

FINANCIAL:
THE COLLAPSE IS JUST AROUND THE CORNER

STEEL STATISTICS SHOW BUST

May 6 (IPS) -- Steel production declined by 2.1 per cent last week, the fifth consecutive weekly drop, according to the American Iron and Steel Institute.

AUTO SALES GIVE THE LIE TO "RECOVERY" MANIA

May 6 (IPS) -- Sales of domestic-built new cars fell by a whopping 26 per cent from April last year to register the lowest April sales in 14 years. The sales rate in the final third of the month was down by 32 per cent from a year earlier.

WORLD BANK TRIAGES MEXICO CITY WATER SUPPLY

May 6 (IPS) -- Sources in the World Bank confirmed today that "disbursements have been stopped on some aspects" of world bank-funded water development projects in Mexico City. This information corroborates a report in the Mexican daily Excelsior May 4 that \$90 million of world bank grants for the Mexico Valley Water Commission were suspended, allegedly due to "disagreements" between administering agencies.

The immediate results for the half million persons affected have been severe cases of dehydration in children and complete breakdown of sanitary conditions.

NEW YORK SINKING FAST; ROCKEFELLER REFUSES TO BAIL

May 7 (IPS) -- In a top level Washington meeting yesterday on New York's precarious financial status, David Rockefeller personally let New York State and City officials as well as the Treasury Department know that the banks are through bailing out New York. According to a New York Times report, featured prominently on the front page, New York State Governor Carey, New York City Mayor Beame, Treasury Secretary Simon and Federal Reserve Board Chairman Burns, along with leading Rockefeller bankers, met to discuss ways that the Federal Government can help New York come up with the \$1.5 billion it must borrow before June 30.

The Times called the meeting "perhaps the most dramatic action" on the City's cash flow problem yet.

In a lead editorial today entitled "no cash, no credit," the Times dramatically compared the critical New York situation to the predicament in 1932-33 when, in exchange for new credit, the banks demanded a four-year program of stringent economies." The "only realistic options available," the Times warns are "massive layoffs or a freeze on wages."

TETHER STEPS UP ATTACK ON ROCKEFELLER FORCES

May 7 (IPS) -- C. Gordon Tether, Financial Times columnist, stepped up his attack on the Rockefeller clique, openly referring to the recently held annual meeting of the so-called Bilderberg organization in his May column. Tether writes: "And it has to be recognized that it is not everywhere accepted that the annual Bilderberg conferences are the innocent 'think tank' exercises they purport to be." Tether continues that "It is claimed the real purpose of these annual get togethers...is to decide on the most suitable collective action these 'dynasties' can take to advance their cause in the ensuing year."

VENEZUELA CALLS GULF'S BLUFF

May 8 (IPS) -- The Rockefeller-controlled Gulf Oil Company yesterday afternoon denied that it had bribed any Venezuelan or Ecuadorian officials. According to several press sources, Gulf finally acted after Venezuelan President Perez two nights ago threatened to close Gulf's operations there if Gulf did not clarify within 48 hours an ambiguously phrased leak in last Friday's Wall Street Journal. The Journal had reported that Gulf gave \$4 million in bribes to a political party in one of the countries, which has caused six days of internal instability within both countries.

Mr. Clark at Gulf's Pittsburgh headquarters told IPS that internal investigation of the alleged bribery is headed by 80-year-old John J. McCloy, Gulf Board Member and former Chairman of Chase Manhattan Bank.

BANKERS WRITE OFF BOSTON

May 8 (IPS) -- Boston City Treasurer James Young, who told this news agency last month that Boston's credit rating, unlike that of New York, was "excellent," revealed yesterday that Boston has no money and that the banks refuse to give it any. Boston is the second major U.S. city, following New York, which has been declared not worth a dime by the Rockefeller banks.

JAPAN MISSION TO LOOK OVER U.S. FIGHTER AIRCRAFT

May 8 (IPS) -- Amidst discussion within certain circles within Japan of using rearmament to solve its economic crisis, it was reported in today's Journal of Commerce that Japan's Defense Ministry is sending a mission to the U.S. in June to decide on procurement of new fighter planes, to replace its current aging stock. Importantly, Tokyo authorities say that they have not decided whether to buy the fighters or to build them within Japan.

JAPAN-EAST BLOC AGRICULTURAL COOPERATION CENTER TO BE ESTABLISHED

May 8 (IPS) -- An East-West Agricultural Cooperation Center is to be established by June to coordinate cooperation between Japan and the East Bloc countries in agricultural modernization of the Soviet Union and East Bloc, according to the April 28 Asahi News.

TETHER SLAMS ROCKEFELLER "MULTINATIONALISM"

May 9 (IPS) -- Leading British financial columnist C. Gordon Tether yesterday launched an explicit attack on Rockefeller's international financial intentions warning that "the implications for democracy hardly need to be underlined." Tether further noted that Rockefeller has laid out an explicit choice to near-bankrupt industrialists: accept narrow "nationalist" viewpoints, or submit to his vision of "internationalism and economic cooperation." Tether says this "growing internationalism" "could end up by generating frictions capable of bringing about the collapse of our civilization (and) cannot be dismissed out of hand."

LAYOFFS BEGIN AS STEEL INDUSTRY COLLAPSES

May 10 (ISS) -- Wielding the threat of job loss due to production cutbacks, U.S. Steel in Birmingham, Alabama has pressured the Jefferson County Board of Health to grant the company permission to continue operation of its five open-hearth furnaces, according to yesterday's New York Times. The Board of Health had ordered U.S. Steel in 1972 to "clean up or close down" the furnaces at its Ensley Works by May 15. U.S. Steel has begun layoffs at its Chicago South Works and Gary Works -- the beginning of what will be a massive wave of layoffs as the steel industry collapses.

COMECON WARY OF EEC MANEUVERS

May 10 (IPS) -- Following the announcement that Christopher Soames, former British Ambassador to the Common Market (EEC) has enlisted China into another anti-Soviet alliance, spokesmen for Comecon claim that there are efforts to split the East Bloc alliance through trade deals. While Comecon will continue to negotiate with western countries for joint trade agreements, they are wary of the intentions behind the EEC overtures.

CBS WARNS -- BRITAIN BECOMING "UNGOVERNABLE"

May 10 (IPS) -- In a cover for the actual state of fascist-style control of the British economy, Eric Severeid, top commentator on the CIA's CBS News Thursday offered "his opinion" that Britain is "drifting slowly towards ungovernability," perhaps even a Chile-style coup, because of the actions of left-wing militants in the trade unions and the influence of the Communist Party. Noting that a "chronically weak, dispirited Britain" would be "able to play no effective role in the world or the alliance," Severeid concluded that "that would suit very nicely the long-range strategies of the Soviet Union."

DUNLOP SAYS MILITARIZATION MAY BE NECESSARY

Hartford, May 11 (IPS) -- U.S. Secretary of Labor John Dunlop admitted that he has a plan for setting up the U.S. working class for possible militarization in the near future in comments to U.S. Labor Party organizers outside a labor/industrial relations conference on wage-price controls here two days ago. In attendance were officials from the U.S. and Canada.