

count alone. Bunting will then have the suicidal choice of cutting his loan loss provision and reserve even further, or wiping out dividend payments. But, says Bunting, "We believe that our loan losses in 1977 will not be as large as in 1976 so that a commensurate reduction in the reserve for the very high levels of last year is appropriate." What he neglects to point out is that the real estate "resurgence" is based primarily on book juggling, e.g. banks' assumption of failing property in lieu of loan repayment. The very modest improvement in banks' control over their real estate assets last year thus hangs by a thread, subject to massive failures with any significant credit crunch or string of defaults.

That this realization has struck Bunting like a bucket of cold water is evident in his panicked strongarming of the Philadelphia school system. The 25 percent budget reduction he is demanding will destroy education in Philadelphia and result in 10,000 layoffs and \$100 million lost in taxes. Like his counterpart Felix Rohatyn of New York's Big MAC, Bunting is not interested in collecting the nickels and dimes of the system's debt for his bank.

The situation is far too advanced for that. What Bunting is gunning for is the elimination of institutions of a progressing industrial society and the regimentation of the population such that it will accept austerity and a low standard of living — thereby opening Philadelphia and Pennsylvania to the large-scale labor-intensive energy investment schemes of James Schlesinger. In his report, Bunting calls for turning Philadelphia into a Puerto Rico-type operation, and ends with a virtual declaration of war: "As presently constituted, it is fair to say that this country cannot afford prosperity."

Michael Marcuse, superintendent of schools in Philadelphia, recently responded to Bunting's proposals: "We can only pray at this time that responsive persons will not tolerate this pillage of the Philadelphia public schools." The EIR recommends far more than praying. We recommend that the Philadelphia banking community and First Pennsylvania consult our financial staff for discussion of the appropriate steps toward investment in the private development bank proposal of U.S. Labor Party chairman Lyndon H. La Rouche.

EXCLUSIVE

Rockefeller And The Coal Industry

COAL

The popular imagination associates the Rockefeller family name with oil and New York City banks. Not so well known is the fact of Rockefeller domination of another key sector of the U.S. economy — the coal industry.

The Rockefellers and associated business institutions dominate:

*the largest coal-reserve-possessing companies in the United States.

*a majority of the top coal-producing companies.

Knowledge of this domination provides insight into the motivation behind the Rockefeller-sponsored Carter Administration's "Energy Program."

The Rockefeller family and its allies also have significant holdings in railroads which are or would be principal carriers of coal under the Carter energy program; they are also organizing themselves into consortia to profit from a mooted rival transport medium — the long-distance coal-slurry pipeline (a mixture of water and coal dust sent through a pipeline as though it were oil).

The policies of the present generation of Rockefellers are a lawful continuation of those initiated by the first of the line, John D. Rockefeller Sr., who within years of founding Standard Oil began branching into pipelines, railroads, coal, etc. The older generation still remembers the early connection of the Rockefeller family to coal — in the form of memories of the infamous 1913 Ludlow (Colorado) massacre of over a dozen miners and members of their families during a strike against the Colorado Fuel and Iron Company, in which the Rocke-

fellers had a majority interest.

Coal and War

To look at the coal-promotional aspects of the Carter energy program as merely a boondoggle for a particular industry in which the Rockefellers happen to be heavily invested would be an error. Carter's energy program proposes to postpone the demise of David Rockefeller's leading financial institutions by conduiting flows of funds away from industrial capitalists and workers — toward One Chase Manhattan Plaza. Carter proposes discriminatory taxes on the productive sector (a) through price increases on oil and natural gas ("to discourage use") and coal ("to encourage production"), and (b) through various federal energy taxes, which in turn would make their way to Chase Manhattan coffers through public works swindles, "welfare reform," etc.

The coal-related aspect of the Carter-Rockefeller energy plan includes a programmed strike of coal miners later this year (already being emphatically predicted by Rockefeller-linked communications media)...another energy-short winter (with coal in short supply in the winter of 1977-78, vs. the natural gas shortage of 1976-77)...the breaking of the Eastern-based United Mineworkers Union through nonunion mining operations in the Rockies...the re-opening of uneconomical Rockefeller mines in the East, to be worked by nonunion labor under conditions imitating the worst mines in the Union of South Africa. Coal itself would be pegged at triple the present price, on the basis of a supposed BTU equivalency to oil, or some such pretext. Immediately related to these productivity and labor-destroying schemes would be a parallel drive to revive thermodynamically inefficient coal gasification processes first introduced in Nazi Germany.

The general political means for launching these crackpot energy schemes would be a Carter Administration rigged Middle East war, in which Saudi Arabian and other major fields in the area were destroyed, providing the "motivation" for a coal autarky and de-industrialization economy. If Carter were to be successful in this, however, it is more probable that thermonuclear war would intervene to clear the books at Chase Manhattan and other urban centers in the U.S. — before any of the intended looting profits came in. (Perhaps Nelson Rockefeller imagines he will be able to revive his early 1960s *folie* — boosting bomb shelters — and thereby make a killing selling shelter space in his coal mines.)

