International Intelligence

Agnelli press pulls switch, praises Gaullist Europe

The Turin daily La Stampa, property of FIAT magnate Gianni Agnelli, on June 19 published an editorial on the Franco-German alliance as the revival of the Gaullist conception of Europe. The editorial, highly unusual for the Turin paper, reflects the political reorientation of its owner who days earlier had emphasized the keen importance of maintaaning close detente and industrial-trade cooperation with Moscow.

The editorial said that "De Gaulle is still present in Europe." It is in his spirit that the Franco-German alliance has been formed, and it is in his spirit that this alliance's relationship with the Soviet Union and Eastern Europe must be viewed.

Strategic tensions build in Middle East

Almost unnoticed, a permanent U.S. military base has been installed in Egypt in the southern center of Qena, where highly sophisticated AWACS communications planes are stationed. AWACS coordinates regional theatre military forces which can be activated for action against Iran and the Persian Gulf, deploying the U.S. naval task force in the Indian Ocean. Four hundred U.S. troops and a squadron of F-4s will be based at an Egyptian airfield in Cairo West, along with many intelligence and military personnel. The buildup coincides with the July test run of the U.S. Rapid Deployment Force in the Persian Gulf, for which Egypt and Israel are scheduled to provide logistical backup.

Signs have emerged that Egypt, with Israeli support, is preparing an attack on Libya. The Libyan government called an emergency meeting of the foreign ministers of Algeria, Syria, South Yemen, and the Palestine Liberation Organization for June 22 after Egypt declared a state of alert along its western border with Libya. The Soviet news agency Tass accused Egypt of "playing with fire"; from Paris, Le Figaro reported that Libya has mobi-

lized its enormous Soviet-made arsenal of 2700 tanks and 400 jet fighters.

Overall, Israel is preparing for a role in a military conflict whereby it would take responsibility for knocking out Soviet positions in the Arab East and seizing oil fields in the Gulf. Meanwhile Israel June 20 again sent forces into Lebanon in a terrorist police action. Top Israeli military officials warn about the possibility of war with Syria and "the Jordan-Iraq-Saudi axis."

Syria, which now has close military relations with the U.S.S.R., announced this week that it has officially launched an effort to change the strategic balance in the Middle East by upgrading its military position. Foreign Minister Khaddam warned that there may soon be some "basic changes" in Syria's position toward Israel, signaling a tougher stance in response to Israeli provocations. Another signal was Syrian President Assad's publicly announced meeting with PLO chairman Arafat.

Mapam warns of "Israeli fascism"

A leader of Israel's Mapam Party, one of the parties opposing the ruling Kikud coalition, warned this week that "the conditions are right for the rise of fascism in Israel." The Mapam leader warned that the Begin government's persistent support for the Gush Emunim religious fanatics and condoning of terrorism by Zionist extremists could rapidly bring democracy to an end in Israel.

Israeli sources affirm that the Mapam leader's warning is more than justified by the following development in Israel over the past days:

- The call by Haim Druckman, a member of the Israeli Knesset who is close to Begin, for "collective punishment" against Arabs in the West Bank and for "retaliatory" acts of Jewish terrorism against Arabs.
- The issuance of a statement by eight retired Israeli military leaders for Israel to refuse any territorial concessions to the Arabs and to renounce the "Palestinian

autonomy" plan. The leader of this group, Yuval Neeman, the "father of the Israeli atomic bomb," called for Israel to "transform itself into a military fortress" to confront the Soviet Union.

- The funding by mobster Samuel Flatto-Sharon of a new illegal settlement outside Jerusalem to be inhabited by poor slum dwellers. Israeli sources compare this to the use of poor elements as stormtroopers by Mussolini and Hitler.
- The issuance of a visa to organized crime linchpin Meyer Lansky. This indicates that "the Begin government is actively colluding with criminal networks." One week ago, sources point out, Begin's government appointed a suspected head of organized crime, retired general Rehavam Ze'vi, to head a task force to coordinate relations between the police and the interior ministry.
- Increasing discussion in the Israeli press of race-science concepts that were last popular among the fascists in the 1930s. This is coupled with an increasing interest in "genetic engineering."
- The economy's alarming collapse. Inflation is fast pushing the 150 percent annual rate, and as one source noted, "No democracy has ever survived that kind of inflation figure."

"Detente is not a basic concept," says Kissinger

To an interviewer of the West German Rheinische Merkur in West Berlin June 15, Henry Kissinger said, "Detente is not a basic concept. It is only the description of a certain level of state-to-state relations. Everything going beyond that interpretation belongs to the realm of illusions." Kissinger was referring to the July trip to Moscow by West German Chancellor Helmut Schmidt, which has already occasioned sharp rebuke from President Carter in a personal letter to the Chancellor. He added, "There can be no bilateral talks with the Soviets for either Western power unless there is a unified western stand against the Soviets."

To aid in this anti-Soviet "unified stand," Kissinger proposed that "like

Churchill in 1941, we have to choose the lesser evil as our partner, to contain the greater evil, the Soviet Union." He explained that the lesser evil is China.

