

# International Intelligence

## ***Soviets score NATO naval maneuvers***

*Pravda* launched a scathing attack Aug. 4 against the ongoing NATO naval maneuver code-named Ocean Venture '81. The war exercises in the South and North Atlantic, in which non-NATO countries are also participating, were denounced by *Pravda* as "extremely dangerous and irresponsible . . . involving countries not belonging to this aggressive bloc—Argentina, Brazil, Uruguay—are a provocation and rude show of force on the part of the United States."

The Baltic phase of the naval maneuvers scheduled for September and code-named "Magic Sword," is restricted to NATO members. The Soviets describe Ocean Venture '81 and Magic Sword as the biggest maneuvers "since World War II, which will affect areas in close proximity to the frontier with the Soviet Union in the north Atlantic and even in the Baltic. . . . The legitimate question arises whether these exercises are a direct continuation of a show of rude force under another disguise."

A further commentary on Western policy is TASS's characterization the first week in August of the North-South summit meeting in Cancún, Mexico Oct. 22, as "a dialogue of the deaf."

## ***Pakistan tries to re-take Bangladesh***

President Zia ul-Haq of Pakistan is planning to visit Bangladesh, the Indian press reported recently, in the first visit by a Pakistani head of government to Bangladesh since it liberated itself from Pakistan in 1971. Discussions would reportedly focus on formulating a joint defense policy between the two nations.

The visit would take place only several months after the assassination of Bangladeshi President Ziaur Rahman in a coup carried out by both pro-Pakistani Islamic fundamentalists and pro-Chinese

elements. Closer ties with Pakistan—which is still hated by most of the Bangladesh population for the genocide carried out by its army before 1971—has been facilitated in the aftermath of the coup by the removal of military leaders who fought against Pakistan in 1971.

According to reports in the Bangladesh press, five Pakistani ministers secretly visited Bangladesh last month to discuss the possibility of turning it into a "confederate" of Pakistan. It is also reported that the "secret" delegation asked Bangladesh authorities to build up their military strength. Another report indicated that Bangladesh is sending army officers to Pakistan and China for special training.

Several weeks ago the Indian government-linked daily, *National Herald* reported that Pakistan is planning to deploy up to 100,000 troops in Bangladesh. Although the report has been denied, it reflects India's growing concern with the consolidation of this Pakistan-Bangladesh axis.

## ***Begin's mandate: military confrontation***

The coalition government formed by Israel's Prime Minister Menachem Begin this week after five weeks of political infighting will be operating on a mandate as extremist as the Israeli prime minister: continued Israeli occupation of Sinai instead of relinquishing it to Egypt; annexation of the West Bank; and the deliberate rupturing by Israel of the Lebanon ceasefire.

"You may say we shall pursue a somewhat isolationist policy," said Avraham Sharir of Begin's Likud bloc. "It's about time we had a head-on confrontation with some of our friends and some of our enemies, especially over the Palestinian issue." When asked if such a policy could jeopardize relations with Washington, Sharir said, "The Americans will just have to swallow it."

Almost the entire Israeli cabinet is lined up behind this war policy, the lead-

ing proponent of which, other than Begin, is Israel's new hardline Defense Minister Ariel Sharon.

The new regime's bellicosity was underscored by Begin at the beginning of August, when he stated that Egypt should "abandon the idea of including the PLO in the autonomy talks, which might not be resumed at all."

## ***CIA-Peking conspire on Afghanistan***

New information has surfaced on the extent of U.S.-China dealings for funneling arms to Afghan rebels based in Pakistan. According to a story on Aug. 3 in the London *Guardian*, one of the secret agenda items discussed by Jimmy Carter's Defense Secretary Harold Brown during his 1980 Peking visit, was joint operations to supply arms to the Islamic fundamentalist rebels in Pakistan.

The deal made by Brown was to get Chinese agreement to permit overflights of their territory for planes carrying arms bound for the Afghan rebels. The Chinese also agreed to supply SAM-7 and RPG anti-tank rockets, and if the Afghan-Pakistan border was closed, the Chinese would take over transshipment of weapons, unloading planes in China and using Chinese personnel to carry the cargo to the Afghan-Pakistan border. This procedure was important because it permitted Pakistani dictator Gen. Ziaul Haq to deny charges that he was supplying arms to the rebels directly.

## ***Israelis linked to Propaganda-2?***

Italian police, who already knew that Licio Gelli, the head of the Propaganda-2 Masonic lodge now in hiding, had been coordinating Italian arms sales to Israel, have now discovered other connections between the terrorist-linked lodge's members and the state of Israel.

