

# International Intelligence

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## ***Socialist International meets in Washington***

Over 1,500 high-level European and American members of the international Social Democracy met in Washington, D.C. Dec. 5-7 to discuss "Eurosocijalism and America." Local control and environmentalism will be a chief topic. Participants are to include Sweden's Olof Palme, France's François Mitterrand, and Britain's Anthony Wedgwood Benn, as well as German Social Democratic chairman Willy Brandt. The program was assembled by the German Marshall Fund.

Americans in attendance will include union leaders, Institute for Policy Studies fellows, Rep. Ron Dellums (D-Calif.), and economist Gar Alperowitz. The size and location of the conference are unprecedented.

According to leaders of the U.S. Democratic Socialist Organizing Committee, plans are under way to drive conservatives out of the Democratic Party and turn it into a "proletarian" party under tight control.

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## ***Brazil shafts mineral speculators***

The Brazilian government has begun to crack down on foreigners who amass huge minerals concessions in order to speculate with them. The first to feel the get-tough-policy have been two shadowy operations that have acted as though Brazil were their personal fiefdom.

The government blocked Daniel K. Ludwig's transfer of 9 bauxite deposits, worth \$3 billion, to Alcoa in late November on the grounds that it would give Alcoa control of 25 percent of Brazil's bauxite and that Alcoa would not use the reserves for at least a dozen years. The government also charged that Ludwig and Alcoa had deliberately understated the volume of the reserves to fool the Brazilians.

A few days later, a federal judge an-

nulled two of the 517 prospecting concessions held by Brascan, half-owned by the Canadian Bronfman family. The judge stated that the Bronfmans had violated Brazilian laws permitting only 5 claims per metal per company, by setting up "phantom" companies nominally run by Brazilian nationals.

The judge noted that the Bronfmans had an extraordinary interest in accumulating gold sites such as the two he annulled, which they had held for two years without doing any prospecting.

Edgar Bronfman was in Brazil Nov. 9-14 to lead a World Zionist Organization congress which organized an offensive against the Brazilian government's policy of permitting free speech to anti-Israeli Arab causes.

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## ***France bidding on Indian industrial complex***

The French government informed the Indian Minister of Steel and Mines, Pranab Mukherjee, Nov. 13 that France "is willing to offer the same terms and conditions as those offered for the east coast aluminum project" for construction of an iron pelletization plant in Mangalore, India, whose cost is estimated at 455 million francs.

The east coast iron ore complex has been stalled because its financing originally came from Iran, which since the advent of the Khomeini regime has cancelled its support for the buyback project.

France's offer, which is part of the agreements concluded by President Valéry Giscard d'Estaing during his January 1980 visit to India, contains the same credit terms as France made for the Orissa aluminum project.

Financing would be handled equally by the French government and Crédit Lyonnais. The government loan bears an interest rate of 2.5 percent, while the bank loan would be 7.5 percent for 8 years. Crédit Lyonnais is also offering 85 percent of the project costs, while Lurgi Paris is promising the remaining 15 percent through \$50 million in Eurodollar loans.

While France's bid is the first significant offer made to subsidize this project, Romania, the Soviet Union and Canada are also reportedly interested.

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## ***Indo-European business looks to third countries***

A two-day conference on cooperation between West European contractors and Indian engineering firms interested in subcontracting work was held Nov. 24-25 in Paris.

The conference discussed co-tenders and co-contracting in engineering projects in third countries, especially the Middle East and Africa. 173 European companies attended the meeting and a high-powered team from India including Khurshid Alam Khan, minister of state for commerce, and T. K. Dave, economic envoy to Western Europe, were called upon to present India's capabilities.

The conference was given a high profile by India, in contrast with their usual low-keyed approach. A six-page supplement in *Le Monde* as well as a 12-page advertising supplement in the European edition of *Time* magazine was put out by the Indian firms. The Indians seem determined to brief Europe on the precise engineering and construction skills that can be exported from India.

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## ***Chinese army officers growing restive***

The Deng Xiaoping regime in China has been put in the position of having to publicly denounce certain army officers for opposing its policies. As one Canton newspaper editorialized: "Some comrades have allowed their misunderstanding of the party's policies to become openly expressed doubts and even opposition, none of which can be tolerated any longer."