U.S. Companies With Top Coal Reserve Positions

Burlington Northern. Has 11.4 bn. tons of coal reserves, according to the Keystone Coal Industry Manual. The Rockefeller-controlled Equitable Life Assurance Co. has historically held large amounts of the railroad's stock; currently a representative of Equitable sits on the finance committee of the Burlington Northern. Morgan Guaranty Bank also has historically had one of its placemen on the Burlington board. Morgan Guaranty and Citibank perform stock transfer and registrar functions for the Burlington Northern.

Continental Oil. Owns Consolidation Coal, which has 10.8 bn. tons. Although usually reputed an "independent" oil company because of its heavy exploration activity, Continental has been closely linked to "Morgan" interests and the Rockefellers for decades. Its previous head, L.F. McCollum, is a former Standard Oil of N.J. man who still functions as a director of Morgan Guaranty. Its present head, Howard Blauvelt, is a director of Bankers Trust. Chase Manhattan Bank is the stock registrar. Lundberg, basing himself on Rep. Patman's 1963-64 study of foundations, notes that at that time two Rockefeller foundations owned 306,013 shares of Continental Oil capital stock.

Union Pacific R.R. 10.0 bn. tons of coal reserves. New York banks are the largest stockholders, with the Harrimans holding a number of leading positions for old time's sake.

Peabody Coal. 8.9 bn. tons of coal reserves. Owned by Kennecott Copper, which in turn is controlled by the Guggenheims and various Rockefeller-Rothschild New York City and related financial institutions (a divestiture proposal is pending, however).

Exxon. 7.0 bn. tons of coal reserves. A core Rockefeller holding.

Amx Coal Co. 5.0 bn. tons of coal reserves. Better known as American Metal Climax. The Rockefeller-family dominated Standard Oil Co. of California (SoCal) holds one-sixth of the stock of this company.

North American Coal Co. 5.0 bn. tons of coal reserves. The board of this "independent" coal company is dominated by representatives linked to Cyrus Eaton, a close associate of the Rockefellers. (Cyrus Eaton started out as John D. Rockefeller Sr.'s golf caddy in Cleveland, where Standard Oil was founded; became John D.'s

private secretary; acted as his front man in busting up the Insull and Morgan utility and railroad empires in favor of the Rockefellers; has served continuously since 1930 as trustee of the John D. Rockefeller funded University of Chicago; and founded the Pugwash conferences for brainwashing Soviet scientists.)

Top U.S. Coal Producers

Peabody Coal Co. produced 70.5 mn. tons of coal in 1976, the *Keystone Coal Industry Manual* reports. For ownership, see above.

Consolidation Coal produced 55.9 mn. tons in 1976. For ownership, see above.

Amx Coal produced 23.1 mn. tons. For control, see above.

Island Creek Coal produced 17.6 mn. tons. It is controlled by Armand Hammer's Occidental Oil Co.

Pittston Coal produced 17.1 mn. tons. The company is part of the Alleghany Corp. empire of Allan Kirby and the late Robert Young. Like Cyrus Eaton (with whom the two worked closely), Kirby and Young functioned as placemen for the Rockefellers in dismantling the Morgan empire (e.g., the Morgan hold on the New York Central R.R.) and in harassing the Mellons (e.g., in the Pullman and Virginia Railway cases). Further confirming Rockefeller control over Pittston is Robert W. Purcell, "consultant, Rockefeller Family and Associates," who sits on the Pittston board of directors alongside Kirby.

Arch Minerals produced 13.6 mn. tons of coal. It is controlled by Ashland Oil.

North American Coal produced 10.7 mn. tons. See above for control.

Old Ben coal produced 9.7 mn. tons. It is controlled by Standard Oil of Ohio (Sohio), historically under Rockefeller family control but now anticipated to pass under to majority control of British Petroleum under an Alaskan North Slope oil delivery agreement.

Westmoreland Coal produced 8.1 mn. tons. It is dominated by Fidelity Bank of Phila. and related financial institutions, with a Rothschild representative, the Earl of Westmorland (of Southeby-Parke Bernet), also on the board. (Earlier in this century, Philadelphia banks functioned as satellites of the Morgan empire; that empire subsequently came under the control of Rockefeller institutions.)

Peter Kiewit produced 8.0 mn. tons. The Keystone Coal Industry Manual describes this company as being controlled by an (unspecified) oil company. Peter Kiewit himself is an Omaha, Nebraska contractor.

Eastern Associated Coal produced 7.7 mn. tons in 1974. It is controlled by Eastern Gas and Fuel, which in turn is controlled by Boston financial interests closely allied with the Rockefellers.

Pittsburgh and Midway produced 7.5 mn. tons in 1974. It is owned by Gulf Oil, dominated by sometime rivals to the Rockefellers, the Mellons.

Utah International produced 7.0 mn. tons of coal in 1974. It is owned by the Rockefeller-linked General Electric company.

("Captive" coal mines are omitted, e.g. U.S. Steel, Bethlehem Steel, etc.)