

Rockefeller. The party daily L'Unita today trumpets on its front page the arrival of a PCI delegation in Beirut, just one of its stops on a full tour of the Mideast theatre. The PCI has already met with Yasser Arafat, the head of the Palestine Liberation Organization, the fascist lightning rod.

This PCI action thus puts the party in sharp contradiction with the other European Communist Parties who are now veering leftward. The PCI tour is, however, coherent with Trilateral Commission policy as exemplified by the so-called pro-Soviet turn of ex-Nazi Anwar Sadat--a move aimed at convincing the Soviets to give up pro-socialist Iraq.

The credentials of the PCI's three-man delegation would tend to lend credibility to the idea that the CIA has merely sent three well-placed agents to the area.

Luca Pavolini is a frequent Amendolite L'Unita editorialist and an advocate of "more equitable" corporatist "social pacts." He also authored the Nov. 8 L'Unita which gave left cover to a conference sponsored by Amendola for small and medium industries. Through this conference, Amendola hoped to develop an alliance between workers and small entrepreneurs, while calling for a parallel decentralization of the country into local control regions.

The second delegate, Remo Salati, told European Labor Committee organizers at a Dec. 1 intervention that the PCI had to collaborate with CIA agents in order to survive. He admitted that he himself had met with Trilateral Executive Director Zbigniew Brzezinski days before, and had also participated in a meeting of the European Federalist Movement, an association which his own party had once identified as being controlled by the CIA.

The third member of the delegation, Tullio Vecchietti, pronounced himself for "Arab autonomy" in a conversation with ELC organizers in Rome. He also mouthed the Trilateral Commission's Bellagio line calling for an autonomous Europe "overcoming both blocks" (the Soviets and United States).

These Three Musketeers will continue their Mideast tour with meetings with the Lebanese Communist Party, then onward to Damascus.

SPECIAL REPORT:
ROCKEFELLER GEARS UP WAR SPENDING;
RADICAL RIGHT REARS ITS HEAD

Dec. 18 (IPS)--A series of announcements by the United States government and the NATO alliance have signalled the Rockefeller faction's intention to massively increase armaments expenditure

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and production. Such expenditures threaten an immediate jump in inflation rates from the range of 12 to more than 25 per cent a year, and raise the possibility of renewed major monetary collapse. If the announced plans for armaments buildup are actually implemented on the scale announced, the move will mean an at least temporary dropping of the democratic mask over Rockefeller fascist war plans against the Soviet Union, and a shift to Rockefeller support of right-wing and openly fascist forces.

The evidence of cabal preparation for an arms buildup is mounting daily. On Dec. 6 Secretary of Defense Schlesinger announced that the new ceilings set by the Vladivostok arms agreements meant a large increase in United States arms programs, including the replacement of all land-based missiles with Trident submarines, and the expansion of the B-1 bomber program. On Dec. 17 Senator Symington of the Senate Appropriations Committee announced that discussions are underway to increase Trident production capacity from the present level of one per year to approximately four per year. The Trident, a nuclear-powered submarine still in production by the United States, is a \$1.5 billion vessel which could increase the overkill capacity of the United States military machine threefold. Schlesinger and the Joint Chiefs have also stated that they are planning to reorient away from a range of land, sea, and air deployments to a "diad" deployment based on sea and air strategic forces.

Dec. 7, General Motors announced its intention to resume its production of M-60 tanks and that they were applying for nearly \$1 billion in contracts for the development and production of a new tank, the XM-1. Dec. 11, Chrysler announced that it was doubling its production of the M-60 tank to 1,440 per year.

The rumblings are going on on the other side of the Atlantic as well. On Dec. 12-13 the NATO conference in Brussels called for another 1,600 tanks and 250 planes, supposedly to match the arms-flexing of the Warsaw Pact countries.

The most recent in this chain of announcements came Monday when the U.S. Navy "leaked" its plans for a new nuclear-powered surface ship--a "strike cruiser," of which at least a dozen would be ordered.

Economic Impact

The production of these weapons would involve the shifting of one-half of the U.S. economy's capital goods production to war use. It would mean the increase of aerospace and electronics manpower by 200,000 men; the increase of manpower support activities by another 400,000 men; and the involvement of another 400,000 workers for the building of the initial plant and infrastructure in 1975-76. It would also involve massive new taxation measures and wage controls, already been mooted in Capitol Hill and think tank circles.