Asked to comment on whether the U.S. might ever be impelled to invade Cuba as relations with Moscow worsen. Kissinger refused to deny the possibility: "I don't want to say anything about that. It is too hot an issue. No comment.'

IMF gives it to the Turks

The largest credit ever granted to a country by the International Monetary Fund was approved last week for Turkey-\$1.6 billion. But Turkey, virtually bankrupt, must pay a price—and a pretty hefty one at that.

The price is Turkey's acceptance of further stringent economic austerity measures that spell death for once-vigorous state sector enterprises. In its letter of intent to the Fund, Turkey agreed to slash subsidies for state industries, long under attack by the IMF for their "inefficiency." State enterprises produce half of Turkey's national output. In addition, the Turks agreed to cut public spending, to restrict bank lending to the private sector, to lift ceilings on interest rates, to impost limits on foreign borrowing, and to devalue an additional 22 percent this year. Since January, the Turkish lira has already been devalued 66 percent.

Directly impinging on Turkey's national sovereignty, the IMF has also demanded that Turkey curtail its trade with the Comecon bloc countries by doing away with all incentives to Turkish businessmen to facilitate that trade. Commenting on the "economic insanity" of this particular measure, the Turkish press reports that Turkey will lose hundreds of millions of dollars as a result.

Another of the IMF's less publicized "conditions" is its agreement with Ankara to encourage black marketeering. From now on, those who make profits on the black market—which is flourishing from illegal drug and arms trafficking-will be able to deposit their "earnings" legally into Turkish banks without being questioned.

Turkish industrialists and businessmen charge that the IMF's measures will not only worsen inflation and hurt investment, but will lead to a sharp rise in unemployment, political instability, and terrorism.

Coup in the works for Iran

Iranian intelligence sources have told EIR that West German Chancellor Helmut Schmidt is pressuring President Carter to throw U.S. support behind an operation to dump Ayatollah Khomeeni and his hapless government from power.

It is not yet clear whether the Carter administration will abandon its policy of "placating" and otherwise aiding and abetting the Khomeini regime. But one thing is for sure: a coup is in the works. Last week former Iranian Prime Minister Shahpour Bakhtiar and former Iranian generals Oveissi and Palizban met in Baghdad with Iraqi President Saddam Hussein. Hussein reportedly agreed to the establishment of military bases in Iraq for use against Khomeini. Former officers and soldiers who fled Iran following Khomeini's takeover are being recruited into a 25,000-strong Iranian Liberation Army to carry out the operation.

"Time is very short," stated an Iranian exile living in Dallas who is one of the organizers of the Army. "We need to strike within four weeks."

The timing of the operation is geared to the rapidly deteriorating situation inside Iran, now on the edge of all-out civil war. The country is polarized between the extremist mullah-dominated Islamic Republican Party and the leftist Mujaheddin, who are for the time being associated with President Bani-Sadr. Increasingly isolated by a rash of resignations from top positions by his own people, Bani-Sadr is striking back. In defiance of efforts by the clergy to seize control over the military, Bani-Sadr has tried to completely reorganize the armed forces. In addition, Bani-Sadr has unleashed a scandal in Iran by releasing taped conversations of the number-two man in the Islamic Republican Party plotting Bani-Sadr's overtthrow.

Briefly

- ISRAELI INTELLIGENCE has come under suspicion for the mysterious death in Paris last week of an Egyptian nuclear scientist who had come to France as an official representative of the Iraqi government to inspect the quality of French nuclear material that is to be supplied to Iraq. French newspapers report that Israeli Prime Minister Begin is furious over French nuclear cooperation with Iraq, while the New York Jewish Journal says French nuclear technicians are reluctant to take assignments in Iraq because of rumors that Israel's Mossad intelligence service has sabotaged Iraqi nuclear facilities to make them unsafe for workers. The Mossad has admitted blowing up two French-made Iraqi reactors in 1979.
- THE VIOLENT death of radical opposition leader Walter Rodney June 13 has set off a political destabilization of Guyana which could blow up into a major strategic crisis in the Caribbean. Rodney, a selfstyled Marxist intellectual and leader of the opposition Working People's Alliance, was a product of the British Intelligence-run Institute for Race Relations. Now his old patrons are using his death to play him up as a martyr and trigger mass riots and destabilizations. In a London Guardian article June 16, British MP Sam Silkin described Guyana as "a powder-keg verging upon a police state."
- COLOMBIAN Defense Minister Luis Carlos Camacho Leyva's brother was arrested today with a large quantity of cocaine in his possession. The arrest of Alfonso Camacho Leyva led to discovery of a store of cocaine valued \$8 million, according to Mexican press reports. Defense Minister Camacho Levva is a close ally of Conservative Party leader Alvaro Gómez Hurtado, also suspected of high-level involvement in the Colombian drug trade. Gomez and Camacho have spearheaded the effort to legalize marijuana production in the country.