief and Rehabilitation Administration (UNRAA) where he moved into policy controlling positions. Howard was joined at UNRAA by Rolf Nugent, who had been sent out of OPA by this time, into the Civilian Requirements Branch of the War Food Administration. At UNRAA Nugent took charge of "allocation of food, clothing and equipment for liberated areas." Howard's boss at RSF, Joanna C. Colcord, was pulled into Washington to shape policy for the Office of Defense, Health and Welfare, the precursor to Nelson Rockefeller's Department of Health, Education and Welfare.

As in World War I this array of deployments placed the RSF trusted operatives into those areas that would ensure that Wall Street policy was implemented as official U.S. policy.

At the conclusion of World War II the RSF underwent a dramatic change in *modus operandi*. A prominent well publicized institution throughout its history, the RSF sold its building, dismantled its formal department structure, donated its library to the City University and began operating on a much lower profile. The presence of a

large formal institution was no longer necessary. With the Bretton Woods system set up, the United Nations successfully launched and the Marshall Plan guaranteeing support for U.S. monetarism from its traditional conservative opposition, U.S. monetarism (Rockefeller) had finally moved into the position of hegemony over the British that the RSF had been instrumental in shaping since its creation.

The RSF now focused its energies into making the innovations necessary for implementing the grand Rockefeller strategy for "Fascism with a Democratic Face." Not satisfied with the old methods of subversion of the constitution and control over the population, the RSF sought to further refine these techniques using the psychological warfare experience gained during World War II. In one of their most insidious efforts, the RSF funded a project for applying behavior modification techniques (brainwashing) to the area of journalism. The study profiled numerous regional newspapers and isolated regional peculiarities in reporting. This information was then used to "shape the news" in such a way as to elicit a specific response from that regional population. The study is the source of the philosophy behind the Fund for Investigative Journalism, the organization partially responsible for the media "Watergating" of former president Nixon and recently involved in a campaign to smear Senator Goldwater with charges of involvement in organized crime.

In other areas the RSF pioneered the use of individual dossiers by public and private agencies, it is leading the revival of the CCC approach to unemployment through its Universal Youth Service program; it was responsible for the community control strategy for counterinsurgency launched in the 1960s in U.S. cities; and, it has been central to controlling the operations of every other Wall Street foundation through its writing of laws governing the practices of the foundations. In other words, the RSF continues to play a central role in monetarism's effort to build a 1984 society. And once again Wall Street has tapped its institution of last resort to create the institutions that will allow it to survive an accelerating international monetary crisis. This time however the RSF must operate in the glare of public understanding of its insidious operation, a disadvantage the RSF has avoided for 70 years.

— Sixto Mendez, Jr.

EXCLUSIVE

Praxis: The Institute For Policy Studies' Canadian Extension

A now-defunct venture, Praxis Corporation, has achieved notoriety throughout Canada in recent weeks in connection with illegal break-ins into its Toronto headquarters in 1972, alleged to have been performed under the auspices of the Royal Canadian Mounted Police (RCMP). In turn, federal Supplies and Services Minister Jean-Pierre Goyer, who was Solicitor General

in charge of overseeing RCMP activities at the time of the break-ins, is being attacked in the Canadian Parliament for having circulated documents to the federal cabinet during the early 1970s warning of the subversive nature of Praxis and affiliated networks, some of whom extended into official government circles. Goyer is also being accused of having been complicit in