

COMMON SENSE

Journal of Edinburgh Conference of Socialist Economists



- *NAZISM & THE WORKING CLASS*
- *BOSNIA*
- *THE SCOTTISH ROOTS OF CIVILISATION*
- *TONI NEGRI ON CONSTITUTION*
- *REVIEWS: 'MARX AND FEMINISM'*
& 'TIME, LABOUR & SOCIAL DOMINATION'

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Bosnia, Bohemia & Bilderberg: The Cold War Internationale

Alfred Mendes

To elicit some sense of logic out of current events - with America firmly ensconced in the role of 'World Policeman' and the entry of NATO on to the Balkan scene - it is necessary to recall some crucial events from 1917 onwards.

The vast wealth amassed by the Vanderbilts, Astors, Morgans and other suchlike at the turn of the century fuelled the extraordinary growth of the American mass-production machine, and the resultant corporations were soon looking abroad with the intention of extending their interests. On the other hand, the Bolshevik's seizure of power in Russia in 1917 created, in effect, a call to wage-earners worldwide for the setting up of a marxist system of social distribution of wealth - the very antithesis of the capitalist system of garnering profit from the wealth created by labour. The corporatists now had little option but to commit themselves to the destruction of this subversive, marxist threat, even though this entailed the dubious - if not impossible - concept of the destruction of an Idea, an Ideal! Above all, they had to avoid this dichotomy being seen as one of ideology per se, the inequity inherent within their capitalist system being too vulnerable to scrutiny. No, the struggle had to be seen by their public as one of 'Good Nation' against 'Evil Nation'; 'White' against 'Red'. This would be made easier both by ownership of the means of communication - the media - and the subordination of political parties of all shades outside of America (as in Italy post-World War 2): the weak left in America itself would be squashed by bâton and gun.

Such was the ideological impasse that lay at the root of all subsequent events, and it is therefore essential to look more closely at the role of corporate America, the key stall-holder in the world market, and the group that would stand to lose the most in the case of failure. For them, political control was now important: politicians could not be entrusted with the task of avoiding, repudiating the temptations of this new ideology. Control was accomplished in two ways:

(1) By direct secondment of top company executives to high government posts, thus skirting the democratic process. An example of this was the fact that in the first two years of Truman's presidency, of the 125 principal appointments made: 56 were corporate lawyers, industrialists and bankers (one of whom, James Forrestal of Dillon, Read & Co., was probably the earliest and most vigorous promoter of what was soon to be known as the 'Cold War'); and 31 were high ranking military officers.

And (2) by the formation of the influential 'advisory' groups. A survey of these reveals that, contrary to the popular view of America as the epitome of a

pluralistic, competitive society of 'rugged individuals', its corporations display a very high degree of cohesion of purpose, and this cohesion is exemplified by their manifest urge to form cabalistic groups, many of a pseudo-social character. This is a phenomenon that should come as no surprise to anyone who has attended an American university, with its fraternity-ethos which invariably leads to the masonic lodge on graduation. Indeed, when it is recalled that the first president, Washington, and nine of the signatories to the Declaration of Independence in 1776 were known freemasons, and that subsequent rituals used for both Washington's inauguration and the laying of the Capitol's cornerstone were masonic- then it would seem that this phenomenon has certain traditional roots.

The result is such groups as:

(1) **The Business Council**: a government advisory body holding immense political clout since 1936, when President Franklin D. Roosevelt (FDR) commissioned it to draw up his Social Security Act, thus helping to diffuse a potentially revolutionary situation. (It is interesting to note that from FDR onwards, the only time that the Business Council withdrew from its advisory status was in the latter part of JFK's presidency, after its confrontation with him in 1962).

(2) **The Bohemian Club**, with its prestigious membership and its 127-lodge Grove Camp north of San Francisco on the Russia river - where, for instance, the atom-bomb Manhattan Project was conceived in 1942 at the prompting of physicist Professor Ernest Lawrence.

(3) **The Euro-American Bilderberg Group**, formed in 1954 to serve as a forum for lobbying at the highest political level in order to ensure that consensual policies were adopted by the West in general, and signatories to the NATO Alliance in particular. Implicit within the structure of this group, with its publicised claim to having no formal organisation; no 'membership' as such; no charter, and no elected officers is its unaccountable, autocratic nature. However, the very fact that it has a chairman (currently Lord Carrington), a steering committee, and annual conferences surely means that - contrary to the claims above - it has a formal organisation. All doors to the seats of power are open to the Bilderberg.

The inevitable interlocking of membership among such groups resulted in the creation of an intricate web of influence (The Bohemian Club, with tongue in cheek, cautions its members - and equally influential guests - on entry to the Grove: "Spiders Weave Not Here!" - as if a spider could exist without weaving its web!). The following table covering nine of such clubs/groups illustrates concisely the complexity and scale of the web, as it existed in the early 1970s. (Two points: the Bilderberg is not included because of its structural ambiguity noted above, and it must be kept in mind that each figure represents a top-ranking executive in the American military/industrial/banking complex):

KEY:	BO	= Bohemian Club	PU	= Pacific Union
	CA	= California Club	RA	= Rancheros
	LI	= Links Club	CE	= Century Club
	BC	= Business Council		
	CFR	= Council for Foreign Relations		
	CED	= Council for Economic Development		