In dollar terms, merely the tank and expanded fighter plane production would push up Defense Department procurements by \$9 billion, or 50 per cent. On top of this massive construction of new plant and equipment, at least another \$10 billion worth will be needed to provide the additional capacity for such war production, a sum equal to 40 per cent of all new capital investment by all manufacturing industry during 1974. These estimates have been completely confirmed by studies done at the Brookings Institution, the major Defense-related think tank.

Such spending will have a profoundly inflationary effect. As the Federal deficit soars from its present \$15-20 billion to \$30-35 billion, arms spending will be pouring dollars into the economy without any corresponding rise in real production. As manufacturers, now starved for orders, scramble to produce arms, demands for machinery, steel, aluminum, and other vital raw materials will skyrocket, boosting prices along with them. As productive capacity is diverted down the arms sinkhole (can you live in a tank or wear a missile?), capacity in sectors servicing real productive needs, especially consumer goods, will become strained even at the present inadequate level of demand, leading to further price increases.

The most significant side-effect of such a policy would be the danger of pushing the economy into a traditional depression collapse. Rockefeller's plans for averting such an unmanaged depression called for the establishment of massive slave-labor projects through the centralized financial apparatus and political-economic crisis created by the Second Great Oil Hoax. These projects are still stalled due to political and economic complications. Without such an outlet for the reams of dollar bills coming off the Treasury printing presses to pay for arms, the economy will quickly work its way into the same problem that confronted the country following the Vietnamese war buildup, multiplied manyfold. In the hands of the multitude of defense producers throughout the country, the coordinated thrust for fascist redevelopment will be lost and a generalized every-man-for-himself collapse next to inevitable.

Shift to the Right?

Even more profound than the economic implications of the armaments would be its political repercussions. An open shift to an arms drive on anything other than a tactical hard-cop basis would be tantamount to stupidly dropping the cabal's drive for fascism with a democratic face. If he adopted an open war-mongering stance, Rockefeller essentially would lose his leverage with the petit bourgeoisie. With inflation driving them into a fascist frenzy, he would be forced to turn to the organized forces of the extreme right--the ex-Nazis, the Italian MSI, the William Buckley's.

At this point, such a shift appears unlikely. The arms-rattling, most of which is merely projected, could very well be

a tactical maneuver similar to the right-wing coup plots in Italy, which have been used to terrify the PCI and drive it into organizing local-control, policing apparatuses for fascism with a democratic face.

Full Employment

The rearmament program as projected would create to begin with more than 900,000 jobs combined in the armaments, steel, and capital goods sectors. There has already been the promise of re-hiring for arms production, with General Electric hiring in anticipation of Trident turbine production, while continuing to lay off from its home appliance divisions.

This promise of new employment is likely to be used to hang over the heads of the United States working class--if workers behave, they will get the new jobs. To get a clear idea of what such a full-employment paradise would look like, it is sufficient to look at the last place a comparable policy was tried--the Nazi war economy.

BROOKINGS' BERGSTEN FORMS NUCLEAR CARTEL

Dec. 18 (IPS)--C. Fred Bergsten, the Brookings Institution's leading Trilateral operative on "Third World commodity cartels," has issued a frantic call for stepped-up nuclear proliferation throughout the world in the face of a temporarily stalled Rockefeller strategy for managed commodity trade wars as the pretext for internationally coordinated austerity.

In a lead article in the winter edition of Rockefeller's think-tank journal Foreign Policy, Bergsten tries to add weight to his attempts to activate a variety of OPEC-style commodity cartels among Third World countries by citing "dangerous threats" from Third World countries in the "security sphere."

While eight so-called commodity cartels have been formed, with Bergsten's help, in a variety of primary commodities in addition to oil, drastically falling prices in materials such as copper signal that Mr. Bergsten has yet to accomplish his objective of active regional blocs. In Foreign Policy, Bergsten raises the spectre of not merely trade blocs and trade wars, but regional defense blocs and increased proliferation of nuclear weapons to Third World countries.

"The Third World has become the focal point of potential nuclear proliferation," writes Bergsten. "India has attained nuclear capability, and is helping Argentina to do so. Brazil is almost certain to go nuclear. Israel already has a major capability; both it and Egypt are to get expanded U.S. help. Iran is buying reactors from France, and the Shah has reportedly