Rockefeller Reconstructs the World Dollar Empire Part II

August 19 (IPS) — IPS has, in the past, repeatedly emphasized the importance of the worldwide productive network of over 3.5 billion people for the most basic consumption needs of every individual. Tracing back the "bill of materials" for a single cup of coffee — fertilizers, shipping, roasting ovens, rail and road transport, retail distribution — shows that the entire network of world production and trade is summed up in the simplest item of consumption.

For the same reason, the most revealing clues about Rockefeller's plans for transforming this worldwide system have come into the headquarters of IPS Intelligence in the form of reports from steelworkers. Our contacts have been informing us that entire steel plants are now producing nothing but crude structural steel, girders, and pipe — appropriate for Rockefeller's "pyramids" in the Rocky Mountains and Latin America, but not for use in the production of durable goods. Workers who have read *New Solidarity's* exposure of Rockefeller's plans to gut productive industry in favor of slave-labor "development" projects flung across the globe have been able to pinpoint the arteries of the new dollar empire.

An IPS Intelligence analysis of the past months' trends in trade, shipping, and finance shows that the circulatory system of the world economy is in the midst of being ripped apart and reconnected, as the conveyor belt system of a new world Auschwitz.

New Composition of Trade

The main features of the new composition of trade are:

(1) Direct control of the financing of trade by the top New York City banks, who have extended their lion's share of trade financing to an almost total monopoly within the past 90 days.

(2) The collapse of the world shipbuilding industry — with projected **zero growth** of the world dry cargo bulk fleet by 1978 (see Graph 1).

(3) A collapse of shipments of iron ore and coal between Europe and the United States, the core of advanced-sector steel production, in favor of a new trade route between the iron and coal mines of Brazil and Argentina, and the new Krupp Foundries in the Mideast and Southeast Asia.

(4) Drying up of world grain trade, as Asian nations faced with droughts and famine are priced out of existence by the six grain trading companies who control virtually all of the world's grain shipping, under David Rockefeller's control.

(5) A 70 per cent drop in oil tanker rates for shipments from the Persian Gulf to Europe and Japan, reflecting the success of Rockefeller stooges in forcing a 10 to 20 per cent drop in working-class consumption of gasoline and home heating oil.

(6) An overall decline in the real volume of the exports and imports of the leading advanced-sector nations, especially West Germany and Japan.

These developments are the presently-visible symptoms of what is, at bottom, Rockefeller's **labor** policy. IPS has detailed the scattering of the core of Europe and Japan's industry to relocation sites in Brazil and other hellholes. The magnetic appeal of these corners of the globe is that there Rockefeller has already consolidated a slave-labor workforce. Extracting the nails from entire factories, loading them aboard freighters, and re-assembling them outside of Sao Paolo, Rockefeller is bringing the mountain to Mohammed. Thus, according to a recent report of Japan's Ministry for International Trade and Industry, Japan's big export seller in the future will be ready-built plants. In West Germany, the textile industry is foundering, while exports of textile machinery to the underdeveloped sector are at an all-time record.

Acid Test

As a measure of the growth of the world's interconnected productive network, world trade has been looked to as an acid test of the state of the world economy. During the years 1963 to 1971 — up until the collapse of the inflated U. S. dollar August 15, 1971 — world trade as a whole increased by over 50 per cent in real terms, or in inflated dollars terms from $135.7 billion to $311 billion.

Throughout this period, between 70 and 75 per cent of all imports and exports remained among the industrial countries themselves, with the remainder divided between the Mideast, Latin America, Africa and Asia.

The pattern of continuous growth within the same channels up until 1971 reflected the last days of the postwar dollar empire. As described in Part I, the Marshall Plan reconstruction of the postwar economy was based on the movement of capital and production to the cheap (half of American standards) European and Japanese labor centers. During the 1950s, capital goods flowed from the United States to Europe and Japan; a return flow of industrial parts and consumer goods back to the United States picked up in the late 1950s and 1960's. The combined share of Europe and Japan in trade of the industrialized countries rose from 56 per cent in 1963 to 63 per cent in 1971. This rise reflected the stagnation of capital investment in the United States, compared to the growth of Rockefeller's runaway shops in Europe and Japan.