Recently, Italian financier G. Fabbri, an associate of Gianni Agnelli of Fiat, was indicted after police discovered him and his father-in-law preparing to flee Italy. Carrying out surveillance of Fabbri's villa, they caught his bodyguards and father-in-law Benjamin Einstein loading art works and other valuables onto two trucks bound for Switzerland.

Einstein happens to be a former Israeli consul in Switzerland. Some observers indicate that the P-2 affair's unraveling may reveal some role for the Israeli secret services. It is recalled that when the P-2-controlled Red Brigades terrorists killed five bodyguards and kidnapped (later murdering) Aldo Moro in 1978, they used Israeli-made bullets.

### **Swiss paper reveals P-2 holdings**

The *Neue Zürcher Zeitung*, the paper of the Swiss financial community often described as the "leading Masonic liberal paper in the world," published an account July 31 of the holdings of the Banco Ambrosiano, connected to the Italian illegal Freemasonic lodge Propaganda 2.

The Swiss paper is the only newspaper in the world to publish the revelations concerning Banco Ambrosiano other than the U.S.-based *New Solidarity* and *EIR*, both of which published the full story more than two months ago when the P-2 scandal first broke in Italy.

Banco Ambrosiano is headed by Roberto Calvi, a leading member of P-2 who was arrested in May on charges of engineering capital flight from Italy.

Writes the *Neue Zürcher Zeitung*: "Calvi has found mercy among the owners of the bank. Perhaps one might explain this with the circumstance that he controls a big part of the stock himself. It is only known that, apart from the financial organization of the Vatican, a whole series of foreign companies are to be found among the 30,000 shareholders. Are these companies themselves controlled by Ambrosiano and therefore by Calvi?"

### **Soviet defense chief: threat to our security**

A full page of *Pravda* July 25 was given over to the defense minister of the Soviet Union, Marshal Dmitrii Ustinov. He joined a host of marshals and generals, recent contributors to the official Soviet press, in alluding to the need for a large military buildup in the U.S.S.R.

Ustinov enumerated crisis situations from Poland to the Persian Gulf, but his fundamental message to the Soviet party and population was that the world is dangerously, unpredictably unstable. The defense minister termed Reagan administration policy, which he said included "the line of destabilizing the sociopolitical situation existing in Europe since World War II," a "direct threat to the security of the U.S.S.R. and its allies."

Cognizant of the intense debate on military strategy under way in the United States, Ustinov directly addressed the incompetence of U.S. Defense Secretary Caspar Weinberger, for pursuing a track that continues "the well-known Carter Directive No. 59, that banks on so-called 'limited' nuclear war." This policy, he warned, "merely undermines stability in the world and makes the United States' own security more shaky."

The same, said Ustinov, goes for NATO's deployment of a new generation of highly accurate medium-range missiles in Europe, scheduled for the beginning of 1983. Like Chief of Staff Ogarkov in the current issue of the journal *Kommunist*, Marshal Ustinov said that their installation would "substantially alter the strategic situation," because they are supposed to be "first strike" weapons capable of hitting Soviet territory in less than five minutes.

The Soviet response to this development is already in action, entailing diversion of resources into military programs.

Ustinov put it: "If the necessity arises, a due response will be given to all this. We have the possibilities to prevent U.S. military superiority. The equilibrium will be maintained, but on a higher level."

## **Briefly**

● **HELMUT SCHMIDT** appeared on television Aug. 6, describing his current budget plan as part of an economic growth policy. Rejecting the high interest-rate policy of the U.S., France, and Italy, he said, "The only way to reduce unemployment is growth," and therefore liquidity will be injected into such crucial industrial sectors as machine tools. The dollar's strength, Schmidt stated, is due to an influx of funds seeking high rates, but funds are also moving into the mark despite lower rates because investors see that "in the long term, the deutschemark is a stable currency."

● **GASTON DEFFERRE**, the French interior minister, recently declared, "Maybe because I have lived in hiding, I feel very strongly that to extradite is contrary to all French traditions, especially when it has to do with a political fight. . . . Extradition—no, this is not possible." Defferre was referring to his government's decision that it will not return Basque terrorists to Spain for prosecution.

● **RAMSEY CLARK**, the veteran of the Shah's overthrow, on Aug. 3 publicly attacked the Reagan immigration plan as an attempt to "violate undocumented workers' human rights" which will increase "tensions in U.S.-Mexican relations."

● **LEONID BREZHNEV** and East German party chief Erich Honecker met Aug. 4 in the Crimea and sent out a signal that they want to go ahead with the long-delayed summit meeting between Honecker and West German Chancellor Helmut Schmidt.

● **CAP WEINBERGER** is said to be preparing a contingency plan for placing theater nuclear weapons in Northeast Asia, a plan sharply attacked by Radio Moscow. Former Ambassador E. O. Reischauer says Japan would never accept such a plan.