

ROCKEFELLER POWERLESS TO STOP ECONOMIC COLLAPSE

JAN. 6 (IPS)--Apart from short-term emergency bail-out operations, the capitalist class world wide is demonstrating day-by-day its inability to retard the present economic catastrophe.

Credit markets internationally are in chaos, aborting the possibility for the commercial banking system to continue to bail out stricken companies, as in the case of Chrysler. On the U.S. credit market, the Bank of America, the nation's largest bank, was compelled to postpone the sale of \$150 million in IOU's due to "adverse market conditions", while bankers warn that the commercial banking system cannot keep up the flow of loans. But the U.S. Treasury placed \$200 million in bonds today, draining funds from corporations--an act of "sabotage" which its own cash squeeze forces it to perform twice a week for the next six months!

Meanwhile, British companies have been written out of the Eurocurrency market, the international lending pool, due to their high risk as borrowers--at a moment when the domestic British banking system is incapable of handling re-financing needs. Following the collapse of Burmah Oil, Aston-Martin and British Leyland Autos, and a score of other firms in recent weeks, the British government has been forced to take over these companies debts--with resources that have been thinning daily due to the outflow of funds from the bankrupt island.

As an emergency measure, top capitalist layers have been forced to bypass their parliaments and use central financial institutions as rescue organs. The U.S. Federal Reserve and the Bank of England are aping Italian Central Bank Chief Guido Carli's proposals for full statization of credit: while the Bank of England is taking over companies directly, the Fed is ordering U.S. banks to bail out key firms, according to the San Francisco Chronicle.

This "initiative", however, still involves fumbling along the path of least resistance: British, German, and U.S. capitalists still do not know whether a triage operation on the weaker limbs

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of their class will cut out the danger or begin a chain reaction.

Both the "energy" and military Schactian options remain in disarray. Last Friday, for example, First National City Bank released a study which proposed that nuclear power make up percent of U.S. energy production by 1985; but the Brookings Institution released a study the same day claiming that fission reactors were unsafe! Also, the West German Frankfurter Allgemeine Zeitung hails the Pacific Basin offshore capabilities as the future source of the world's oil--while Chase admits that ther isn't a penny to set up the rigs.

The entire question of military production is dominated by contradictory reports and proposals from cabal-related spokesmen, think-tanks, and congressmen indicating the Rockefeller faction is not yet prepared politically to move full force on the military option, no matter how hard they need it.

BRD ADMITS: NO POLICY ON E. GERMANY

JAN. 6 (IPS)--In a surprise interview Jan. 3, Gunter Gaus, West German permanent representative to the German Democratic Republic (DDR), exposed Chancellor Helmut Schmidt's government as having no policy for "inner-German" negotiations scheduled for later this month. The Gaus interview is evidence of the shock effect on West Germans of an initiative seized by the DDR in December, when it proposed to continue talks on the basis of an eight point program which would obligate West Germany to finance extens ve transit route construction through the DDR to West Berlin.

Izvestia, official press organ of the Soviet government, in its Jan. 4 issue, significantly mistakes the political situation in West Germany in a lead article. Appearing after weeks of silence on the major West European political parties, the Izvestia article defends Rockefeller puppet Helmut Schmidt from the "violent attacks" of the more openly conservative Christian Democratic (CDU) opposition. While Schmidt is renowned in the European Communist Party papers for his anti-working class policies, Izvestia lays open its greatest fear: the collapse of the Schmidt government will bring the neo-fascist forces around Bavarian Christian Social Union chairman, Franz Josef Strauss, to the fore.

Gaus' interview on the other hand, shows the fear of the West German government in facing the DDR. Without first clearing this move with Schmidt, Gaus told the press that many government and parliamentary officials harbored "illusions" about the DDR. He emphasized that the DDR is a "different state, with different laws. We should see this fact in a more important light than legalistic wrangling on the part of (West Germany)."