

## HOW FAR CAN YOU GO?

Dec. 21 (IPS)--Since 1971, the United Steelworkers has imposed a joint union-management productivity drive of unbearable speed-up, wage cuts, and self-policed recycling upon American steelworkers. The USW explained to its membership that higher productivity was necessary to compete with "more productive" and lower-paid Japanese workers.

Today, Frank Fernbach, Director of Special Projects for steelworkers' president I.W. Abel, told IPS that "there are now Brazilian workers to compete with whose wages are far lower than the Japanese." Between 1964 and 1971, Brazilian workers suffered a 45 per cent wage cut while productivity rose a corresponding 45 per cent.

## CIA'S SHAH PLEADS ARAB LOYALTY

Dec. 21 (IPS)--In an open endorsement of the CIA-directed Iranian aggression against Iraq, the Egyptian government of Anwar al-Sadat has received the Chief of Staff of the Iranian Army, Major Aschari.

Aschari's visit to Cairo, ostensibly arranged to set up procedures for Iranian participation in a fifth Arab-Israeli war, coincides with a sharp rise in tension between Iran and pro-socialist Iraq. The tension began last weekend when two Iraqi jets were shot down over home territory by American-made Hawk anti-aircraft missiles fired from Iran.

Earlier this week, the Saudi-financed Beirut magazine Al-Hawadess quoted the CIA puppet Shah of Iran as saying that Iran would participate on the Arabs' side in a new war, and yesterday the West German daily Bayern Kurrier--the press mouthpiece of Bavarian neo-Nazi Franz Josef Strauss--claimed that Iran's role in the war would be to plug any gaps on the Jordanian front with Iranian paratroops.

While actual Iranian fighting on the Arab side is extremely unlikely, it is not Iranian military participation that the CIA is interested in. Rockefeller simply wants a pretext for non-Arab Iran to join the Arab bloc in an expanded version of last year's Oil Hoax embargo.

The idea that Iran would participate in an Arab mobilization against Israel is particularly ludicrous in light of the close policy of collaboration that exists between Iran's political police, SAVAK, and the Israeli secret service Shin Bet. Both SAVAK and Shin Bet are heavily involved in the CIA-directed "uprising" of Kurdish tribal nationalists in northern Iraq.

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According to the West German daily Frankfurter Allegemeine Zeitung, Iraq has sharply attacked Egypt for inviting the chief of staff of Iraq's enemy neighbor for a friendly trip to Cairo. The pro-Iraqi newspaper Beirut has stated that the visit means that "Egypt greets Iranian aggression against Iraq."

The fact that the CIA would choose to establish such open cooperation between its Teheran and Cario substations comes as no surprise. Relations between the bestial Shah and ex-Nazi Sadat have been growing closer in recent months, and on Dec. 11 Sadat met with the director of Iranian intelligence, in a prelude to the current visit of Aschari to Cairo.

#### WILL CHILE DECLARE A DEBT MORATORIUM?

Dec. 21 (IPS)--In a panic reaction to the collapsing commodity prices, a number of debt-strapped Third World countries have launched what could soon become a wave of competitive currency devaluations. The desperate scramble to improve their export competitiveness resulted in the devaluation of the South Korean Won and the Chilean Escudo, while Hong Kong floated its dollar and Taiwan considered the devaluation of its currency.

The situation is explosive. A Bankers Trust economist told IPS yesterday: "More than half a dozen countries are on the verge of default, including the Central African copper-producing states." International Monetary Fund officials told IPS that the Chilean situation was so serious they would rather not comment. It is widely believed that if one Third World country declared a debt moratorium to relieve its position, a chain reaction would sweep Africa, Asia, and Latin America.

Chile is the first economic casualty of the collapse of commodity prices. Of all commodities, the plunge in copper prices has been the most dramatic and Chile, the world's largest exporter of the metal and dependent on it for more than 65 per cent of its total export earnings, is bankrupt. The glut of copper is so severe that the stockpile tonnage in the advanced sector has nearly doubled within a year. The price has plummeted from a high of \$1.40 a pound earlier this year to 54 cents a pound and is expected to go through the floor any day.

Rockefeller's criterion for the massive investment of capital in Chile since the installation of the Pinochet junta in September, 1973 was premised on his ability to pull together a level of control such that he could artificially maintain the metal's price at the desired level. Only in this way could Rockefeller ensure Chile's ability to repay its more than \$4.5 billion in international debt.

Rockefeller has already been forced to bail the country out with the expectation that the necessary financial restructuring