Many of the officers reportedly object to the current trial of the generals who

were associated with Lin Piao for an alleged 1971 assassination plot against Mao Tse-tung. According to the *Los Angeles Times*, the generals not only believe they were justified in opposing Mao and the Cultural Revolution, but they object to being lumped together with Madame Mao and the Gang of Four.

Marshal Ye Jianying has refused to attend a memorial rehabilitation ceremony for Liu Shaoqi, the head of state ousted during the Cultural Revolution who is regarded as Deng's mentor.

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### ***Syria may be near civil war***

Opposition to President Hafez Assad of Syria has brought the country to a point of near civil war, according to Arab diplomatic sources. The Syrian air force was recently deployed against armed groups in several Syrian cities, these sources say.

Leading the rebels are members of the Arab Baath Socialist Party, different factions of which control both Iraq and Syria. The anti-Assad groups in the Syrian Baath party are said to be receiving Iraqi support, along with anti-Assad communist and religious groups.

The Muslim Brotherhood, which has been blamed by President Assad for promoting much of the trouble inside Syria, has recently concluded an agreement with the Assad government, these sources added. The Muslim Brotherhood is said to believe that if Assad collapses, then a pro-Iraqi government would take power with a determination to eliminate the forces of the Brotherhood in Syria.

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### ***Nigeria scores Libyan ambassador's 'meddling'***

Senior Nigerian government officials have told the London *Times* that the Libyan ambassador to Nigeria is likely to be declared persona non grata soon. The Nigerians reported that the diplomat, Abdulkaddin Sharafeddin, has a

Nigerian mother, was brought up in Nigeria, and was a wealthy businessman in northern Nigeria before he was named ambassador in 1975.

They charge that he took advantage of this ambiguous position, using diplomatic immunity indiscriminately to, among other things, secretly recruit mercenaries to fight in neighboring Chad on the side of the Libyan-supported faction in the civil war there.

The Nigerian government is also concerned about links between Libya and the Greater Nigerian People's Party, which rules Borno state on Chad's border. Nigerian displeasure with Libya became public following reports that Libyan aircraft were using Borno state as a base for bombing raids into Chad. The Nigerian government is sponsoring a diplomatic initiative this month to try to resolve the Chad civil war.

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### ***Terrorists advising the World Bank?***

An internal policy study paper commissioned by the World Bank on the Philippines labels President Ferdinand Marcos's position increasingly "precarious" and blames his alleged overemphasis on industrial development for the problems. The report warns of the dangers of the World Bank putting its imprimatur on Marcos and his program.

Though ostensibly written by an in-house consultant on leave from Johns Hopkins named William Ascher, reliable sources state that most of his 14-page memo was a compilation of the work of others. Most prominent among the sources was Bee Ean Gooi, a student of Raul Manglapus, the head of the opposition group Movement for a Free Philippines (MFP).

Marcos has charged the MFP with being behind the spate of terrorist bombings in the Philippines. Miss Gooi not only supplied much of the material for the memo but participated in a World Bank seminar held Dec. 5 reviewing the memo.

## *Briefly*

● **THE CARTER** administration, "as part of its effort to get the 52 American hostages released," has given "prior consent" to Iran's purchases of arms from several European countries, the New York *Jewish Week* reported Nov. 30, citing Israeli sources who say Israeli munitions have been resold to Iran through Europe.

● **HORST HEROLD**, head of West Germany's domestic security service, the Bundeskriminalamt, has resigned following a campaign against him from both left and right. Herold was responsible for rounding up 390 terrorists of the 499 on the government's wanted list; when government security official Siegfried Buback was assassinated by terrorists, he reportedly vowed, "I will get them all." His opponents included the liberal weekly *Der Spiegel* and Interior Minister Gerhard Baum of the Free Democratic Party.

● **NUREDDIN KIANURI**, the secretary-general of the Iran Tudeh (Communist) Party, praised "all Imam Khomeini's adherents" for "following a radical anti-American line" in a Nov. 30 interview with Budapest TV. Kianuri avowed that "Imam Khomeini's line represents the interests of the destitute, the unemployed, the poor peasants, the landless peasants, and the middle peasants." Asked if this meant the communists support the mullahs, he said, "Yes, but we call them religious fighters."

● **PRINCE SALMAN**, governor of Riyadh, recently met with leaders of the emigré Saudi student opposition group, the Voice of the Vanguard, to discuss "how the Saudi regime could meet their demands," according to Dr. Joseph Malone, a British-trained Washington specialist on Saudi Arabia who is close to radical Islamic Shiite groups in the region.