	BO	PU	CA	RA	LI	CE	CFR	CED	BC
BO									
PU	252								
CA	136	96							
RA	40	20	45						
LI	67	69	33	1					
CE	22	8	7	1	57				
CFR	34	25	15	1	108	332			
CED	20	24	17	2	60	23	52		
BC	27	24	14	2	77	12	42	49	*

Two notorious, well-documented examples of the use to which this influence was put are:

1) In Iran, mid-'53, the Americans deposed Mossadegh, President of Iran who had nationalised the Anglo Iranian Oil Company (AIOC) (latterly BP) in 1951, and installed the Shah by means of a CIA operation codenamed 'AJAX'. Legal counsel for the AIOC had for years been the distinguished New York Corporate law firm, Sullivan & Cromwell, the senior partners of which were the Dulles brothers (another partner was Arthur Dean, who was later a co-chairman in the Bilderberg for some years). At the time of the coup, John Foster Dulles was Secretary of State; Allen Dulles was CIA Director. It is worth adding here that the AIOC was financed from its early years by the Industrial Bank of Iran, an offshoot of the German Schroeder banking house (about which, more later).

2) In Guatemala, June '54, a CIA-sponsored coup d'état removed the reformist, constitutionally elected government of Jacobo Arbenz Guzman (a land-owning, military officer), and replaced it by a military dictatorship. Arbenz had, in 1953, expropriated, as part of his much-needed agrarian reform, large, uncultivated tracts of land belonging to the American United Fruit Company (UFC), whose earlier predatory incursion into Central America had caused the area to be known as 'the Banana Republics'. For years, the counsel for the UFC had been Sullivan & Cromwell, and at the time of the coup the Dulles still held the posts they had held in 1953. Indeed, John Foster Dulles was also a large stockholder in the UFC. This coup, incidentally, was a blatant violation of Article 15 of the, US-inspired, Organisation of American States (OAS) which specifically forbade any interference - political or military - by one state in the affairs of any other state.

These examples of corporate power-wielding reveal the lack of any democratic accountability, as well as a disregard of national frontiers, this latter aspect due largely to the now-multinational nature of the corporations. There were even a number of cases in the 30's and 40's when such activities militated *against* the national interest of their *own* country - to the benefit of Germany in the instances that follow.

The 1920's had been a particularly crucial period in Germany because of the extraordinarily rapid rise to power of the Nazis: what had been a rag-tag of street dissidents had, within a decade, become a well-uniformed, well-organised, and

obviously well-financed organisation. Above all, it projected a very marked anti-Bolshevik bias. This attracted Corporate America, and contacts were soon made. International Telephone & Telegraph (ITT) and Sullivan & Cromwell were among the more high profile firms to do so. In the case of both firms, the German contact used was Dr Gerhardt Alois Westrick, Hitler's financial agent - and through him deals were made with Baron Kurt von Schroeder of the Schroeder banking house (see AIOC above). This bank was a channel for funds for the Nazi Party in general, and the Gestapo in particular (it was in von Schroeder's villa in Köln on the 7th January 1933 that Hitler and Franz von Papen had met to plan details for their subsequent seizure of power, and von Schroeder was later made SS Gruppenfuehrer).

In ITT's case, in return for directorships for both Westrick and von Schroeder in ITT, the latter acquired a number of German firms, the most intriguing of which was a 28% share in the Focke-Wulf aircraft company, whose aircraft saw much service in the ensuing World War 2 - much to the discomfiture of Allied servicemen and civilians. Moreover, in 1967, ITT were paid \$25 million in compensation by the American government for war damages to its factories in Germany!

For its part, Sullivan & Cromwell acquired as clients:

- 1) I. G. Farben, the German chemical conglomerate which, in 1937, developed the deadly nerve gas, Tabun.
- 2) The well-known Swedish ball-bearing manufacturer, SKF, which supplied 60% of its production to Germany - primarily for its armaments.
- 3) The Schroeder banking house itself, Allen Dulles becoming a director of its New York offshoot - a post he held until 1944. Inasmuch as it exposes one of the filaments of the 'Corporate Web', it is pertinent to note here that the man who initially approached Sullivan & Cromwell on behalf of Schroeder was the latter's vice-president, John L. Simpson, the chief confidant of Steve Bechtel Sr. (of Bechtel Corporation) who was a member of the most influential 'camp' in the Bohemian Grove, Mandalay Camp (Bechtel was later to supply the US government with such figures as John McCone, George Schultz and Caspar Weinberger).

Implicit in the political unaccountability of the American Corporate oligarchy is its secretiveness. We are thus justified in assuming that the few examples that are in the public domain - as above - must mean that there are many more of like import and gravity *not* in the public domain, and any concerned curiosity about such unpublicised activities, or hidden agenda, is therefore equally justified.

Balkan Backdrop

The current Balkan crisis, and America's role in it, offers an opportunity to indulge this curiosity. However, any examination of a subject as complex as the Balkans must necessarily be preceded by a brief historical review of the region: the Roman/Orthodox split in the Christian church and the subsequent five centuries of Muslim Ottoman rule ensured that the Yugoslavia that was to be formed in 1918 would be a land simmering with religious discord - a situation not eased by the earlier incursions of the Habsburgs in the north and the Bulgars in the east. The setting up of the Catholic State of Croatia under the fascist Ustase in the wake of the German invasion of Yugoslavia in 1941 ignited this discord, resulting in large-scale massacres of Orthodox Serbs - and jews, muslims and gypsies on a lesser scale. Another area of discord during the war was the split between the ultra-Serbian royalist Chetniks under Mihailovich and the more ethnically-mixed communist/republican

