

sovereignty." His police state measure will continue until he is stripped nationally and internationally of his left cover. This left cover is vital for him to present himself as an anti-imperialist and Third World leader for the Rockefeller Cabal. Yet he is instituting bald police-state measures domestically while collaborating with Guatemalan fascists responsible for the recent assassination of a leader of the Guatemalan Communist Party.

The International Caucus of Labor Committees has launched an international campaign to show the working class of the world the real nature of "fascism with a democratic face" in Mexico. At this moment the campaign is focussed on rescuing the two members of the PCM from the hands of the police by making Echeverria responsible for the fate of comrades Martinez and Moreno. The ICLC has sent a telegram to this effect to the Mexican Communist Party, urging them to join the international campaign to expose Echeverria's fascism.

CIA ATTEMPTS TO UNDERMINE HARD-PRESS YUGOSLAVS

Jan. 3 (IPS)--Yugoslavia and its socialist leadership under Marshal Joseph Broz Tito are facing the worst economic squeeze in that country since the immediate post-war reconstruction period. Its hands tied by foreign debt obligations, the Yugoslav League of Communists (LCY) is constrained from expanding production and is struggling to keep the country from going bankrupt. These conditions are making more difficult the implementation of the LCY's Tenth Congress decisions, based on Marshal Tito's program of strengthening the working class' position through the conscious Marxist leadership of the LCY.

Yugoslavia, located at the head of the Balkan peninsula, plays a major role in NATO strategic thinking for control of Europe. Moreover, even a modicum of success for Tito's relatively advanced ideas could give a boost to the left faction in European Communist Parties. Motivated by these considerations, the CIA and other Rockefeller political agents are taking the opportunity presented by Yugoslavia's dire economic straits to undermine LCY rule through subversive activity and an anti-LCY campaign in the world press.

Trade Deficit

From 1971 to 1972, the Yugoslavs had begun to decrease their payments deficit through rising "invisible income" from tourism and gastarbeiter, Yugoslav workers living and employed in European capitalist countries. Simultaneously a program of planned reduction of imports contributed to building up the country's international currency reserves.

This precarious stabilization of Yugoslavia's foreign liquidity was shot to hell with the October 1973 oil hoax price rise,

the main factor in sending the deficit far above previous high levels. The effect of inflated prices on oil and other raw materials imports was compounded this past summer when Yugoslavia's customers for agricultural products in Western Europe closed their borders. The projected result for 1974 is a total \$4.2 billion in imports and \$2.2 billion in exports. The difference is partially offset by \$1.4 billion "invisible income." But invisible income has fallen since Western European workers can no longer afford vacations in Yugoslavia and Yugoslav gastarbeiter, particularly in West Germany, are being laid off. This \$600 million deficit for 1974 comes on top of the \$3.5 billion debt accumulated over the previous period.

Yugoslavia is currently paying over \$100 million per month to service this massive debt. The matured debt from the 1968-1972 period, much of it from West German credits for industry and infrastructure development deals of the type where repayment begins with a given project's completion, presents an enormous repayment demand for 1975 and subsequent years.

Austerity Program

This monster-debt has its claws on the entire Yugoslav planning perspective or the 1975 economy. The LCY Presidium program formulated in November 1974 linked "the restriction and reduction of consumption" to reducing the payments deficit. Many LCY leaders are stressing this austerity orientation, to "reduce home demand to realistic limits so enough goods will be left for export ...[while the] republics and provinces engage themselves in extending support to the export sector of the economy." (Federal Executive Council President D. Bijedic) In a last-ditch effort to pull the country up by its own bootstraps, the Presidium plan resolution calls for expanding production in sectors where the deficit is worst, and somehow reducing expenditures on raw materials imports.

The prospects for 1975, however, remain grim. Gastarbeiter have been pouring back into the country at the rate of 10,000 per month in 1974. Yugoslav industry has neither expanded nor advanced enough to employ the skilled returning gastarbeiter. Next year's harvest is presently off to a dismal start; flood disasters disrupted the planting of winter grain crops this fall. The world depression promises neither favorable markets for Yugoslav exports nor any letup in the price of absolutely necessary imports, starting with oil.

Political Tension

With no illusions, an LCY Executive member stated in November that "The country's...external liquidity is a basic question of not only economic, but also political importance." Gearing the economy to meet debt payments represents a tremendous strain on the starved provinces, a situation in which the latent nationalist

divisions in the Yugoslav population can flare up. Prior to the Tenth Congress, Tito waged a victorious two-year fight against nationalists and parochial technocrats in the LCY itself, but in Yugoslavia, where over five nationalities coexist, the nationalist disease is an abiding problem for communist organizing.

The CIA is aware of this weakness and prepared to exploit it fully. Just in the last half of 1974, members of the CIA-backed Ustashi organization of Croatian fascists infiltrated Yugoslavia from Austria to commit terrorist vandalism.

To complement such provocations, CIA international press outlets have whipped their anti-Yugoslav propagandists into an unprecedented frenzy. One newspaper after another has run features on "Yugoslavia after Tito," in which takeover by the Soviet Union figures prominently. The Financial Times and Corriere della Sera repeatedly display with gloating satisfaction Tito's difficulties in implementing the Tenth Congress program.

In the last month, the so-called "Humanist International," led by zero-growther Sicco Mansholt, has come into action against the LCY. The arrest of several self-proclaimed "Marxist humanists" at Belgrade University, including actual members of the bogus Humanist International, brought a letter to the New York Times from Trilateral Commission chief Zbigniew Brzezinski, whose professional reputation is based on his anti-communist works.

SHAH TO LOSE HOLDINGS IN EUROPE?

Jan. 3 (IPS)--Sources high in the Italian government today confirmed widespread rumors that Western European states are actively considering the nationalization of Iranian holdings in Western Europe.

Nationalization would completely pull the rug out from under the Shah of Iran, Rockefeller's major operative in the Mideast.

The sources emphasized that discussions on nationalization were occurring at the Common Market level. No "wildcats"--nationalization on a country-by-country basis--are expected, the sources said.

The immediate impetus for the discussions may have come from the Shah's recent moves toward taking over the European industrial sector, as well as the billions of dollars of oil ransom which Western Europe currently owes to the Shah and other Rockefeller sheikhs in the Mideast.

The Italian sources disclosed that Iran has already purchased the entire Shell gasoline distribution network in Italy. This