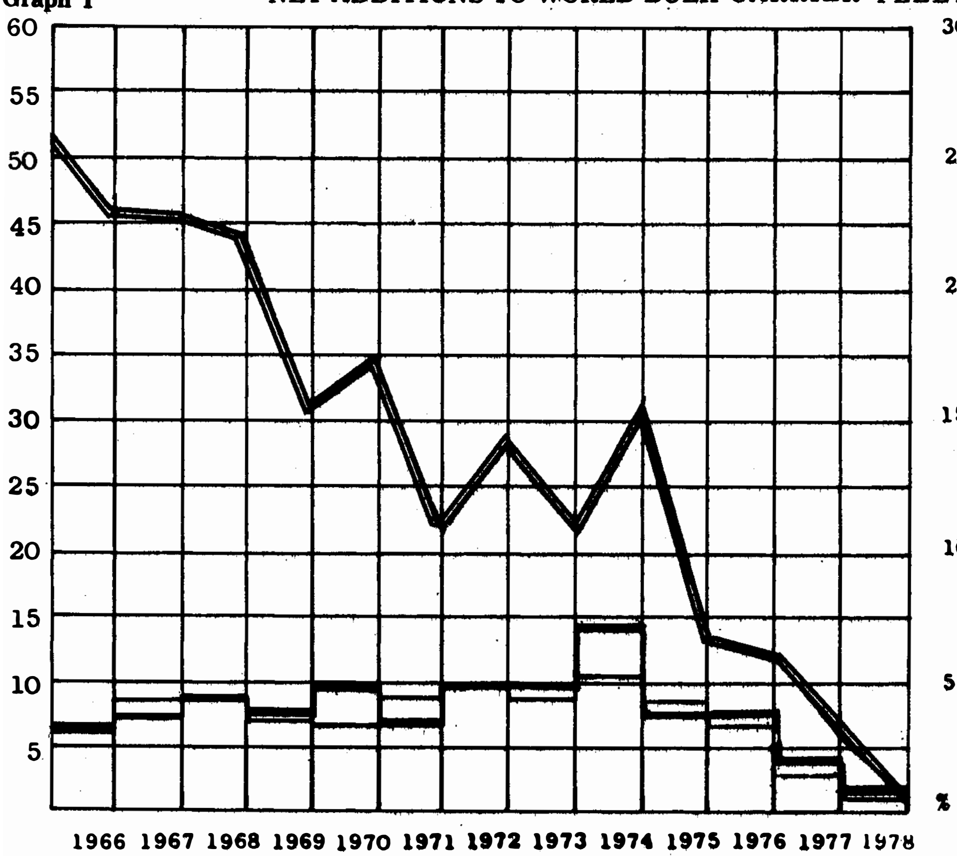
Rockefeller's projections for his reconstructed dollar empire will reverse these relations entirely. The former centers of world trade, Europe and Japan, will be broken to the previous status of the underdeveloped countries. During the past quarter century the main role of the third world in the plans of Rockefeller and his colleagues was that of the victim: companies of the advanced sector opened up extractive operations for raw material resources of these nations, taking what they needed out of the ground and then pulling stakes. In a vicious ironic twist, Europe and Japan are now slated to be looted of capital goods, including entire plants as well as labor, to be shipped off to the Kruppwerke of Brazil.

But the total volume of world trade — measuring the level of world productive activity — will continue to recede, as it already has. Projections for a zero growth world fleet by 1978 confirm this. Already, Japan's shipping exports, which last year accounted for half of the world's new tonnage, have slid by more than four-fifths between June 1973 and June 1974. If the world economy runs by cannabilizing its own resources, as the fascists plan, its absolute size, reflected in world trade, will shrink like the body of a concentration camp victim.

Petroleum and Grain

Trade in petroleum and grain, the two single most important elements in working-class consumption, already bear the marks of the first months of Rockefeller's fascist economics. The forced cutback in workers' consumption of petroleum products has led to stockpiling of crude oil far above normal levels — Japan has an extraordinary 60 days' supply on hand. In the vicinity of the Persian Gulf, tankers are meandering in the direction of the oil ports at quarter speed, unsure whether they will be able to unload their cargo on return.

Graph I NET ADDITIONS TO WORLD BULK CARRIER FLEET

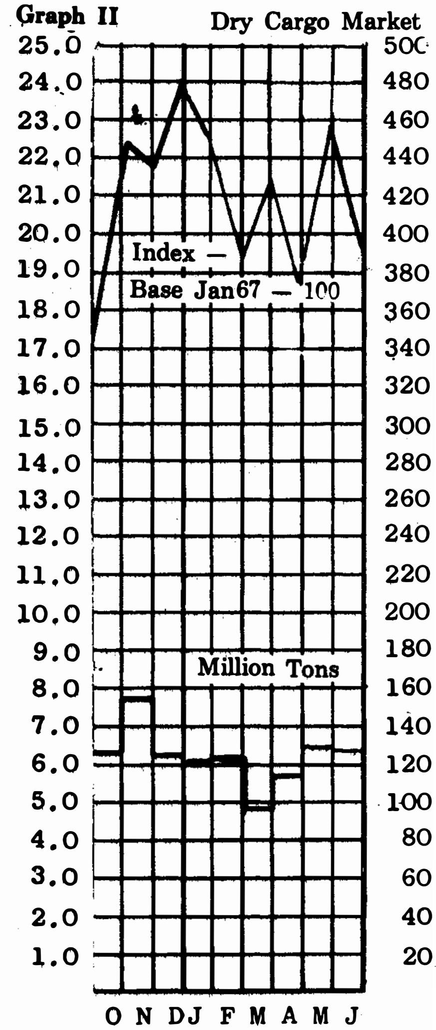


Percentage increase in dry cargo bulk fleet per annum as at end-year

Net additions to bulk carrier fleet (delivered DWT minus scrappings, losses, conversions, etc.)

Net additions to dry cargo bulk fleet including changes in average combined carrier fleet trading in dry cargo. Projections based on current orders using average 20 per cent in dry cargo.

Graph II Dry Cargo Market



World grain trade reflects the entire picture of fascist "development;" the share of Brazil and the Rio de la Plata ports in total world grain shipping activity rose from 891.000 hundredweight, or less than 4 per cent of the world total in September 1973, to 5,734,000 dwt in June, or 17 per cent of the world total.

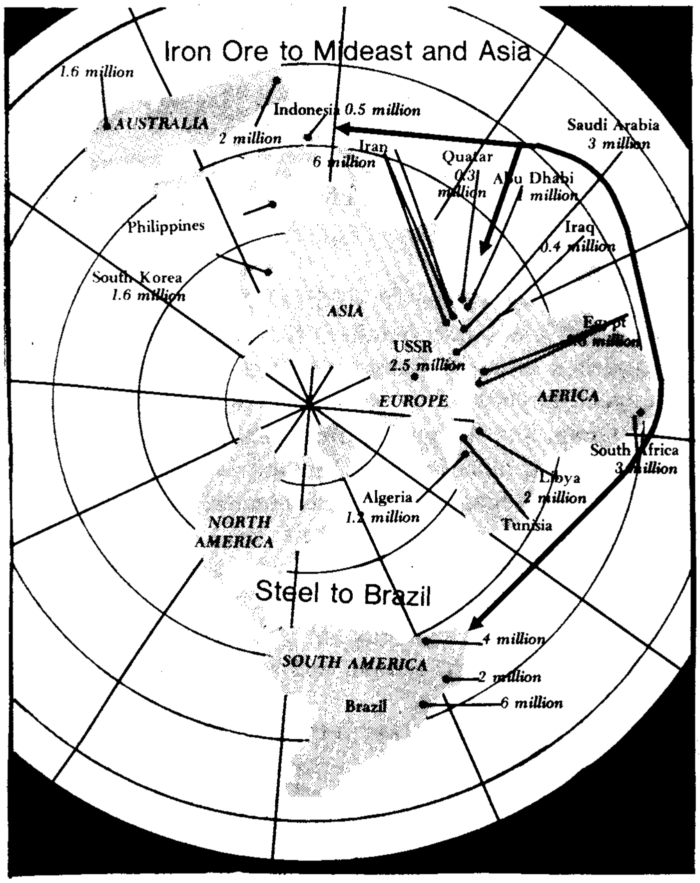
Meanwhile, grain shipments on the Great Lakes declined an astonshing 50 per cent in the course of the last year, showing the breakup of U. S. and Canadian agriculture.

And, the famine stricken nations of Asia have been written out of the grain trade. "*Several Asian countries which have to import food have accused American wheat dealers and the Administration of keeping the price artifically high,*" the London *Financial Times* reported August 16. "*They complained that their attempts to buy wheat as long as six weeks to two months ago were thwarted because they were quoted 'ludicrously high prices obviously meant to fob us off.' The initial reponse of the grain merchants had been to say there were no supplies available.*"

Part I reported the destruction of the European and Japanese currency systems in favor of the U.S. dollar — Rockefeller's right to loot these sectors. Leverage over the financing of international trade gives David Rockefeller veto power over what commodites will be sent where.

Last week, Japan — which is in hock to the tune of $30 billion to mainly Rockefeller banks — **offered to loan $1 billion to Iraq**, one of the well-heeled oil producing nations, in order to get "development" off the ground. At the same moment, Japan is denying credit to its own domestic industry. Incredible? Japan has to renew its loans from Rockefeller at the rate of about $10 billion per month. Chase Manhattan is in a position to dictate where the money will go, and force Japan to destroy its domestic production in favor of preparing its move to the Mideast.

Similarly, the West German Federal Bank, which is strangling the domestic credit system, has made a loan to the World Bank, preparing the relocation sites for German industry while forcing it to shut down at home.



Because German, Japanese, and British banks have been bled dry, New York's share of financing of trade between third countries (e.g. between Japan and Australia) rose from $2.2 billion in June 1973 to $6.4 billion in June 1974. New York financing costs over 14 per cent in interest, two or three percentage points above German or Japanese rates. "Such a high rate is cheerfully paid by users only if they can't get funds elsewhere," said the New York *Journal of Commerce.* Most of this third-country financing is related to the Japanese trade, which makes Japan's decision to send money abroad at a time of domestic crisis something less than a mystery.