

goods based on those materials falters. Meanwhile the wholesale and retail prices of finished goods have been holding up thus far.

In the consumer goods sector the price of cotton, wool, and man-made fibers has been declining sharply, while wholesale and retail prices of apparel have been holding up. The accelerating decline in the price of grains on the commodity exchanges has just begun to show up in the wholesale price of cereals and bakery goods.

Workers and their wives who might look to this deflationary trend as a future saving are sadly mistaken. Such mass dumping is only a prelude to cutting off production itself; without expanded production the largest decline will continue to be in workers' incomes.

ENERGY PROJECTS ON THE ROCKS

Jan. 8 (IPS)--Within the last ten days, most of the major labor-intensive energy redevelopment projects that Rockefeller counted on to hold together his new economic order have fallen through. The latest of these collapsing dominoes is the much-touted Athabasca Oil Sands project, which covers over 19,000 square miles in Alberta, Canada.

"Rising costs and uncertainty regarding the business terms to be granted and the crude oil pricing policies of the respective governments involved" were the official reasons cited by Atlantic Richfield and Shell Oil when they packed up and left the Athabasca site. In plainer terms, this means that the current price of oil is too low to guarantee them a profitable investment in such a grandiose scheme, a problem that is a direct consequence of Rockefeller's failure to produce a major oil price hike through a renewed oil hoax.

Syncrude, the consortium planning to develop a 7,000 acre tract of the Athabasca oil sands, will lay off some of the 1,600 construction personnel "until the financial picture gets clearer." If no partners are found by Jan. 31, the entire project will be postponed or possibly abandoned altogether. Syncrude re-evaluated costs over the last six months and more than doubled the original \$1 billion price tag.

If the London preparatory meeting is any indication, next week's International Monetary Fund Interim Committee meeting in Washington, D.C. will bring little in the way of financial relief for Athabasca. Under the present circumstances, Rockefeller forces need three times the currently available funds simply to salvage their critical investments. This rescue mission will postpone the crash long enough to enable Rockefeller to reconsolidate his forces for another crack at the energy redevelopment projects.

1/8/75

IPS B9

As the Rockefeller financier faction drops these synthetic energy source projects like hot potatoes, they are chaotically sending out feelers for new schemes. This week, Chase Manhattan's "Citizens for a Strong Energy Program," Citibank, Trilateral Commission planner Peter G. Peterson and others have called for a shift from these synthetic energy sources--oil sands, coal gasification, etc.--to relatively cheaper conventional sources of energy, like offshore oil, natural gas, nuclear fission power, and coal.

Along these lines, the San Francisco Chronicle reported that Kaiser Corporation and three other major companies plan a \$300 million underground coal mine in Utah, where 2,400 workers will be needed to produce 10 million tons of low sulphur coal.

Also, syndicated columnists Evans and Novak reported in the Washington Post this week that President Ford had agreed to setting a \$7 to \$8 per barrel floor on domestic oil. Supposedly, the new strategy--dubbed "sub-optimal"--for the development of conventional sources of energy will require the price of oil to be no more than \$8 in order to be profitable.

But all this talk is nothing but rationalization for the dumping of the original energy projects like Athabasca. The so-called sub-optimal energy proposals afford no tactical advantage to Rockefeller and at best will prove a financial drain. The North Sea oil project off the coast of Scotland, for example, has turned into a major liability in these times of scarce funds: it will require \$3.5 billion just to keep it going in 1975, with no oil expected until 1977.

A hint of what bankers are thinking was given by Chase Manhattan Bank's energy chief John Winger who told a Swedish newspaper that offshore operations in the Pacific basin and Canada are falling victim to the financial crisis as international bankers turn to the old-fashioned "rate of return" on investment criterion for allocation of investment capital.

Actually, their only strategy is a form of triage--Rockefeller is salvaging only what is absolutely necessary to keep the entire shebang from collapsing.

"LEFTIST" BENN MOVES TOWARD FASCIST MERGER

Jan. 8 (IPS)--After a full year of behind-the-scenes consolidation of fascist policies in Britain, the Rockefeller cabal is now asking, "Who can deliver the bodies for a popular fascist movement in Britain?" With programs like North Sea oil temporarily held up because of a breakdown internationally in Rockefeller's plans, the cabal is using the time to consolidate the domestic forces in Britain to make outright fascist rule in that country a reality.