

Saudi Arabia and Kuwait. These barter deals are made outside the domain of the OPEC production ceiling. In return for giving their oil to the Soviets, the OPEC suppliers get Soviet arms or soft-currency goods. The Russians then take this same OPEC crude (they are not OPEC members) and dump it onto the European spot trading market, through a series of small cut-out trading houses in Switzerland, London, and other trading centers. This puts further downward pressure on OPEC prices in a period of chronic and worsening underconsumption. In return for dumping OPEC crude on the West, Moscow gets large amounts of dollars which are reportedly being used to purchase record amounts of Western—primarily U.S.—grain through Cargill, Bunge, André and the major Swiss-linked grain-cartel group.

The third, and as yet least appreciated area of major financial development, is the transformation of Hungary into a Swiss-style secret “offshore” banking center. The process began almost a year ago when the Hungarian government approved a series of dramatic financial changes designed to attract foreign depositors. According to an Aug. 26 interview in Denmark’s *Berlingske Weekendavis* with the president of one of the Hungarian banks involved, Antal Beszedes of the OT Savings Bank, Hungary is offering secrecy and tax advantages better than Switzerland. “Our conditions,” the banker stressed, “will be much better than the Swiss for accounts of foreigners. In Switzerland, there is a 30% tax on interest. We will have no tax.”

The Budapest banker also stressed that whereas Switzerland has an agreement with the United States to disclose information on private numbered bank accounts in certain criminal cases, Hungary will make no such agreement. This is an obvious green light signal to certain Western “black money” sources to use the Moscow-controlled Budapest banking center for certain operations without fear of disclosure.

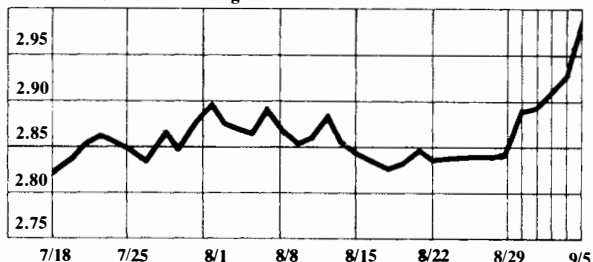
The list of European banks intimately tied to the new Hungarian offshore banking suggests that this is part of some kind of deal between Moscow and the financial families of the *Mittleuropa* oligarchy.

The bank being used to facilitate the Hungarian offshore game is called the Central European International Bank. This new creation is a consortium in which the Hungarian National Bank owns 34% of the East-West institution. The remaining 66% is held in six equal blocks of 11% each. The holders include the Italian Banca Commerciale Italiana, the Union Bank of Bavaria, the Kreditanstalt-Bankverein of Vienna, and Société Générale of Paris. The remaining is held by two Japanese banks, Taiyo Bank, and Long-Term Credit Bank of Japan. The Union Bank of Bavaria is known to be controlled by the enormously wealthy Thurn-und-Taxis family of Regensburg, a leading advocate of accommodation with Moscow as the “Third and Final Rome.” The family is known to control the largest private fortune in Central Europe, and perhaps the world.

Currency Rates

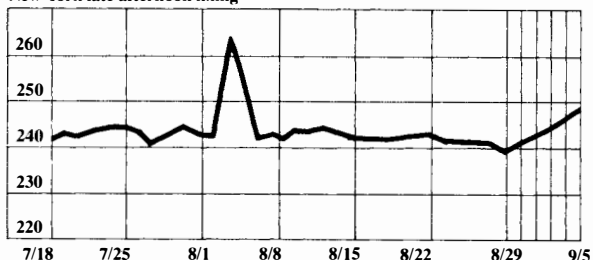
The dollar in deutschemarks

New York late afternoon fixing



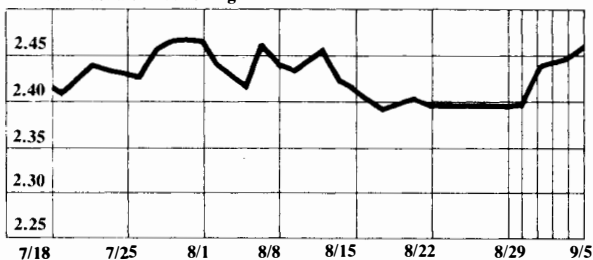
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing

