



Featuring This Week

- **Soviets, Ford Act to Ease Mideast War Crisis**
Includes exclusive interviews with L.Dean Brown,
James Akins, and top State Dept. Advisor,
Full Text of Soviet Statement, LaRouche Statement

- **Moves Toward a Gold-Based Monetary System**
Includes Soviet Commentary, C. Gordon Tether
on Gold, British Bailout Fiasco

- **What the Socialist Sector is Really Saying**
Includes DDR on U.S. Presidency; Brezhnev Speech
Welcoming Gandhi; Pravda on France

- **The 'Utopians'**
A History of Nelson Rockefeller's and Henry Kissinger's
Attempts to Blow Up the World

Also:

L'Europeo Exposes Jimmy Carter

Report on OAS Meet

Habitat Conf. Wrap-up

Insurrection Against Presidency

U. S. POLITICAL NEWSLETTER	
Kissinger-Rockefeller Insurrection Puts World on Brink of War.....	1
MIDDLE EAST NEWSLETTER	
Soviets, Ford Act to Ease Middle East War Crisis	4
—Syria Regime on Brink of a Coup as Invasion of Lebanon Backfires on Assad.....	5
—State Department Advisor: 'Syria Will Destroy the Left'.....	6
—What L. Dean Brown Thinks about Lebanon Crisis.....	7
—Former U.S. Ambassador to Saudi Arabia Scores State Department Manipulations in Mideast	8
<i>U.S. Labor Party Presidential Campaign Statement:</i>	
Why I Proposed a New Oil Threat.....	9
—Official Soviet Government Statement on Mideast.....	11
INTERNATIONAL MARKETS NEWSLETTER	
Soviets, West Europeans Maneuver for Gold Backed Monetary System	12
—Gold—Option We Must Consider	13
—What the Soviets Are Saying on Gold and Capitalist Monetary Crisis .	14
—British Bail-Out Fails to Stem Crisis of Confidence	15
DOMESTIC MARKETS NEWSLETTER	
Commodity Speculation Moves U.S. Economy into New Phase of Hyperinflationary Bust	17
LATIN AMERICAN NEWSLETTER	
Kissinger Pushes IRB and Continental Army at OAS Meeting	19
—Kissinger Plots Fascist Assaults on Guyana, Jamaica.....	20
SPECIAL REPORTS	
What the Socialist Sector Is Really Saying	
—Soviet Party Leader Brezhnev's Speech Welcoming Indira Gandhi... .	23
—DDR on Unstable U.S. Presidency	24
—Where is the 'Expanded Security Zone' Doctrine Taking France?	25
Nelson Rockefeller and Henry Kissinger: The History of Their Attempts to Blow Up the World.....	26
Third World Wins Victory for New Economic Order at Vancouver UN Meet.....	33
The Trilateral Commission Stands Behind Carter	35
All 'Cuban Backed' Terrorism Since 1960 Was Under National Security Council Control	37



Ford Resists

Kissinger-Rockefeller Insurrection Puts World on Brink of War

June 12 (NSIPS) — In an open insurrectionary drive against the President of the United States, Vice President Nelson Rockefeller and his Secretary of State Henry Kissinger this week provoked a rapid escalation of the Lebanese conflict and brought the world to the brink of thermonuclear war between the superpowers. President Ford, hamstrung by the attacks on the Oval Office and his own refusal to wage a public fight against the Rockefeller conspirators, undertook a series of behind-the-scenes actions which have so far narrowly, but only temporarily, averted a "hot" war in the Middle East. Publicly condemning the Syrian invasion of Lebanon, the President announced he was personally prepared to attend a Geneva conference as soon as it could be convened.

Faced with the Vice President's open sabotage of President Ford's peace initiatives, the U.S. working class, in concert with a cross-section of the Ford campaign apparatus, fired tens of thousands of calls to the White House and Congress demonstrating their unequivocal support for a Geneva conference and the immediate removal of the dangerous insurrectionist Kissinger. Despite this unparalleled outpouring from the U.S. population, the Congress sat back and mutely watched the dangerous spectacle of Rockefeller's destabilization of the Mideast and sabotage of Ford's peace efforts, refusing to provide the President with the critical leverage necessary to dismantle the Rockefeller "national security" war-making and terror machine. Beseiged by the mobilization, Congress played possum, preoccupied with limply defending itself against a wave of Rockefeller-scripted sex scandals.

Both Ford and Congress are still afraid to risk a full-scale public offensive against Rockefeller and Kissinger, although Ford himself, the bulk of his White House and campaign staffs, and responsible forces in both Democratic and Republican parties recognize that Rockefeller and Co. are fully committed to war. The working class mass mobilization against Kissinger et al is aimed at bringing out into the open the "underground" faction fight raging between relatively sane forces behind Ford and the berserk Rockefeller conspirators. In the past week, intense infighting between Ford and Rockefeller has broken out for control of the CIA, FBI-Justice Department and the Defense Department. Ford's opposition to Kissinger on critical Middle East policy is an open secret in Washington. In Congress, working class activity aimed at shutting down Rocky's "Terrorist International" is beginning to provoke anxiety attacks and to break key Democratic Party figures out of Rockefeller's controlled environment.

Ford Resists

Alert to leaks and rumors circulating in Washington, Le Monde reported June 9 that the Presidential Press Secretary, Ron Nessen, had confided, "If the Geneva Conference were to meet, the President would attend it personally." Le Monde went on to observe that in a UN press conference last Saturday Kissinger had specifically pointed out that "the U.S. is not seeking the reopening of Geneva" in an attempt to squelch the rumor circulated by Nessen. Furthermore, Le Monde reported that the Secretary of State "refused to condemn the recent Syrian intervention into Lebanon." Aides close to the President protested vehemently that Ford considered any outside intervention in Lebanon a "destabilization;" the President himself made the point explicit in a "Face the Nation" television interview June 6, later picked up by the London Daily Express.

The difference between Ford and Kissinger on Geneva and on the Syrian invasion came further out into the light when a source close to the President reported factional divisions in the Administration and emphasized only that there were no major public disputes between Ford and Kissinger's method of carrying out foreign policy. A close advisor to Kissinger, meanwhile, termed Ford "stupid" for refusing to go along with the Secretary of State's Mideast war provocations.

On June 10, Ford met with the President of Sudan, one of the nations involved in the Arab League Lebanese peace keeping effort, and praised him for his efforts to maintain peace in Africa and the Middle East. Congressional circles revealed that Ford is putting strong pressure on Israel not to exacerbate the crisis. A leading Jewish figure in the Midwest confirmed such reports, indicating that the President was urging the Israelis not to respond to provocations and move into Lebanon.

In a highly unusual move, the President dispatched James Lynn, the Director of the Office of Management and the Budget on a trip to Syria, Israel, Egypt and Jordan. Lynn, a holdover from the Nixon Administration, rarely travels outside the country and some Washington observers speculate that he has been sent on a "personal fact-finding mission" by the President. Ford has apparently learned not to trust information received from Special Envoy to Lebanon L. Dean Brown, the provocateur that Kissinger had dispatched to stir up a war under a "Presidential cover."

Ford's failure, however, to deal with the Kissinger issue more directly for fear of losing the Republican nomination to Rockefeller creation Ronald Reagan or his life to a National Security Council assassin's bullet, however, has kept Rockefeller's finger close to the nuclear trigger.

Rocky Heightens Nomination Battle to Box in Ford

To ensure that Ford remains fixated on the "politics of winning" the GOP nomination, Rockefeller ordered his black propaganda machine in the major media to predict a bloody and debilitating brawl in the Republican Party over the nomination — even before the votes were tallied in the last round of the Presidential primaries June 8. In those contests, Ford swept Ohio and New Jersey, but lost to favorite-son candidate Reagan in California. Terming the outcome a "stalemate," Rockefeller's house organs proclaimed that the battle for uncommitted GOP delegates would rip the Party to shreds by the August convention in Kansas City and leave the Republican nomination scarcely worth winning.

Rockefeller's blackmail—wrecking efforts are aimed at keeping the President defensive and off-balance, allowing the Vice President and his Secretary of State maneuvering room. Ford's failure to dismiss the despised Kissinger, despite overwhelming support for such a move within Republican ranks, is attributed by Washington insiders to the sly manipulation of the President by Rockefeller and his allies in the Administration.

Rockefeller's media conduits are grinding out propaganda to bolster his "bargaining" position. The New York Times, Washington Post, plus network commentators including Walter Cronkite and Eric Sevareid of CBS have charged Ford with introducing "bitter invective" into the GOP race, and bringing the primaries to a "divisive end." Predicting a close and venomous fight to the finish, these cacklers intimate that in the next weeks' battle for uncommitted delegates, Rocky, with control over uncommitted slates in critical eastern states, will play the decisive "kingmaker" role.

Despite such predictions, it now appears that Ford with 961 delegates, can comfortably reach the 1130 required for a first ballot nomination. But a wholesale sabotage effort is still not out of the question. In addition, Rockefeller, continues to threaten a domestic "Operation Splinter Factor" via Buckleyite National Review publisher William Rusher's fourth party conservative split-off which foists Reagan as its candidate.

In a sharp contrast to manufactured Republican dissension, after the final primaries the Democrats closed ranks around former Georgia Governor Jimmy Carter, who won the preferential primaries in Ohio and New Jersey. In a sharp rebuttal to Rockefeller's attempts to use Senator Hubert Humphrey (D-Minn) or California Governor Gerry Brown in Trojan horse fashion against the Democratic Party, Chicago Mayor Richard Daley unequivocally ordered Humphrey to keep out of any last-minute stop-Carter effort. He subsequently announced his support for Carter; Former Alabama Governor George Wallace quickly followed suit, throwing his delegates to the Democratic frontrunner. Only Brown held out for Rocky's wrecking efforts, promising in an interview after the last primaries to carry a bitter fight against Carter all the way to the Democratic convention, as he left to campaign in states which have not as yet selected delegates.

Candidate Carter is by no means the "independent" candidate that NSC—controlled media has attempted to portray him. A creation of David Rockefeller's Trilateral Commission with the blessings of Democratic patrician Averell Harriman, Carter can be counted on to do and say whatever his bosses from Lower Manhattan tell him to.

Despite the Rockefeller-orchestrated pageantry of the Democratic and Republican contests, the real story of the presidential primaries is now acknowledged by even the likes of columnist James Reston. "Over two-thirds of the eligible voters in the primary states didn't bother to go to the polls," Reston wrote last week, noting that no one knows what these voters will do if they come out to the polls in November.

The Labor Party Alternative

More knowledgeable political observers speculated that the working class and pro-development capitalist layers are beginning to coalesce around the Presidential campaign of the U.S. Labor Party's Lyndon LaRouche Jr., having failed to sight any other candidate with a program for getting out of the current depression and beginning the job of world economic reconstruction. Two contests in last Tuesday's primaries, plus broad-based mobilization to unseat Rockefeller and convene a Geneva Conference underscore the Labor Party's current influence.

In California, the infamous Proposition 13, barring all nuclear power development as a threat to the environment and a potential blackmail tool of terrorists, was overwhelmingly defeated. In the same state, a bid by Institute for Policy Studies-sponsored terrorist controller Tom Hayden to unseat Democratic Senator John Tunney was soundly rebuffed in the wake of the Labor Party's exposes of the Institute's terror network.

Mass Outcry Against Kissinger

In response to the Labor Party's alert on Kissinger's Mideast escalation, high ranking officials in the Ford Presidential Committee in Wisconsin, Illinois, Oregon, Colorado, and Pennsylvania grabbed the phones and called the White House to press for Kissinger's immediate removal. Eight leading figures in the Illinois Republican Party opened their phones for full briefings from the USLP and immediately plugged into their connections in Washington. One Midwest investment banker volunteered, "I'd rather stop a war than save the dollar."

Catalyzed into action by the anti-Kissinger sentiment expressed by Chicago and northern Republican leaders, the office of Senator John Tower (R-Tex), a leading spokesman for the conservative wing of the party, called Labor Party offices for a full briefing. The chief counsel to Rep. John Rhodes (R-Ariz.), the House Minority Leader reported that the decision on Kissinger was to keep him abroad until November and try to contain him — but Rhodes was not happy about it.

The activation of Republican Party layers was accompanied by a rapid working class mobilization. Congressional district and Capitol Hill offices were bombarded with approximately 18,000 calls this week, as a core group of Labor Party supporters mobilized their co-workers and neighbors to demand Kissinger's ouster. USLP Congressional candidates in Detroit, Philadelphia and Denver received extensive media air time and press coverage. As a result, several district offices began to break ranks. Reps. Blouin (D-Ia) and Andrew Young (D-Ga) expressed complete agreement with the Labor Party that Kissinger is hated and should be removed. Even Jimmy Carter, sensitive to what direction the political winds are blowing, told the San Francisco Examiner yesterday, if elected, "I'll fire Kissinger."

Following the delivery of 570 petitions to the Chicago office of Senator Adlai Stevenson (D-Ill), Stevenson told the Labor Party that he fully opposed Syrian intervention into Lebanon and was aware that a confrontation with the Soviets was being set up in the Middle East. He asserted that without present Palestinian Liberation Organization (PLO) leader Arafat in control of the Palestinian movement, an overall settlement in the Middle East is nearly impossible. But Stevenson refused to address the question of Kissinger.

Congress Under Pressure

A handful of key Congressmen and Senators threatened to break ranks and permeate the public wall of silence on Kissinger's Mideast war. Rockefeller let loose a second wave of boudoir exposes, aimed a shaming the legislators into silence through a campaign of innuendo and blackmail by a string of Justice Department and NATO fillies. In addition to Rep. Hays (D-Ill), the original target who this week overdosed with sleeping pills, Reps. John Young, Mike Gravel, Reps. Banker, and Carl Albert have been accused of paying their mistresses out of the public till.

At the same time, Rockefeller's Fabian network in Congress went into action to keep a tight rein on all parliamentary debate on the Mideast crisis. Senator George McGovern (D-SD) staged hearings June 7 in his Neareast Subcommittee of the Senate Foreign Relations Committee and refused to deal with the Lebanese conflict — even in a perfunctory manner. Constructing a fake debate between Israeli and pro-PLO "professors," McGovern steered the discussion away from any consideration of the Syrian intervention every time Charles Percy (R-Ill) limply brought it up.

Even after it became unavoidably clear that Kissinger is committed to an all-out confrontation with the Soviets in the area, McGovern maintained, "You can't ask me to comment. I don't have all the facts."

Thus "arrangement" with Kissinger, conducted through McGovern and others in the Democratic Party to go with Rockefeller's Mideast showdown and restrain more independent Congressmen like Stevenson from going after

Kissinger was further evidenced by "liberal" Congressman Jonathan Bingham (D-NY) who told the USLP, "I support the Syrian invasion of Lebanon... They should go in and clean out the left... There are no Arab countries that want peace... Geneva is bullshit."

By late June 8, the converging effect of the open Kissinger drive for war and the rage of the U.S. working class were beginning to shake Capitol Hill. Democratic Congressmen like Zablocki (D-Wisc.) were reporting their opposition to the Syrian intervention. Rep. Rosenthal (D-NY) was visibly shaking. Rep. Morgan (D-Pa.), when presented the full picture of the Middle East situation could only report "We're gonna get screwed."

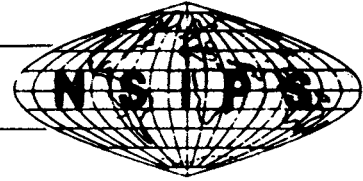
Fight Breaks Out On Another Front

The factional split in the Administration also manifested itself this week as conservative layers backing the President tentatively moved to begin investigating and curbing Rockefeller's Institute for Policy Studies blind terror apparatus. Nazi Attorney General Edward Levi countered by using the Justice Department's Watergating apparatus in an effort to stop any investigation of the Institute's nuclear terrorists. Over the last six days, traditional law enforcement officers have arrested 25 "July 4" terrorists of the Institute-allied Revolutionary Union in Philadelphia, Camden, Buffalo and Baltimore.

Levi reacted swiftly by utilizing General Accounting Office (GAO) investigation of the FBI's criminal division to begin Watergating that division, which is currently pursuing the investigation of Institute terrorists.

According to GAO investigator Daniel Harris, the GAO is now reporting directly to the Levi-run Office of Professional Responsibility on the results of the investigation of the FBI criminal division for COINTELPRO activities prior to 1970.

But the time for halfway measures against the Rockefeller-Kissinger insurrection is running out. As long as Rockefeller, Kissinger and their flunkys remain in office the danger of war remains — as well as the danger of a Presidential assassination. And judging from this week's developments, these dangers are increasing each week.



Soviets, Ford Act to Ease Middle East War Crisis

Kissinger Sets Israeli Move; Syria Near Collapse

June 12 (NSIPS) — The Soviet Union and the Ford Administration acted this week to prevent the crisis in Lebanon from setting off a general war in the Middle East. In a statement broadcast today by Radio Moscow, the Soviet government warned again that the “events in Lebanon may develop into a broader international conflict,” and cautioned both the U.S. and France not to intervene into Lebanon. “This is not 1958,” said Radio Moscow, a reference to the invasion of Lebanon by U.S. Marines in that year.

The Soviet statement, a reiteration of an earlier pronouncement issued June 9, also carried a pointed warning to Syria, whose armed forces — on order from Henry Kissinger — have been battling Lebanese leftists and the Palestine Liberation Organization. For the first time, the Soviets reported the de facto alliance of Syria and Lebanese Christian rightists against the left and the PLO, and hinted that Syria and Israel were acting in collusion: “Prime Minister Rabin of Israel has said he doesn’t want to intervene with Arabs who are suppressing Palestinians.”

The firm Soviet intention to block any outside military intervention in the Middle East intersected with efforts by President Ford and his allies in the U.S. Administration, including Defense Secretary Rumsfeld, to cool down the Lebanon crisis, whose flames are being fanned by Secretary of State Henry Kissinger and the National Security Council on behalf of Rockefeller forces. In a surprise move, Ford sent James T. Lynn, the director of the U.S. office on Management and Budget, on a tour of the Middle East. Lynn, who arrived yesterday in Damascus, Syria, is a known Ford supporter in the recent battle with Kissinger, who tried to boost U.S. military aid to Israel.

“Brink of World War III”

The urgency with which Ford and his advisers view the Middle East crisis was outlined in a column yesterday by Evans and Novak in the Washington Post. The Ford administration, reported Evans and Novak, considers the situation more dangerous “than officials publicly admit.” The columnists say that Ford believes that the impending overthrow of Syrian President Hafez Assad by leftists who object to Syria’s policy of murder in Lebanon might trigger “an Israeli invasion of southern Lebanon.” This, they report, might signal a repeat of the confrontation of October 1973, during the Arab-Israeli Oil Hoax war, when Kissinger ordered a worldwide nuclear alert of U.S. forces, and the U.S. and USSR “hovered on the brink of World War III.”

Key spokesmen for the Kissinger-NSC forces made crystal clear their dangerous intent to push forward at all costs for a showdown with the USSR. L. Dean Brown, the special U.S. envoy sent last month to Lebanon by Kissinger, chuckled when he was asked about the Soviet warning issued June 9. “It’s all part of the game,” he told a caller. Brown also

ridiculed a proposal from the Arab League to send a pan-Arab force into Lebanon to replace the Syrians. “It’ll be a late day in the morning before you get an Arab League army together,” said Brown. “Why should Assad care?”

A top-level adviser to the State Department’s Policy Planning Committee was more blunt. “It would be useful for everybody if the PLO would be crushed in Lebanon. Syria just might do it yet. Somebody has to.” Asked about the Soviet statement, he laughed: “The Soviets are bluffing.” He derided the Soviet warning as an example of “presumptuous peasant bluntness.”

As Kissinger and co. push Assad toward his downfall, the Israeli war machine is being geared up to intervene against Lebanon and Syria. According to the right-wing Israeli newspaper Maariv, on the night of June 10 a major reassessment of Israeli policy toward Lebanon was carried out, resulting in a sharpened definition of the tripwire “red line” for an Israeli move into Lebanon. Israeli officials, backed by Kissinger, warned that the arrival of an Arab League force in Lebanon to replace the Syrian troops could justify an Israeli invasion. The New York Times strongly backed this suicidal Israeli position in an editorial position, which said that a pan-Arab force in Lebanon “could drastically alter the Israeli defensive position,” leading to “the eruption of a new Middle Eastern war.”

In a telegram to Prime Minister Rabin, U.S. Labor Party Presidential candidate Lyndon LaRouche warned Israel in the strongest terms that “whatever is going on in Lebanon is none of the Israel government’s goddam business,” adding that Israel should stop “spreading horseshit around presumed ‘red lines’ in Lebanon.” LaRouche has asked Arab governments to impose a full oil embargo against the advanced capitalist sector if Israel acts in Lebanon or Syria, the telegram stated.

The Syrian Trigger

The fatal weakness of the Assad regime in Syria now represents the prime danger for touching off a regional war. At least 15,000 Syrian troops, backed by 500 tanks and heavy artillery, have occupied large stretches of eastern Lebanon’s Bekaa Valley and northern Lebanon, and have pushed several times, unsuccessfully, toward Lebanon’s major cities of Beirut, Tripoli, and Sidon. Overt Soviet opposition to the Syrian moves in Lebanon, Iraqi military pressure on Syria’s eastern frontier, and universal condemnation of the Assad regime from other Arab states has isolated Assad and given a boost to left-wing and pro-Iraqi dissidents in Damascus. Informed observers consider the overthrow of Assad a matter of days.

Syria’s failure to crush the left-Palestinian coalition in Lebanon during the initial phase of the invasion, which began on June 1, has placed the regime in grave danger. The

strength of the leftist forces in Lebanon reportedly shocked a majority of Syria's officers, and Syria suffered heavy losses, including dozens of tanks to shoulder-fired anti-tank missiles carried by the Lebanese-Palestinian forces. In Sidon, the city's defenders allowed a Syrian column to enter the heart of the city, then ambushed it in a hail of fire, virtually annihilating the Syrian force. Heavy losses by Syria were also reported in the mountain passes in central Lebanon along the road to Beirut, and in Beirut itself. According to *Le Monde*, a 2000-man Syrian force stationed near Beirut International Airport was wiped out by a concerted attack organized by the new Central Military Command, uniting the Lebanese left and the PLO.

Many Syrian troops were told by Damascus that they were being sent to Lebanon to restore peace, were stunned when they found themselves battling Palestinians and the Lebanese left, according to the *Washington Post*. Thousands of men, including top officers from the Syrian force and from the Syrian-controlled Palestine Liberation Army and Saiqa have defected to the left. Both the commander of the PLA forces in Lebanon and the No. 2 man in the pro-Syrian Lebanese Baath faction went over to the leftist side, and have issued radio appeals for mass defections.

According to the *Washington Post*, the use of force required now to crush the resistance and occupy Beirut and other Lebanese cities, probably necessitating the use of the full power of Syria's Air Force with accompanying heavy civilian casualties, may carry a political price that the Syrian regime cannot afford to pay.

Arab League, Libya Seek Truce

Intensive diplomacy within the Arab sector, led by the Arab League, has tried to offer Syria a face-saving compromise for pulling its troops out of Lebanon. An abrupt withdrawal, an admission of defeat by Syria, is not feasible without ensuring the collapse of the Assad junta, the possible spark for a war between Israel and Iraq.

A meeting of Arab foreign ministers convened, in permanent session, on June 8 at Arab League headquarters in

Cairo to seek a formula for achieving a truce in Lebanon and a face-saving Syrian military withdrawal. On June 10, Syria reportedly agreed to a proposal calling for the complete withdrawal of Syrian forces and their "replacement" by a force of Arab peacekeeping troops from Algeria, Libya, Sudan, Saudi Arabia, Syria and the PLO. However, the plan apparently floundered when Syria repudiated its terms the following day, suggesting pressure from Kissinger, Jordan, and Saudi Arabia.

After the collapse of the League's first effort, Syria reportedly stepped up its intervention, sending several new tank brigades and heavy artillery across the border on June 11. Heavy fighting broke out in Lebanon between Syria and the Left PLO command, and Palestinian leader Yasser Arafat charged that the long-feared "general offensive" by Syria has begun.

The Palestinians also reported that Jordanian army troops had been deployed yesterday into Lebanon following a hurried meeting between Assad and the Jordanian prime minister and the chief of staff in Damascus.

The visit of the Jordanians to Syria was reportedly a response to the movement of several Iraqi divisions to the Iraqi-Syria border. The Iraqi move, an action to tie down Syrian forces on another front and pressure Damascus, was denounced by the Syrian Information Minister, who "expressed concern at the movement of Iraqi troops." Syrian forces were rushed to the Iraqi frontier to counter the buildup, further undercutting the chaotic Syrian regime.

Arab League Secretary General Mahmoud Riad arrived yesterday in Damascus to make a last-ditch effort to persuade Syria to accept the League's peace force. The Riad visit, and parallel negotiations in Beirut led by Libyan Prime Minister Abdessalam Jalloud, resulted in yet another paper agreement, according to which the Syrians will withdraw their army within ten days.

But reports from Lebanon indicate that the Syrians have no intention of withdrawing their forces, and that the Assad acceptance of the League plan may be just a maneuver to "buy time."

Syria Regime on Brink of a Coup as Invasion of Lebanon Backfires on Assad

June 8 (NSIPS) — As the shock troops of the Syrian armed forces methodically advance on Beirut to battle the Lebanese left and their Palestinian allies, the regime at home is in a shambles. The dictatorship of Hafez Assad, opposed by widening layers of the Syrian population and by left and progressive forces throughout the Arab sector, is on the brink of being felled by a coup. The Assad regime's willingness, month after month for nearly a year, to act as an obedient tool of Henry Kissinger in his drive for a rigged Arab-Israeli showdown on Israel's northern front, has created chaos in Syria.

By now, a leading U.S. Congressional source reported last week, only the 25,000 palace guard thugs headed by Hafez Assad's brother Rifaat are holding the line against a coup. The "government" of Syria is the core of the group of NATO-connected gangsters who first steered Syria into the arms of

the U.S. National Security Council through systematic purges in the late 1960s and early 1970s — the heads of the armed services and the Interior Ministry and those in their immediate employ. Even Foreign Minister Khaddam and Prime Minister Ayybbi are under the gun, soon to be replaced. The country itself is split down the middle between groups sympathetic to Iraq and the Soviet Union and those connected to Rockefeller's Aramco oil sheikhs. According to the *Christian Science Monitor*, if either side tries to prevail over the coming days, "the regime won't last a week."

The Props Collapse

Before this year's events Syria was a "radical Arab state," a poor imitation of the pro-socialist Iraqi Baath regime to Syria's east. Nominally ruling at the top was a "National Front" that juridically shared power with Syria's pro-Moscow Communist Party. Organizational contacts into the

population were maintained through the renegade "Syrian Baath Party," an Assad-controlled splitoff from Iraq's Baath. Syria's volatile Palestinian refugee population was controlled through the institutional set-up of the Syrian army-backed Palestine Liberation Army (PLA) and through the Syrian wing of the Palestinian Liberation Organization, Saiqa. Prevailing at the top of the pyramid was the Assad clique, basing itself on top-down control of one of Syria's minority sects, the Alawites, of which Assad himself is a member, in alliance with right-wing honchos from the majority Sunni Muslim sect, united around British-created "Arab nationalism" and obsessive opposition to the "Zionist state."

The first victim of Assad's collaboration with Kissinger in carrying out the second phase of Kissinger's shuttle diplomacy after the September 1975 "Sinai Pact" between Egypt and Israel were the Communists. By the end of 1975, as Assad moved for the first time to openly collude with the fascist Lebanese Falangists, Communist leader Khaled Bakdash was placed under preventive detention, and the first wave of what became periodic arrests of leftists began. By April 1976 as the collusion between Assad, the Israelis, and Kissinger around a stepped-up Syrian intervention into Lebanon on the side of the fascists emerged, the Communists moved out of the erstwhile "National Front," collapsing it. Communists and leftists have since been subjected to continuous repression by Assad's secret police.

By mid-April, all institutional props began to disintegrate. The "Syrian Baath Party," described by one knowledgeable Washington source as a series of "little offices in little villages with pool tables in them" but with at least some minimal significance as an informational apparatus, collapsed. According to Le Monde reporter Eric Rouleau, 80 percent of the electorate stayed away from the polls in the most recent regional administrative elections, while only 15 percent voted for the "Baath."

As this month's Syrian invasion of Lebanon unrolled and in the weeks immediately preceding, PLA units suffered a steady stream of defections. The Saiqa group, always an arm of Syrian intelligence but formerly boasting nominal ties to the PLO, has also been hit with heavy defections, and has been systematically repopulated through the deployment of thugs paid by "praetorian guard" head Rifaat Assad.

Dissension has spread to the armed services. According to *Afrique-Asie* magazine, the commandos of a 10,000-member elite corps in the army have issued an organizational denunciation of the Lebanon intervention. Four generals were reportedly arrested last week by Assad's police for refusing to order troops into Lebanon and for plotting against Assad. Rouleau reports that loud debates have broken out throughout army units being mobilized for Lebanon duty, while one Arab diplomatic source wryly commented, "If Assad allows his troops time to think as they move into Lebanon, he'll be in trouble."

Assad's Vietnam

Assad's debacle in Lebanon is ironically the culmination of six decades of counterinsurgent manipulation of the Arab sector population, first by British Intelligence and more recently by the Rockefeller-run CIA and National Security Council. Assad's backing boils down to a set of peasant-paranoid fantasies, manipulated by intelligence services, which have compelled him to enter a path leading rapidly to his own demise.

Syrian nationalists have never relinquished the dream of the reconstruction of the "Greater Syria," split up by the French into the countries of Lebanon and Syria in the 1940s. To this day Syrians, as personified by Assad (who also seeks "stability" and "honor" for his fellow Alawites) yearn for a Middle East map from which the "Lebanese" and "Zionist" "entities" have magically disappeared. As an aspect of this fixation, the Syrian population is bewitched by the "return of the Golan Heights" from Israel, lost under humiliating circumstances in the June, 1967 Arab-Israeli war.

Henry Kissinger, during his brinkmanship "shuttle diplomacy" over the past nine months, has cynically convinced Assad that the National Security Council will rein in the Israelis, that at the end of the arduous path of the Lebanon invasion lies the prize of the Golan Heights, if Assad unleashes his police and armed forces to exterminate the widespread opposition to Kissinger's diplomacy along Israel's northern tier.

At each juncture at which Assad, seeing his internal position evaporate, has had the choice of pulling out through some face-saving device; he has instead only more wildly thrown his forces into the battle, like a gambler who compulsively keeps going after yet another disastrous loss. At each juncture, it has been Kissinger's cajolery and promises that have kept the gullible Assad strung along.

As this week's events decisively demonstrate, Assad has been played for a sucker, and his regime is suffering the consequences.

Exclusive Interview:

State Department Advisor: 'Syria Will Destroy the Left'

WASHINGTON, D.C., June 10 (NSIPS) — *The following interview was conducted today by NSIPS with a top U.S. State Department advisor on the nuclear war threat posed by the Syrian invasion of Lebanon.*

NSIPS: Mr. L—, it seems we just squeaked by last night, and that an element of rationality has finally entered into Syrian President Assad's decision-making.

Dr. L—: Rationality? Ha! It would be useful for everybody if the PLO would be crushed in Lebanon. The Syrians just might do it yet. Somebody will have to. Only the Syrians can do the job properly.

NSIPS: Are you serious, Dr. L—? The Soviets will never allow that, as their public statement makes absolutely clear. The U.S. should thank the Iraqis ...

Dr. L—: The Iraqis are just playing the Russian game, and the Russians, with presumptuous peasant bluntness, said (in the Soviet government statement) that the Middle East was much closer to them than to us and other such nonsense. The Russians are bluffing. The U.S. it seems, has a fear of involvement (in the Mideast) and the Iraqis. The Russians have no interest in the Middle East, except for Iraq and the Palestine Liberation Organization school girls. Ha!

NSIPS: Are you saying that President Ford, who seems to be for Geneva, has wrecked Mr. Kissinger's confrontation plans for the Middle East?

Dr. L—: Ford is stupid. That's ridiculous. The U.S. is lily-livered. Do you know what the State of Alert in the 6th Fleet is? State Five! At State Six they dock and let the troops go swimming. Ha! There is zero chance of a superpower confrontation over the Middle East. Zero!

NSIPS: The Syrian troops appear to have been badly defeated at Sidon and they've been stopped long before Beirut, reports say. There are also rumors of many Syrian troops deserting to the Palestinian and Lebanese left forces, and that Assad is facing serious coup d'etat threats.

Dr. L—: Assad got his ass kicked? A couple of homosexual, bugged newsmen wander around stupidly in Sidon and see a few busted Syrian tanks. So a few rockets hit a few tanks. The Syrians have not yet made a decision to use their real force in Lebanon. They're playing around. And what do you mean the 'left'?? These people deserve the bilharzia they get. Leftists? A bunch of Muslim tribalists. They are not a force for anything but Bilharzia and destruction. And destroying hotels.

NSIPS: The Israeli rightists behind (former Israeli Defense Minister) Dayan and Israeli Defense Minister) Peres are threatening intervention and will almost certainly use nuclear weapons.

Dr. L—: Israeli General Sharon is pushing like he is because he knows the Israeli government is not capable of dealing with the PLO like it must be dealt with.

NSIPS: Will Syria make a decision to use their force in Lebanon, as you said?

Dr. L—: There is evidence they will. They said so, that they are still considering action. Iraqi pressure counts for nothing. It's Saudi pressure that counts, and the Saudis cut leftist theories. So Syria stopped. But they might move. Israel and Syria are in the business of building hotels, not to have them destroyed.

NSIPS: What evidence?

Dr. L—: There is evidence. believe me.

Exclusive Interview:

What L. Dean Brown Thinks About Lebanon Crisis

WASHINGTON, D.C. June 10 (NSIPS) — *The following interview of L. Dean Brown was passed to NSIPS today by a Washington newsman. Brown recently returned from Lebanon, where he functioned as U.S. Secretary of State Henry Kissinger's special envoy. Arab sources have identified Brown as chiefly responsible for the Secretary of State's effort to create a new Middle East war and nuclear confrontation with the Soviet Union. This interview was reportedly conducted by telephone with Brown who is now stationed at his former post in Washington's Middle East Institute.*

Reporter: Mr. Brown, what in your opinion does the Soviet statement on Lebanon signify. It seemed extraordinarily straight forward and to the point, that they consider their strategic interests to be involved in the situation, are militarily prepared, etc.

Brown: The Soviets have been sort of on the top in relation to Lebanon; the Syrian moves started when Kosygin arrived in Damascus. But the statement you mention, I think that's all part of the game, we warn about intervention, they warn about intervention. You say they warned us against doing anything there? Ha, Ha!

Reporter: But Mr. Brown! This is an obvious and qualitative shift from the previous character of Soviet statements. The Soviets have never said anything so forceful and directed ...

Brown: The Soviets have always been heavily involved in Lebanon. When I was there, a Soviet group, who called themselves journalists, was around, no one paid any attention to them specially, they maintained contact with Assad. I think the Soviets have always kept themselves in the situation; Soldatov is very active.

Reporter: What about the Arab League peace-keeping force. What does that do to the situation?

Brown: Arab League! I would read between the lines on that one. The question is whether Assad stops the war, because it'll be a late day in the morning before you get an Arab League army together. By the time the Arab League gets anything together, it'll be weeks at least. They'll spend more time fighting each other than getting an army. Why should Assad be concerned? His attitude must be, if you want me to come to a meeting, why not? Why shouldn't I go to a meeting? He'll ask, an Arab army to do what? Assad can save face, he can now say, using pan-Arab language, we're here for Arab unity, for the Arab cause?

Reporter: Are you then saying that Assad will move his troops into Beirut?

Brown: Continue his military advance? Why? He can stay where he is and sit and wait and apply a tremendous amount of pressure.

Reporter: But all reports indicate that Assad faces a coup ...

Brown: Nonsense! He's running a country through the army and the party. There are manifestations here and there, but that's to be expected. The problem is more one of economics than it is of internal struggle or strife; the moves on Beirut have hurt the economy enormously; it's had an effect on development internally.

Reporter: According to the New York Times and Arab sources, you have been an advocate of the Syrian invasion.

Brown: I didn't repudiate the Times article, I only objected that it tried to condense the two hours of talk into a few paragraphs. My attitude is to stop the killing, there's no way out of doing that first. I was never making considerations from the standpoint of U.S. policy, that's entirely up to Henry Kissinger. I just want the killing stopped, and I've thought the best way was to have the Syrians do it. If it could be done by a pan-Arab army, I'd support that, but don't count on that coming together.

Former U.S. Ambassador to Saudi Arabia Scores State Department Manipulators in Mideast

NEW YORK, June 10 (NSIPS) — James Akins, former U.S. Ambassador to Saudi Arabia, warned that a Mideast war could easily expand into a worldwide war in a recent interview here, and harshly condemned Secretary of State Henry Kissinger's role in provoking just such a possibility.

"Your argument about the threat of an intended Mayaguez writ large in the Middle East is convincing," Akins told an NSIPS reporter last week. "My position is that there can-

not be a war in the area, however, because such a war will get out of hand, and it will lead to a world war — then we'll all get killed. My basic principle is that we're governed by sane men, but that premise may be wrong. You know, Kissinger once said the U.S. could occupy the Middle East oil fields! If he really thinks that, then he's dangerously incompetent." Asked about the possibility of a Mideast nuclear war, Akins responded, "I don't think Israel will use nuclear weapons for political ends — only if their existence as a state is at stake, a Sampson scenario." What about a takeover in Israel by the warhawk clique headed by (former Israeli Defense Minister) Moshe Dayan and Defense Minister Shimon Peres? "It's plausible, but not necessary. (Israeli Premier) Rabin, given a pretext, would gleefully move into southern Lebanon and more. The Israeli hard-liners see the present Israel as just part of Eretz Israel (the land of Israel-Ed.). The Israelis want the Litani River waters."

The "Kissinger Method"

Akins described Kissinger's plan to invade the Mideast oil fields. "This was about a year or so ago. There were rumors that there might be an attack on the oil producers by the U.S. In policy statements, Kissinger explained it away, and I did the same, saying that it was a truism, that any country faced with 'strangulation' would do the same, and so on. However, thereafter a series of articles on this appeared in the press. A coincidence? I attacked the invasion idea, and I wrote a speech for an appearance in Chicago in which I condemned the policy of invading the oil fields in the strongest terms."

"Well," Akins continued, "the speech was embargoed and classified by the State Department. It was never given. Later I learned that the rumors all came from Kissinger himself — had given a background briefing to a dozen reporters, complete with maps, charts, pointers, arrows, and troop movements."

Akins speculated that this was one reason why he was fired by the State Department early this year. "The other reason was my work to bring down oil prices," he said. "I thought it was public policy to bring the oil price down! What I couldn't understand is why we (the United States) were so reluctant to pressure Iran. They're given anything the Shah wants."

"Just think of those hovercraft, hundreds of them, that the U.S. gave Iran. Any they're not for invading India. The arms supplies to Iran are very disturbing. And you see, Kissinger goes wild when anyone brings up a moral reason for doing anything. Look at the way he acted on his Latin American and African trips," Akins said with disgust. "it's very cynical — he didn't mean a word of those fine speeches. That's typical of the Kissinger method."

Oil Hoax

Asked to elaborate on the question of oil prices, Akins responded, "Oil prices should have gone up, I've always said that — but not so far or so fast as in 1973. But oil is a wasted resource. I'm all for fusion power, but it has to be made desirable. In 1972, I proposed the formation of an International Energy Agency to coordinate the search for fusion power as an international effort, sharing technology and so on. The idea went nowhere. As a physicist, I was appalled. We have to move very fast on fusion; that's where all efforts should be concentrated. I don't know that fusion will work, but it's a necessary effort."

In response to a comment that the 1973 Arab-Israeli war was contrived by the Rockefeller-led financiers' faction to impose a global oil hoax, Akins said, "Your thesis is similar to what the French say — that the U.S. was hurt less than other countries, and that 1940s-style hegemony was restored. I don't know. I do know that my efforts in Saudi Arabia (too keep the price of oil down) were not supported. And the Egyptians were taunted with their impotence ..."

He continued, "I'll tell you a story. Last year the Saudis wanted to hold an auction on oil prices. Presumably the price would fall slightly as a result of expected low bids; there was a market glut. The rest of OPEC was outraged. The Shah of Iran sent (oil and finance minister) Amouzegar to see (Saudi oil minister) Yamani, and the auction was called off. I had a chance to talk to (Saudi) Prince Fahd — who was in London — and get the auction rescheduled. I asked for permission to go and the State Department refused. They said they didn't have the travel money! Imagine — for a lousy thousand bucks I was being prevented from saving the world billions of dollars!"

"After that I began to send in reports critical of U.S. policy toward Iran," Akins said. "In February 1975 I was warned: 'Stop the reports.' I asked, 'Why? Are my facts wrong? Are my assumptions wrong?' They said no. Then why, I asked. They said — ah? This was (under Secretary of State for Near-eastern Affairs) Atherton, whom I've known since childhood — they said, 'Because you're annoying the Secretary.' Right, then I knew I was fired."

U.S. Labor Party Presidential Campaign Statement

Why I Proposed a New Oil Threat

by Lyndon H. LaRouche, Jr.

WIESBADEN, W. Germany, June 10 (NSIPS) — Yesterday midnight, European time I instructed my associates in New York City to dispatch an open express communication to Premeir Rabin of Israel.

In this open communication, copies of which were also immediately dispatched to Arab governments, I made three crucial points:

First, I emphasized to Mr. Rabin that any further babbling from his government concerning some mysterious "red line" in Lebanon creates a spectacle like that of a two-year-old child playing with a live hand grenade.

Second, I reminded Mr. Rabin that such foolish babbling played into the hands of Mr. Henry Kissinger and other malignant forces, forces prepared to gamble the probable physical extinction of the people of Israel, in a pawn's move using Israeli military capabilities.

Third, I informed Mr. Rabin that I was proposing the following precautionary action by relevant forces: That if Kissinger's Israeli military forces moved one centimeter beyond the present Israeli occupation zones for intervention into the Lebanese or Syrian crises, that not one drop of oil should be sent to the United States, Western Europe or Japan.

What This Means

The crux of that proposal is the fact that in the United States at this time there is a massive struggle erupting, with the forces defending Constitutional government on the one side, and the forces moving to effect a quasi-legalized "cold coup d'etat" on the other.

For various reasons, the present Middle East situation is one of the most crucial issues of that internal battle within the United States. The forces of Constitutional government, represented by President Gerald Ford's efforts to probe for an early Geneva approach to a political solution to Middle East problems, are opposed by vast private political intelligence networks interfacing the Constitutional government, most notably through elements of the U.S. National Security Council and Mr. Henry Kissinger.

The most recent obscene developments in the Middle East, the treacherous and foul fresh intervention into Lebanon directed by Kissinger accomplice President Assad of Syria, was thus in fact a traitorous effort by Kissinger and others to sabotage the policies of the President.

These facts are of course variously misrepresented and obscured by the *New York Times* and those other principal news media which have been recently complicit in the foul game afoot. These are nonetheless facts, despite the detestable prevarications and manifest cupidity by so many other leading editors and journalists in Western Europe and elsewhere.

Under these circumstances, it is in the urgent self-interest of most of the world's nations to shape their actions in such a way as to enhance the position of the forces of Constitutional government in the United States at the expense of the treasonous forces within the Atlanticist private political intelligence establishment. The approach to the insane

behavior of that treasonous gang's Israeli dupes, the pawns grouped around the Dayan-Peres forces, must be dictated accordingly.

The Present Mideast Crisis

At this moment, there are two principal and interrelated crises within the Middle East. The first is the Lebanon crisis, a bloodbath of now over a year's duration, a bloodbath foully and deliberately concocted under the direction of various agencies of the warhawk faction associated with Mr. Henry Kissinger. The second is the Syrian internal crisis, brought to a head by Mr. Hafez Assad's recent foul complicity with Kissinger's treasonous game.

To be most precise, Mr. Assad has strained beyond the breaking-point the enormous toleration which Arab forces, including those inside Syria, have shown to him under the title of Arab fraternity. Mr. Assad's career, heretofore almost a miracle of byzantine chess-play, has consequently reached what might be euphemistically termed a certain point of maturity.

Consequently, the situations within Lebanon and Syria are now at the verge of indicated surgical alterations by Arab forces themselves. As I have stressed to Mr. Rabin, this surgical procedure is an internal Arab affair which, to put the point bluntly, is "none of Israel's dammed business," and under no circumstances could it be tolerated to have the Dayan-Peres forces sticking their snouts into either Lebanon or Syria at this time.

As should be well known to all highly-placed, informed circles, the escalation of current Arab internal struggles by an Israeli military intervention is the primary scenario around which all the dissenting double-talk of the RAND Corporation's "Schlesinger Doctrine" has centered from the outset of the campaign around NATO resolution MC 14-4. If Israel, in any way, on whatever pretext, moves to intervene into the Lebanon-Syria crisis, the countdown toward probable thermonuclear confrontation is on.

A combined Israeli thrust into Lebanon and into Damascus, a project well within the operational capabilities of the shallow blitzkrieg profile of the Israeli military establishment, would at first be successful. However, in the context of the inevitable regional military response from Arab forces as a whole, the very initial success of Israeli military advances would be transformed into the reality of the most indefensible deployment in Israel's military history. That configuration defines the existence of the "Masada complex" situation for Israeli military policy. Under those circumstances Israel's tactical and quasi-strategic limited nuclear capabilities become operational.

This insane, criminal nonsense must be blocked by all means.

Indicated Alternatives

Any war-mongering posture by the Dayan-Peres forces is to be understood for what it is, a puppet's posture dictated by the treasonous element within the Atlanticist establishment. This fact applies inclusively to the situation pre-defined by the RAND Corporation, in which either Dayan-Peres or the

Union of South Africa appear to break away from the ostensibly tolerable limits of their alliance to the United States and NATO — the so-called “outlaw ally” scenario.

Any babbling concerning “red lines” in Lebanon from the saner forces of the Israeli government and leading parties, reflects nothing but combined pressures directly from the Dayan-Peres forces and from elements of the treasonous faction of the Atlanticist establishment. Counterpressure must be applied.

The forces defending the institutions of Constitutional government within the United States against the subversion by such outlaw Atlanticist elements as the Institute for Policy Studies and its backers are given only the following perceptible alternatives for the present dangerous situation.

First, Dayan and Peres must be publicly and definitively “written off.” So long as Israel pursues a peaceful policy, directed toward a political solution of the issue of the rights of Palestinian Arabs, the 1967 borders of Israel should be absolutely guaranteed. This should be shaped so as to enhance the ability of the non-puppet forces within Israel to define their own approach to such a political solution with aid of negotiations directly with relevant Arab forces and with the aid of useful intermediaries.

In short, responsible powers must act to free Israel from further possibility of perceived dependency upon the Dayan-Peres puppet forces or a limited nuclear capability.

Second, under any condition in which Dayan-Peres forces usurp the government of Israel, which they have the military and related capabilities to accomplish, the relevant powers must act in concert to place Israel’s military capabilities under direct containment, including a dictated and enforced immediate withdrawal of all Israeli military forces to within the 1967 borders.

Third, it must be an advance commitment that any Israeli military intervention into Lebanon or Syria will bring immediate containment and repatriation action against the intruding Israeli military forces by non-Arab powers.

Fourth, such actions must not be in any way shaped against the lawful integrity of Israel as a nation, but against the outlaw forces of Dayan-Peres, which threaten to act as the prepared detonator for a Middle East “Schlesinger Doctrine” scenario. The objective must be shaped to the effect of aiding to free the Israeli people from the prolongation of the existing nightmare.

The Strategic Setting

The appropriate tactical and strategic approaches to the Middle East situation are also dictated by the current general strategic economic situation. The farcical projection of a Puerto Rico “Rambouillet II” meeting in the aftermath of Nairobi, and the ongoing chain-reaction collapse of a dying monetary system are the notable elements of the general setting for the Middle East situation.

There are emerging, at this time, two principal lines of factional differentiation within the overall Atlanticist establishment. This tendency for divisions echoes the infighting around the Versailles negotiations at the end of the First World War, a division between those who are open to consideration of debt moratoria in the interest of industrial recovery and those, on the other side, who cling to an hysterical monetarist obsession with enforced debt-collection

perpetuating the idiotic tradition of the “war reparations” imposed upon defeated Germany at the end of the First World War.

The rabidly monetarist current among the Atlanticists is faced with three short-term contingencies which bring its cause to the point of last resort:

First, despite all the continued hysterical posturing about discredited “upswing” hoaxes, and despite the state insistence upon collection of the bulk of developing-sector financial debt-service accumulations, the payment of such debt-service by the developing-sector, and also by advanced-sector nations such as Italy and the United Kingdom, is now approaching the point of unavoidable default. Either the most-affected nations proceed toward orderly arrangements of general financial debt moratoria, or the world will plunge into the chaos of chain-reaction disorderly defaults within the short-term period immediately ahead.

Second, the rational forces among the Atlanticists are at a point of **potential** early factional realignment with the forces defending Constitutional government within the United States itself.

Third, the last-ditch political resorts of the ultra-monetarist Atlanticist factions must be used quickly or not at all. The vast private political intelligence and related operations capabilities, developed by the Atlanticists ostensibly for operations against the Soviet Union and other targetted nations and political forces, have been, over the recent period, largely redirected against the NATO home-base nations’ constitutional governments. The increasing deployment of private intelligence capabilities for campaigns of blind terrorist and other “destabilization” of the internal institutions of the United States and other nations since the outset of 1968 has reached a point of maturity.

Generally, the frontal strategic and related capabilities of the monetarist faction of Atlanticists is massive. However, it is merely a short-term, blitzkrieg capability, with no capability for sustained campaigns against a determined opposition in depth. Moreover, what former depth that blitzkrieg capability possessed is now being depleted, to the effect that the frontal-assault capabilities represent at this juncture a very thin surface, which would collapse if properly punctured.

Hence, the ultimately treacherous activities of Henry Kissinger et al. in the most recent effort to sabotage President Gerald Ford’s probing efforts toward a Geneva approach to a political solution of the Middle East situation. Deprived of the potential Dayan-Peres detonator for launching a “Schlesinger Doctrine” scenario in the Middle East, current developments and attrition would finish off the monetarist faction.

Under such circumstances, the only short-term tactical response to threatened atrocities by the monetarist faction’s forces is a calculated shock directed in such a way as to “destabilize” the global scenario being deployed by those rabidly-monetarist Atlanticists.

The fundamental strategic measure required is that a group of developing-sector nations announce a firm resolution to implement financial debt moratoria against specific categories of debt, including the disorderly Eurodollar market, to be effective at a short-term advance

date. This strategic thrust must be, most appropriately, accompanied by an offer to immediately negotiate the establishment of a new monetary system modelled upon the International Development Bank proposal.

Since a majority of responsible forces of the advanced-capitalist sector, including anti-monetarist tendencies within Atlanticist ranks, have advanced certainty of the feasibility of the International Development Bank as a means for rapid global industrial recovery, such an apparently hard line by the developing-sector will evoke agreeable—if sometimes grudging—responses from among all sane forces of the

advanced-capitalist sector. At that point, the world will have escaped the clutches of the present depression and the other principal associated horrors, including the growing threat of general war.

In the interim, until such comprehensive measures can be put into effect, it is necessary to employ tactical improvisations to offset and unbalance last-ditch desperation atrocities attempted by the insane faction among the Atlanticists. An announced pre-commitment to the oil-blockade penalty has been recommended to that latter short-term purpose.

Official Soviet Government Statement on Mideast

NEW YORK, June 9 (NSIPS) — The following is a full translation of a statement by the Soviet government on the Middle East situation released today by Tass, the Soviet news agency.

In the course of the latest developments, the events in Lebanon have become more and more tragic. The fratricidal war in which Arabs are fighting against Arabs is becoming ever more bloody. The number of victims from amongst the peaceful population — women, elderly people, and children — is increasing. The events in Lebanon extend beyond the borders of this country; this is proven by, among other things, France's statement in relation to the possibility of sending a contingent of French troops into Lebanon. The United States' naval forces continue to be held in the vicinity of the Lebanese coast. The Soviet Union considers that the situation in Lebanon and the Mideast as a whole could become still more complicated if no end is put to the attempted foreign interventions into Lebanese affairs.

The Syrian Arab Republic on its part has repeatedly issued statements that the mission of the Syrian troops sent to Lebanon consists in aiding in the termination of the blood-letting war. The fact is remarkable, nonetheless, that up to this day blood is still being spilled in Lebanon, and indeed the flow is still greater. At this time, when the Lebanese events threaten to grow into a still greater international conflict, the Soviet Union calls upon all countries to disregard any action which runs contrary to the principles of respect for independence, sovereignty and territorial integrity, so that

these internationally recognized principles can also be applied fully to Lebanon.

The crucial prerequisite for this is an end to the blood-letting. It is necessary for all sides who, in one way or another, are involved in the Lebanese events to immediately stop the shooting. As for the powers who are threatening a direct military intervention into Lebanese affairs under the pretense of their interest in the Lebanese situation, in this connection the Soviet Union sees itself compelled to make the following statement:

The Mideast region is situated much more closely to the Soviet Union than to those who are voicing such threats, and at all events it is no less interested in how the situation in and around Lebanon is developing, and how it will develop in the future. No one should disregard this. In the leading Soviet circles it is considered necessary to point out one further aspect of the events in Lebanon. As everybody knows, there are hundreds of thousands of Palestinians on Lebanese territory, who have now found accommodation in this country and who are now in the ranks of the Palestinian resistance movement, continuing their courageous fight for their legitimate, maximum rights, for the Arabs' common interests in eliminating the consequences of Israeli aggression. And what is happening to them now? They have likewise been sucked into the bloody fratricidal war. The Soviet Union expects the sides immediately involved in the events in Lebanon, as well as all other sides who are conscious of the danger of a further peaking of the situation, to immediately display proper responsibility.



Soviets, West Europeans Maneuver for Gold Backed Monetary System

June 12 (NSIPS) — Most of Western Europe, the Soviet Union, and a segment of the United States financial community have agreed on a gold-backed monetary system, in reaction to the collapse of confidence in the bankrupt dollar credit structure.

But these forces have restricted their actions to narrow defensive maneuvers so far, despite clearcut policy statements coming from the Soviets and a few Western European spokesmen. Rockefeller and Kissinger, the principal defenders of the bankrupt mass of dollar debt structures, have made clear that they consider any threat on the monetary front to be a military provocation. Neither the Soviets nor the Europeans have indicated they are ready to go in for the kill against the bankrupt "Eurodollar" and related debt structures, and finish Rockefeller off.

In the most emphatic of a series of recent Soviet policy statements, the Soviet weekly Economic Gazette denounced the uncontrolled Eurodollar market as the source of the "the crisis of the dollar at the present time." The Gazette says, "As in the past, the dollar is threatened by the destructive influences of a huge mass of roving means of payment, which is capable at any moment of creating currency difficulties which even the dollar cannot escape...All of this undermines the efforts to work out an international currency-financial system for capitalism. Temporary and flabby compromises can in no way help to overcome the monetary crisis."

Documenting the disastrous effects the currency crisis has had on Western Europe, Economic Gazette warned that the dollar standard "leads to the accumulation of American debt in other countries and turns into the generator of international inflation." Merely putting central bank gold into circulation is not enough, the journal concluded. Instead, the Soviet commentator cited "the growing role of the transferable ruble as a collective currency."

For the first time, the Soviets have put forward an understanding of the way the monetary breakdown-crisis works, and the type of solution required. But Soviet diplomats held back from proposing concrete steps towards a new monetary system at the Nairobi meeting of the United Nations Conference on Trade and Development last month — the best-placed international forum to make such proposals.

Furtive Measures

In response, British commentator C. Gordon Tether warned readers of the London Financial Times this week that the stream of Soviet statements on gold and monetary reconstruction were more than America-baiting. The Soviet's views, Tether wrote June 10, are identical to those of the French Gaullists, and the "shambles of the present monetary system" make gold "the option we must consider." Nonetheless, Tether hedges, the transition "cannot be made overnight." A top executive of the British Steel Corporation warned privately, "Things are going to have to get a

great deal worse before the City of London will adopt these proposals."

Western Europe's leading financial houses — in France, Switzerland, Belgium, and more cautiously, in West Germany and Britain — have no illusions about the durability of dollar debt structures. They are furtively talking about dumping the dollar behind the scenes — but unwilling to come forward with support for debt moratoria and related measures that would put the Atlanticist financial faction out of its misery.

In the U.S., economists for several multi-billion dollar banks conceded that "what the Europeans are doing makes complete sense," as one put it. Outside of the immediate Lower Manhattan circuit, U.S. bankers are now willing to concede that bandaid arrangements will no longer hold the bankrupt international markets together. A number of influential financiers have agreed that the ICLC proposal for an International Development Bank "is the way to go." But these individuals are in the spot of a lifetime drunk who decides to go on the wagon for the first time.

This week's virtual breakdown of currency markets provided the required shock. As of June 9, bankers sadly admitted that nothing could prevent the flight of money out of the British pound, U.S. dollar, and West German mark into commodities and Swiss bank accounts. The announcement June 7 of \$5.3 billion credit to the Bank of England to provide confidence for the British pound drew jeers from currency speculators, who proceeded to give that bankrupt currency its worst beating of the year. European financial officials fear that the pound collapse could force the Bank of England to shut down currency markets in the City of London, the world center of the Eurodollar market.

Axis Axed

To date, the only concrete step the Europeans have taken is to prepare defensive arrangements in case of a sudden total breakdown of the Eurodollar market, which now finances most of world trade. Giving up hope in the International Monetary Fund and other relics of post-war monetary agreements, the Swiss, West Germans, and French have agreed to use the Bank for International Settlements in Basel, Switzerland, as an emergency international clearing house. The Swiss institution now functions as a clearing house for the European central banks. The Swiss and West German central banks this week signalled their intentions this week by employing the Bank for International Settlements to intervene for them in currency markets.

Earlier this week, the Swiss bankers extracted a major concession from the West Germans, creating a "zone of monetary stability" between the two countries. While the monetary breakdown is too far gone to lend credibility to any such monetary arrangement, the Swiss-West German agreement adds up to a repudiation of the "dollar-deutsche

mark axis," the Schachtian agreement between the U.S. and West Germany for austerity in Western Europe.

Said a senior official of the Bank for International Settlements of these negotiations, "The Germans are stupid. Talking to them you can only be sarcastic. They are too afraid of breaking with the status quo. Nobody, not even the so-called experts, understands anything anymore — especially that gold must be brought back into the monetary system!"

Very cautiously, West German officials are discussing a break with the dollar. Senior finance ministry official Karl-

Otto Poehl told a Swiss audience this week that West Germany "sympathizes with those central banks who are trying to stabilize the gold price," and that "Western Europe and the Third World have a common interest in a stable gold price." Poehl added that the uncontrolled growth of the Euro-dollar market was the cause of inflation — simultaneously praising the "strength of the dollar." for the benefit of any listening Americans. Meanwhile, West German central bank president Karl Klasen denounced "illegal foreign currency dealings," an unmistakable attack on the illegal and unregulated Eurodollar operation.

Reprint from June 10 London Financial Times

Gold—Option We Must Consider

June 11 (NSIPS) — The following article by columnist C. Gordon Tether appeared in yesterday's Financial Times of London in his regular "Lombard" column.

by C. Gordon Tether

MOSCOW NARODNY, the Soviet Bank in London, may have appeared to be doing no more than indulging in some grinding of the Russian anti-American axe when it wrote of the monetary virtues of gold in its latest quarterly bulletin in much the same eulogistic terms as the late President DeGaulle was wont to employ to explain why he considered it to be vastly superior to the dollar.

But it was in fact giving expression to a view that is also attracting increasing support in Western European countries now that the present dollar-based international monetary system has begun to display ominous signs of cracking under the immense strains that are being imposed on it. And the theme may well be given further encouragement by the main message to emerge from the recent auction of IMF stocks — that a first step towards stabilizing the metal has been taken through the creation of an effective floor of around \$125 per ounce.

President DeGaulle, it will be recalled, was accustomed to refer to the immutability, dependability and neutrality of gold as assets of crucial importance possessed by no other monetary medium and never likely to be. The Moscow Narodny's variation on this theme points out that, as a real store of value with a supply that cannot be increased in an inflationary manner by resort to the world's printing presses, gold is not rivalled — not even by "such possible synthetic competitors as the IMF's special drawing rights."

A great shock

It also argues that countries prefer to keep their reserves in a neutral asset which is not dependent on another nation — and no prizes are offered for guessing which country it has in mind — whether it is that country's economic progress or its voting power at the IMF.

I have already referred to one reason why the Russians may well see themselves as having special cause to champion gold. Another is that they happen to be major producers of the stuff themselves. But that does not alter the fact that there is a great deal in what they are saying. And, as I said earlier, it so happens, that they are far from being the only ones who are saying it.

The immensity of the crises that have overtaken three major currencies — the French franc, the Italian lira, and

the £ sterling — in rapid succession has come as a great shock to many observers of the international financial scene. And this has now been compounded by the realisation that the last upheaval had begun to pose such a serious threat to the entire monetary structure that the earlier intention to let Britain sweat it out on her own had to be dramatically reversed.

So much so, indeed, that there is a growing feeling that the present system is all but on its last legs. Currency crises, it is suggested, are likely to follow one another in increasingly rapid succession as downward plunges in some currencies leave others dangerously exposed meaning that only more or less continuous feats of brinkmanship of the kind organised around the £ now stand between the world and the ultimate catastrophe.

It is when people start asking themselves whether we can't do better than that — indeed, whether we have not got to do better than that if there is to be any hope of getting global recovery off the launching pad — that their thoughts turn in the direction of gold.

The proof of every pudding is in the eating and no one who takes an impartial look at the world monetary scene to-day can be left with any real doubt that the dollar-oriented system on which it is based is turning out to be a highly unsatisfactory — not to say disastrous — mix. And they would also be forced to conclude that most of its troubles and deficiencies arise from the fact that it tends to incur the very disadvantages that gold — by its very nature — cannot be heir to.

Needless to say, the world monetary situation having been reduced to such a shambles by the weaknesses and excesses of the dollar-based system, it would not be easy to switch over to an entirely new system, with gold as its kingpin, overnight. But the time has clearly come to start seeing this as one of the options open to us that we have got to think about.

And in this connection, the outcome of the first auction of IMF gold should be a big help. For the principal message to emerge from this much-publicised non-event is that the world can begin to feel confident that gold is never going to fall materially below the level of \$125—130 per ounce that has prevailed in recent months. It means, in short, that solid progress has been made towards giving gold the greater stability that will make it much easier for it to move into the central monetary role that is now beginning to beckon.

What the Soviets are Saying on Gold and Capitalist Monetary Crisis

June 12 (NSIPS) — *The following are excerpts from an article which appeared in the current issue of the Soviet economic weekly Ekonomicheskaya Gazeta by V. Zholobov, candidate in Economic Sciences.*

....Bourgeois economists and government bureaucrats are proposing the traditional palliatives to solve the problem of inflation — changes in the level of taxation and interest rates, buying and selling operations with commercial paper and other measures to regulate monetary circulation.... But no one in the West, writes the newspaper *Le Monde*, “dares to admit the one thing that characterizes the current difficulties: a crisis of the system. But precisely this is the essence of the problem.”

Precisely because it is a crisis of the system in the U.S. the issuing of paper money has become one of the most important means for covering over enormous budget deficits. In turn, devalued dollars ending up abroad have introduced a new destructive element into international economic life — so-called “imported inflation.” Acquisition of American goods at even higher prices has become an additional factor forcing the western countries to raise their own domestic prices and balance the growth of their (extra) currency reserves by issuing additional sums of (their) national paper currency.

The ineffectiveness of control over international capital flow creates serious barriers to the containment of inflation in the national framework of individual countries, a fact which the USA has not failed to utilize. Acting contrary to the agreements reached by the International Monetary Fund (IMF), the U.S. is obliging the other countries of the capitalist world to recognize the dollar as the irreplaceable standard, which in turn is leading to the accumulation of American debt in other countries and turning into the main generator of international inflation.

The second characteristic trait of the monetary relations of capitalism at the present time is the (complete disintegration) of its international payments mechanism. The 1975 balance of payments deficit for current operations was \$3 billion for England, \$1.2 for Italy, \$2.5 for Japan....

The worsening of the monetary positions of many capitalist countries is occurring on the background of the final collapse of the post-war Bretton Woods financial-monetary system, which began in 1968 with the termination of dollar convertibility to gold. A year and a half to two years later, the contours of a new system began to emerge — the “controlled float” of the main currencies, and the de facto establishment of the International Monetary Fund’s “Special Drawing Rights” (SDRs) as a standard in place of the previous dollar standard....

Trying to escape monetary chaos, several Western European countries joined their currencies in a system of coordinated floating relative to the dollar, an arrangement called the “European currency snake.” But it proved impossible to keep themselves within the established bounds of allowed fluctuation, as a result of the clear tendency of some currencies to rise and others, on the contrary, to fall. In fact

the countries of Western Europe, above all the members of the Common Market, already several years (ago) fell into two separate groupings: the bloc of “restricted currency snake” (the West German mark, Dutch guilder, French and Belgian francs, Danish kroner) and the zone of currencies which float with no limitations at all (the pound sterling, the Irish pound, the Italian lira). Now the tendency to collapse has increased. In March 1976, under speculative pressure, the French franc left the “snake.” At the same time another agreement was broken off, which had regulated the mutual fluctuations of the currencies of Belgium, Holland and Luxembourg. All this goes to show that the monetary crisis is continuing to deepen and the relations between partners of the “Common Market” are worsening.

The new wave of currency troubles is connected to a considerable degree with the changes during 1975 of the position of the U.S. dollar. After its double devaluation, American exports to other countries increased significantly.... Instead of the huge foreign trade deficit of previous years, the USA was able to achieve a \$10 billion surplus last year.

But the USA is not the slightest bit interested in losing the trade advantages it gained as a result of devaluation. With extreme reluctance and only under great pressure from its partners did it agree to establish “control” over the floating of currencies, which limits U.S. opportunities to play on the contradictions between its partners and prevents stimulation of exports through lowering the value of its currency.

It is also necessary to note that the factors which led to the crisis of the dollar continue to operate at the present time. As in the past, this currency is threatened by the destructive influence of a huge mass of roaming means of payment (i.e. “hot money” — ed.) which are capable at any moment of causing currency scrapes whose consequences even the dollar would not escape. According to data put out by the Bank of International Settlements in Basel, the total sum of deposits in the Eurocurrency (mostly Eurodollar) markets in Western Europe reached almost \$300 billion in 1975. Under conditions in which the depressed state of the stock markets made mobilization of resources on the Eurocurrency market more difficult, through issuing shares and bond obligations more difficult, these huge sums are being used to a significant degree for speculation. And this promises new difficulties.

Vicious Circle

The March, 1976 explosion of currency fever took place just two months after the January meeting of the “temporary committee” of the IMF in Jamaica... declared the monetary crisis to be essentially cured. Subsequent events have shown that the participants of this meeting were too optimistic in evaluating their work. What was worked out in Jamaica in the assessment of Western observers, was only an unsuccessful compromise, which proved unviable at the first test.

Several points of disagreement among the capitalist powers regarding a new monetary system can be pinpointed.

First of all there is the problem of currency exchange rates. The U.S. wants currency values, and especially that of

the dollar, to be determined by free fluctuation on the world market. Many Western European countries, however, are asking as much as possible to return to stable parities.

As in the past, it is hard to find any other sphere of international currency relations where the contradictions appear as openly as on the question of the future of gold. The U.S. government wants to "demonetize" (exclude it from international currency circulation) the metal and completely deprive it of its function as a measure of value and a reserve asset. Many countries, including France, have sharply opposed this.

Big disagreements have also arisen from the decision of the last IMF session that the gold contributed by member countries to its funds will be partially returned to them and partially sold at the free market price. The head of the Iranian Central Bank M. Yagan correctly noted that these are stop-gap measures, since increasing the volume of world liquidity by 100-150 million dollars (as will occur in the event that this decision is carried out), could intensify the inflationary process all the more.

The SDR's, which theoretically would become the basis of the new monetary mechanism, causes great doubts as well. Some Western economists consider that their issue will only help worsen inflation.

There are more than a few other problems, which have not only not been resolved, but sometimes have aggravated the monetary conditions.

All of this undermines the efforts to develop an international monetary-financial system of capitalism. Temporary and unstable compromises, which are sometimes passed off as such a system, do not in any way help to overcome the monetary crisis.

Under these conditions, the advantage of the monetary-financial system of the socialist community countries become all the more obvious. As was noted in the resolution of the 28th session of the Comecon... "the foreign trade of Comecon member countries is growing with stability, free from the influence of monetary-finance crises, speculative price leaps and other negative phenomena. Monetary-finance relations are being improved, and the role of the transferable ruble as the collective currency in the ever growing economic relations of the Comecon countries is growing.

British Bail-Out Fails to Stem Crisis of Confidence

While the New York Times applauded this week's \$5.3 billion bail-out of the Bank of England as "a well-timed example of international monetary cooperation at its best," both European capitalists and the foreign exchange market were quick to dismiss the move as a desperate and hyper-inflationary gambit, staving off only momentarily the imminent collapse of the bankrupt Eurocurrency market. The only practical outcome of the Atlanticists' \$5.3 billion "rubber check" to Britain was to further galvanize European

and Soviet motion around dumping the dollar and establishing a gold-backed monetary system.

The loan gambit marked an attempt to counteract the common knowledge among leading capitalist layers that the British and Italian debt crisis, combined with the certain default of a half-dozen Third World countries in late June and early July, could bring down the entire world monetary system within weeks. On the private markets, the daily business of "syndicating" Eurodollar loans — making up large credits by convincing banks to chip in small shares — has been paralyzed for weeks, as Euromarket banks are engaging in a welter of suits and countersuits to determine who pays the tab for some major bankruptcies. As an attempt to stem this "collapse of capitalist confidence," the British bail-out has already proven to be a dismal failure.

Immediately following the June 6 announcement of the British loan, the pound rebounded from \$1.72 to \$1.79, but once the real implications of the bail-out had sunk in among European banking circles, the pound again nosedived. By the end of the week, it was at \$1.7725, by grace of heavy intervention on the part of the Bank of England. According to the British press, the British central bank spent at least \$200 million in supporting the pound on Tuesday and Wednesday alone, and rumor had it that the Bank was already spending the proceeds of the \$5.3 billion loan since the rest of its reserves are virtually exhausted.

Loan Ridiculed

The absurdity of handing over \$5.3 billion in freshly-printed U.S. paper to the Bank of England only to have the latter immediately sell it all for equally worthless British pounds was satirized by London Times columnist Bernard Levin: "With the new money we are not going to but plant or bread or even circuses. We are not about to go on a Hellenic cruise or pay for imports of frozen carrots. We are going to spend it, should it become necessary, on pound notes... The land where the inhabitants are so foolish that they think they can live by taking in each other's washing is well known in legend and metaphor. Britain today has gone one better, and declared her belief that she can live by taking in her own."

Former top NATO economist Yves Lulan summed up the Atlanticists' present plight: "Either we walk the tightrope, and let drop the countries which can't manage, or else, we'll have world wide inflation. Either it's bankruptcy and let them go, or we extend credit and we're back at double-digit inflation as in 1973, and this time we won't be so lucky."

Moreover, the British must repay the entire \$5.3 billion plus interest in December — a feat which everyone agrees is impossible. According to U.S. bankers' "game-plan," the British will then be forced to turn to the International Monetary Fund for credits. During the six-month interlude, to the game plan British Chancellor of the Exchequer Denis Healy and other British Atlanticists will have gained the muscle which they presently lack — needed to impose brutal budget austerity so that Britain can "qualify" for IMF credits. The flaw in this argument is that 10 per cent of the British budget already goes into debt service payments, and, as the Financial Times readily admits, this percentage is rising at a rapid and totally "unpredictable" rate. As the notorious case of New York City demonstrates, no amount of austerity will ever be enough to cover this debt; in Britain's case, the austerity will only accelerate the collapse of the productive economy from which the debt is extracted.

By June 10, the outcry and ridicule in West Germany against the Atlanticist "confidence game" had grown so loud that the London Daily Telegraph, reported the West German government might refuse to participate in the loan.

Meanwhile, Financial Times' columnist C. Gordon Tether's pro-gold column on June 10, coinciding with the Soviets' latest initiatives around a new monetary system, signalled a mounting West German-Swiss-French-British offensive toward abandoning the dollar altogether. "Currency crises," Tether wrote, "are likely to follow one another in increasingly rapid succession as downward plunges in some currencies leave others dangerously exposed — meaning that only more or less continuous feats of brinkmanship of the kind organized around the pound now stand between the world and ultimate catastrophe...It would not be easy to switch over to an entirely new system with gold as its kingpin overnight. But the time has clearly come to start seeing this as one of the options open to us that we have got to think about."

Hyperinflation and Plunging Trade Figures

Hyperinflation is already emerging throughout Western Europe and Japan, putting an abrupt end to the phony "consumer-led" upswing. The Organization for Economic Cooperation and Development (OECD) and the Common Market Commission admitted yesterday — two months after the fact — that the 24 OECD countries were running a 13 per cent average annual inflation rate during the first four months of this year. As a direct result, retail sales everywhere took a nosedive, and, as the U.S. economy also went into slump, West German and Japanese exports plummeted.

Japanese exports fell by 7 per cent in April, while export letters of credit, a two-month leading indicator, fell a seasonally adjusted 10.3 per cent in April-May. The outflow of foreign funds triggered by this faltering of the Japanese "miracle" has resulted in a drastic contraction of the money supply and domestic liquidity, forcing the Japanese government to announce that it will inject more funds into the economy during June. Since Japanese banks and corporations are reporting poor profits, the government must risk further inflation in order to avert major bankruptcies.

Similarly, West German exports plunged 3.5 per cent in May, following a 9 per cent drop in April. West Germany's leading automobile exporter, Volkswagen, has reported sales 43 per cent below last year's in the U.S. market in the first five months of 1976. Meanwhile, the West German economy's shift from a trade surplus to a deficit position starting in April and higher U.S. interest rates, are sucking capital out of the country and have already collapsed domestic credit markets.

The French economy has been thrown into a deflationary tailspin which will shortly lead to production cutbacks and mass layoffs. The French money supply, after growing at an annual rate of 24 per cent since August 1975, grew hardly at all during March. This did not prevent April wholesale prices from rising 1.7 per cent, an annual rate of almost 23 per cent.

As for Italy, the Bank of Italy's latest austerity proposal — raising bank reserve requirements from 30 to 42 per cent — means that no more than one-third of the banking system's cash-flow is available for normal credit operations involving productive enterprises.



Commodity Speculation Moves U.S. Economy Into New Phase of Hyperinflationary Bust

NEW YORK, June 12 (NSIPS) — Commodity speculation took off at a 180 per cent annual rate in the U.S. this week, moving the U.S. economy into the next phase of a hyperinflationary bust. Reflecting the accelerating cost pressure generated by increases in the prices of their materials, key sectors of the economy, including auto, announced price increases. Meanwhile, spending by consumers and business continued to decline, with May retail sales falling and capital spending plans for 1976 revised downward. Despite the steadily mounting evidence that the "consumer-led" U.S. recovery is "kaputt," as knowledgeable West Germans are now admitting, the chairman of the Council of Economic Advisors and Wall Street's voice in the Ford Administration, Alan Greenspan, made a public spectacle of himself by upgrading his projections for real GNP growth in 1976.

With the question of the direction (up or down) of the economy settled for all intents and purposes, the key question has become labor policy. NSIPS has uncovered a well-concealed scheme in New York City being coordinated by the Budget Director's Office which would force unionized construction workers to sign a pledge card agreeing to a 50 cents per hour checkoff from their wages to fund the project they are working. In the Ohio state legislature a model "Arbeitsdienst" law which would have set up Civilian Conservation Corps work-camps for young adults has been successfully tied up in committee due to a U.S. Labor Party mobilization, signalling an important victory over slave-labor policies in the Midwest.

Commodities

Trading on the Chicago Board of Trade, the largest commodities exchange in the U.S., broke a one day record June 8 when 136,578 contracts were made, topping by nearly 30,000 the previous mark. The exchange opened a half hour late the next day as statisticians completed processing of the previous day's sales. Record numbers of corn and soybeanmeal futures, livestock-feeding commodities, were traded. Wheat and soybean futures were also sold heavily.

Guessing about the possibly devastating effects on crops of a worldwide dry spell fueled the speculation. Weather forecasts continued to stress the probability of hot, dry Midwestern weather, while news wires carried both reports and rumors of crop losses in France, Poland and elsewhere. The U.S. Agriculture Department's release of its upwardly revised estimates of a 20 million metric ton shortfall in Soviet grain production, increasing the likelihood of heavy Soviet purchases of U.S. grain, was another incentive for speculation.

While the speculation was fueled in part by impending agricultural disasters, its root cause clearly cannot be laid at the feet of the Soviets, the "overpopulated" third world and

other bogeymen likely to be dredged up by the Rockefeller faction. It is the collapse of world production due to Lower Manhattan's insistence on the preservation of its debt which has caused the accelerating speculation and inflation.

As NSIPS predicted in January and February, the March 31 deadline for the rollover of due international debt payments was the final key inflection point in the collapse of the world's monetary system, and with it international trade and production. From approximately that date onward, funds which normally would have gone into useful or at least less cancerous areas of the economy were released to float around in the international money markets, commodities markets, etc.

The Dow Jones Commodity Index graph reveals this very plainly. From mid-January to March 31, commodity prices were rising at approximately a 3.5 per cent annual rate. From exactly March 31, the graph leaped upward at a 60 per cent annual rate up through last week. This week's incredible upburst brought the post-March 31 rate up to over an 80 per cent annual rate. Soybean meal rose 16 per cent the last week alone, presaging higher meat prices as soymeal is a key livestock feed. On news of higher feed prices, eggs advanced their 2 cents a dozen limit three consecutive days, Maine potatoes hit their limit on reports of Idaho flood losses, trading volume on the New York Cotton Exchange hit the highest level since 1955, etc.

Underlining the purely financial reasons behind the speculation is the fact that prices on the London commodity exchanges are increasing even faster than in the U.S. as a result of the collapse of the British pound. Since March 1, the price of copper has risen 38 per cent (a 150 per cent annual rate), tin 31 per cent, lead 52 per cent, zinc 25 per cent, soy meal 56 per cent, silver 33 per cent, coffee 83 per cent, rubber 42 per cent and cocoa 71 per cent.

One grain company trader quoted in Thursday's Wall St. Journal appropriately summed up the hectic week: "Time will tell if it's set the stage for what we saw in 1973" — a reference to wild shoot-up of prices.

Price Increases

Responding to previously announced steel price boosts, General Motors notified its dealers in a recent letter that they could charge up to 6 per cent for new model cars and trucks (about a \$300 per auto increase). Ford Motor announced that effective this week pre-sale prices on its 1977 model heavy-duty trucks will reflect a 6 per cent increase, or an average of about \$750 per vehicle.

Monsanto and PPG Industries announced price boosts on a number of important chemical and related products.

Retail Sales

Obviously convinced that inflation was again taking hold of the U.S. economy, Americans cut back on their retail purchases by 1.4 per cent in May — the steepest drop in 14 months. This follows a smaller decline in April, and brings the monthly level of retail sales down to the depressed July, 1975 level after adjustment for a 6 per cent inflation rate.

The only thing preventing an even greater drop in sales is the continued record growth of consumer credit to the higher-income portion of the population. Consumer installment credit rose \$1.44 billion in April, the second highest increase since August, 1974. Auto loans were up \$710 million, the highest since March, 1973.

One key reason for the decline in retail sales has been the rise in unemployment — official unemployment figures to the contrary. New claims for regular state unemployment benefits rose to 412,000 for the week ending May 29. The increase in new claims and the level reached were among the highest recorded this year, and brought the rise in the rate of new applicants to 20 per cent above late March. Unemployment benefits from all sources for the week, and an incredible 1.7 million since last February. Thrown off the rolls through fraudulent manipulation of the unemployment statistics, or running out of extended benefits, many of these workers simply do not exist in the eyes of Bureau of Labor Statistics statisticians.

Even more ominous for Greenspan and other "recovery" soothsayers than the collapse of retail sales was the Commerce Department's revised-downward forecast for capital spending in 1976, which shows only an 0.8 per cent gain over the miserable 1975 levels after adjustment for inflation.

Even this may turn out to be too optimistic a projection. A Conference Board survey of the 1,000 largest manufacturing firms showed that appropriations for plant and equipment fell to \$11.64 billion in the first quarter from \$12.16 billion in the fourth quarter of 1975.

The news that capital spending would provide no impetus to the petering-out "recovery" proved so disconcerting that the Commerce chief economist could only comment to the press, "I'm a little puzzled."

Slave Labor

With the fall off in capital spending, it's now becoming clear that future projects in the U.S. will depend on explicitly Schachtian schemes for looting workers' incomes and savings through state governments. The first sign of this was the announcement last week by Governor Schapp that he would attempt to "persuade" the Pennsylvania Teachers Pension Fund to finance the purchase of a plant from Chrysler which would then be leased to Volkswagen.

An even more hideous indication of this process was uncovered this week by NSIPS investigative reporters. As confirmed by Eric Kasten of the Mayor's Budget Office in New York City, the man in charge of handling the negotiations, the budget office is now in "very delicate" negotiations — blacked out of the press — which involve getting 12 major construction unions in the city to put up 50 per cent of the funds required from the city in road and other construction projects. In these projects, the Federal government provides 75 per cent of the funds, the city 25 per cent. The unions, whose membership ranges from 30 to 90 per cent unemployed, would thus provide 12 and one-half per cent of the total \$600 million involved in these projects. This said Kasten, the man in charge of the negotiations, would be obtained through a 50 per cent per hour checkoff from the wages of those construction workers employed on the projects.

Such local looting schemes of these types are the key to the development of a labor policy in the U.S. Forces pushing for a Schachtian policy realize they are unable to presently get full-blown national schemes such as the Humphrey-Hawkins bill through Congress due to tremendous constituency pressure against such measures. Arthur Burns, chairman of the Federal Reserve Board and a key proponent of Schachtian labor policies in the U.S., said in a commencement speech at the Florida Institute of Technology yesterday where he lauded the British government-trade union wage restraint agreement but noted that "in our own country, I doubt that arrangements of that kind would be practical."

Thus, the pro-Schachtian forces suffered a significant defeat when the fascist child-labor bill was bottled up in the Judicial Committee of the Ohio State Senate following failure to ram it through the last three days of the session. The Legislature now convenes until September. Indicative of the pressure brought to bear by the U.S. Labor Party against the bill was the fact that no one appeared to testify in support of it when the bill came up before the Senate Labor Committee this week.

Greenspan

It seems that the only ones who took Greenspan's ludicrous performance June 10 seriously were stock market speculators, who staged a rally yesterday following six consecutive weekly declines in the Dow Jones average by parleying the first "good news" on the economy in weeks. This seems to be the only reason behind the rally — especially since the money supply figures released the day before were "bearish," showing a \$1 billion rise in M1 and a \$1.7 billion rise in M2, portending at the minimum a continuation by the Federal Reserve of its recent "tightening" policies.



Kissinger Pushes IRB and Continental Army at OAS Meeting

June 12 (NSIPS) — The thick propaganda campaign around the question of “human rights” at the Organization of American States (OAS) meeting in Santiago, Chile this week was a smokescreen for the real aims of U.S. Secretary of State Henry Kissinger. Beneath the euphoric praise in major hemispheric press for Kissinger’s sudden new firm stand on ‘human rights,’ the substance of the conference involved two projects dictated by Kissinger: an International Resources Bank (IRB) arrangement identical to the proposal rejected by the Third World at last month’s UNCTAD IV meeting in Nairobi, Kenya, and a continental military pact that would permit inter-hemispheric armed intervention for “peace-keeping” purposes.

A banker at a major Wall Street investment house told NSIPS this week that Kissinger’s strategy following his defeat at Nairobi is to “crack the Group of 77 by carving off a few Less Developed Countries.” This process was to begin at the OAS meeting, he added. National Security Council conduit Juan de Onis publicly confirmed this in the New York Times when, after giving extensive coverage to the “human rights” hoax, he noted that most of what Kissinger had put forward in Santiago is quite similar to his Nairobi proposal, only “adapted to regional dimensions.” Specifically, Kissinger called on the OAS to form an Inter-American consultative group on commodities to coordinate regional labor-intensive raw materials projects, funded by the World Bank and the Inter-American Development Bank (IDB). Costa Rica’s foreign minister, Gonzalo Facio, put it bluntly when he told reporters in Santiago that the IRB, although rejected by the Third World at UNCTAD, “will be approved by Latin America if Kissinger wants to make the proposal.”

The U.S. Secretary of State made clear how he intends to use his IRB in a speech in Santo Domingo on his way to Santiago. If the Third World tries to form its own associations and forums for establishing a new world economic order unilaterally, Kissinger said, it can expect the industrialized capitalist sector to form counter blocs. In such a showdown, Kissinger threatened, “the poorer countries will get the worst of it.” The IRB represents part of this strategy. Raw material-producing countries put up their commodities as collateral for World Bank and IDB project loans, thus anchoring these “carved off LDC’s to the dollar empire and Wall Street’s slave labor policies.”

The Military Aspect

Following the guidelines of Vice-President Nelson Rockefeller’s 1969 “Report on the Americas” and the Rockefeller faction’s long standing desire to set up a hemispheric security force, Kissinger is trying to get the OAS to legitimize military “peace-keeping” interventions within the hemi-

sphere. “Latin America and the US have a good defense system against...extra-continental aggression,” the Secretary stated this week, referring to 1947 TIAR treaty, the so-called Treaty of Rio. This pact provides no authority for military operations intra-continently. Costa Rican Foreign Minister Facio faithfully echoed Kissinger, saying that the hemisphere needs a “strong defense system against internal and external aggression.” The Argentine daily LaNacion carried an ANSA dispatch this week stating that the military regimes of the Southern Cone (Chile, Argentina, Brazil) are calling for a “continental army” to combat “communist subversion.”

Kissinger plans to use National Security Council-directed terrorism as a pretext for this type of arrangement, by pinning it on Cuba and the Soviets. Similarly, legitimate opposition to slave labor and austerity will be labeled as Soviet subversion. The Associated Press reported that on his Santo Domingo stopover, Kissinger “promised the nations of the hemisphere that the US is determined to thwart actions by the Soviet Union which could threaten the present balance of power.” He further vowed the U.S. will “allow no more Angolas.” This dangerous blustering was reiterated at a special close-door session at the OAS conference, where he called for regional security “against terrorism and threats of violence from outside.”

The key targets of this sword rattling are the Latin American governments that have played leading roles in the Third World for debt moratoria and a new world economic order — specifically, Peru, Guyana, Jamaica, Cuba, and Mexico. Kissinger’s “continental army” represents an immediate threat to Peru and Guyana, using the Brazilian army as a battering ram against so-called “Soviet infiltration” in these two countries. In recent months there has been a steady propaganda barrage in the Venezuelan and Brazilian press on the fortification of Brazilian forces on the Guyanese border in response to the so-called threat of a Cuban beachhead being established in Guyana.

Simultaneously, Kissinger himself has directly intervened in the tense Chilean-Peruvian negotiations over granting Volivia sovereign access to the Pacific Ocean. Upon his arrival in Bolivia immediately prior to the opening of the OAS meeting, Kissinger and Bolivian dictator Banzer issued a joint communique supporting Bolivia’s demand. This can only have one effect: to reheat tensions between Chile and Peru according to the RAND Corporation’s “Second War of the Pacific” scenario. As RAND has stated publicly, such a war, would be used for ushering in the type of “peace-keeping” force called for by Kissinger. The Secretary of State’s statement on this question threatens to destabilize

talks between Chile and Peru now taking place in Lima.

Opposition Mounts

The efforts by the Rockefeller forces to smash the continent's pro-development governments and pull the rest of Latin America into slave-labor projects modeled on the Labor Fronts in the Northeast Brazil, is encountering increasing opposition. Mexico, which led the move to resist Kissinger's schemes by boycotting the meeting, exposed the maneuvers to set up a hemispheric security force. Mexican Foreign Minister Garcia Robles this week denounced the scheme as "illegal" and a "potential threat to relations between friendly countries on the continent."

Similarly, the day after the OAS meeting began, Mexican president Luis Echeverria warned of a "systematic campaign against all attempts to form a new world economic order." Echeverria also attacked the OAS for meeting in Santiago, in the context of growing "fascism in Latin America."

Peru also took steps to neutralize the Kissinger drive. Speaking on the 96th anniversary of the War of the Pacific, Peruvian Prime Minister Jorge Fernandez Maldonado asserted the "historic duty" of the Peruvian Revolution to prevent another war. Never again will Peru commit "such a terrible error," he said. In a direct attack on Kissinger's IRB-slave labor hoax, he denounced capitalism as a system which "reduces man to simple labor at the same level as the materials and the raw materials" of production. Fernandez the previous week had called for a new world economic order in an unusually strong statement.

The destabilization attempts against Guyana and Jamaica have been answered by a unanimous declaration of support

for their governments by the Latin American Journalists Conference, held in Mexico this week.

The Smokescreen

The fact that the "human rights in Chile" issue is merely a cover for what is really occurring around the OAS meeting is not only well evidenced by Kissinger's statements calling for guarantees of such rights, but by similarly ludicrous comments from other figures who helped put the Chilean butcher Pinochet in power. Gruenwald, State Department economics advisor and formerly of the Brookings Institution, and Harry Shlaudeman, the nominee for Under Secretary of State for Latin American Affairs (whose role in the Chilean coup is well-documented), announced this week that they are both "intensely interested in human rights."

The New York Times published an editorial praising Kissinger's new-found concern for human rights, noting that it will lead the country back to a "traditional stance in defense of human dignity. James Goodsell of the Christian Science Monitor euphorically pronounced Kissinger's posturing a "fundamental shift," reminiscent of the policy of the 1960s when the U.S. supported "progressive, democratic governments."

This cover operation has been linked with Kissinger's vague promises to grant preferential trade treatment to Latin America, including the exclusion of Ecuador and Venezuela from the anti-OPEC clause of the U.S. Trade Law. However, neither these crumbs off the table nor the hysterical "human rights" campaign are likely to fool anyone — judging from the aforementioned response of the hemisphere's pro-development forces.

Kissinger Plots Fascist Assaults on Guyana, Jamaica

June 12 (NSIPS) — U.S. Secretary of State Henry Kissinger is planning to overthrow the pro-development government of Jamaican Prime Minister Michael Manley and is preparing a Brazilian military invasion to crush the socialist government of Guyana.

This is Kissinger's answer to the vanguard actions taken by both nations in the international fight for debt moratoria and the new world economic order and to the determined Third World resistance to Kissinger's attempted blackmail and bribery at the recently concluded United Nations UNC-TAD conference in Nairobi, Kenya. Kissinger sought to legitimize his assaults on the two countries at last week's meeting of the Organization of American States in fascist Chile.

Guyanese Foreign Minister Frederick Wills ripped into the Kissinger plot at last week's meeting in Algiers of the Coordinating Bureau of the Non-Aligned Nations. Denouncing North American imperialism and its "Monroe Doctrine," Wills declared, "There is a concerted attempt to destabilize the governments in non-aligned countries in Latin

America. More particularly, in the Caribbean — Guyana, Jamaica, and Barbados — have been subjected to the full fury of insidious techniques aimed at procuring their alignment. Deliberate and well-orchestrated attacks in the media, the selective sale of arms and so-called defense services, the promotion of intra-regional conflicts, the fomenting of internal unrest, the manipulation of pliant surrogates — all of these and more have threatened the uneasy peace in our hemisphere and retarded the economic development of its peoples."

Jamaican Prime Minister Manley has just completed a series of sudden and secret summit meetings with three other Caribbean prime ministers to discuss the "destabilization" of Jamaica and other Caribbean countries and the necessity for greater economic cooperation within the region. Although Manley has declined to discuss the meetings before Associated Press, citing Caribbean sources, reports that he met with the heads of state of Guyana, Trinidad, and Barbados on the destabilization operations and related issues. A meeting of the four countries was held early last week.

The Brazilian government has also switched its Ambassador to Guyana in the last several weeks.

Who is McGuire?

William McGuire began visiting Guyana regularly in 1961. Beginning that same year, provoked strikes by municipal workers and dockworkers, led to racial violence and created the excuse for British troops to come in to keep order. The violence was used to force elections one year early in 1964. Despite the fact the PPP again won a substantial majority, the British governor demanded Burnham's resignation. When he refused he was removed by a British Order in Council, and was succeeded by a coalition government of Burnham's PNC and right-wing industrialist Peter D'Aguiar's United Force.

The CIA organized the 1961-64 strikes through the white collar unions, particularly AFSME and the Retail Clerks. Several CIA agents operated out of the U.S. embassy under the labor cover of the Public Service International, Inter-American Affairs Branch.

Since that period McGuire, who was for ten years the international Secretary-Treasurer of the Retail Clerks International, has travelled extensively throughout Latin America and Africa for the AFL-CIO and the State Department. He has run labor relations brainwashing seminars in Jamaica and other Caribbean countries for the AFL-CIO and for OSS agent Serafino Romauldi. Romauldi, according to knowledgeable sources, was directly involved with McGuire in the earlier Guyana operations.

According to sources in the AFL-CIO McGuire's best credentials for this post are his experience with white collar workers, who have "an inordinate amount of influence," in Guyana. As in 1961-64, municipal workers, the largely black, right-wing of Burnham's PNC, are planned to be used in a series of racially motivated strike provocations to drive a wedge into the recently forged alliance between Jagan's largely East Indian PPP and Burnham's largely black PNC, in order to bring a right-wing government to power.

Overt Aggression

Kissinger is making only minimal efforts to disguise his fascist stratagems. The Atlanticist-controlled press in the U.S., Europe, and Latin America for several months has been churning out red scare lies on the supposed presence of Cuban soldiers in Guyana and Jamaica and on their alleged aggressive intentions toward the rest of the hemisphere. The Guyanese and Jamaican governments have categorically denied the allegations and stressed their desire for peace with neighboring nations. The ravings about a Cuban "red menace" lurking inside Guyana have been particularly virulent in the right-wing press in Brazil, which borders directly on Guyana. The purpose of the Brazilian press campaign is to create xenophobic and anti-communist on-

Simultaneously, the U.S. State Department has reshuffled the top echelons of its diplomatic staff in Guyana as part of its "coup preparations." NSIPS has learned from sources in the AFL-CIO that the State Department will soon name long-time CIA covert operative William McGuire as Ambassador. He will be given three CIA-linked diplomats as his assistants. McGuire, a retired Secretary-Treasurer of the Retail Clerks International Union, was directly implicated in the CIA-orchestrated coup that overthrew the government of Marxist Cheddi Jagan in 1964. (see box)

Paratroopers, infantrymen, and special operations troops of Brazil's Second Army have been massed in the Brazilian border town of Bom Fim, according to Venezuelan leftist writer Domingo Alberto Rangel. Rangel described the buildup as preparations for an "imminent invasion" against Guyana and further reported that the Brazilians had built several airfields along the border where they are concentrating troop-carrying planes. Brazilian newspapers report that there has been a shakeup of the command structure of the northern military region and that the new head of the zone is Ernani Ayrosa da Silva, a veteran of the anti-communist crusades in the city of Sao Paulo under Brazilian ex-president and butcher Emilio Medici. The Brazilian mobilization is being complemented by an arms buildup in Surinam, the small country that borders Guyana to the east. The U.S. began selling arms to Surinam for the first time three weeks ago.

In Jamaica, Kissinger is relying much more heavily on internal subversion. Working through the CIA-controlled and pro-British Jamaican Labor Party (JLP), Kissinger has ordered a steadily escalating wave of violence on the island that has taken 70 lives so far this year. In the latest incident, JLP arsonists set fire to a working-class neighborhood in Kingston, destroying several blocks of homes of pro-government workers and killing eight people, including several children who were trapped in the flames. The island, like Guyana, has been subjected to economic warfare by multinational corporations with holdings in the country. Jamaica's Foreign Minister Dudley Thompson has described the operation against his country as the same type of operation that was carried out by Kissinger and the CIA leading up to the fascist coup against the Chilean government of Salvador Allende.

International Support

Jamaica and Guyana have won international support in their battle against Kissinger from other nations fighting for the establishment of a new world economic order. At the Algiers meeting of the Non-Aligned Coordinating Bureau, the Bureau drew up an agenda for the annual meeting of the Non-Aligned Group in August in Sri Lanka that includes a call for a thorough discussion of "accusations on the new plans of imperialist aggression against certain non-aligned countries, especially in Latin America and the Caribbean area." In his speech at the bureau meeting, Guyanese Foreign Minister Wills linked the plot against the Caribbean countries to the battle with Kissinger over the creation of the new world economic order: "The failure of the negotiations of UNCTAD IV in Nairobi, the inconclusive attempt at dialogue in Paris, the sustained effort to reimpose the vertical arrangements of imperialism . . . all these are expressions of the same fundamental conflict situation." In Mexico, the Cuban delegate to a conference of Latin American journalists denounced the "threats of the imperialists who are trying to overthrow the legitimate governments of Jamaica and Guyana."

Domestically, Manley and Guyanese Prime Minister Forbes Burnham have taken steps to defend their countries against Kissinger's agents. They have initiated the formation of people's militias and have widely denounced the U.S. threat, in order to put their populations on alert. In Guyana, Prime Minister Burnham has the critical support of the

People's Progressive Party (PPP). The alliance is particularly important since Burnham's People's National Congress represents the majority of the blacks and the PPP, under the leadership of Cheddi Jagan, the majority of the Indians. The history of racial conflict between the blacks and Indians, fanned and shaped by British counterinsurgents during the period of colonialism, has been a weapon that Kissinger would desperately like to exploit to destroy the country's unified resistance to his aggression.

Guyanese Minister for information and Culture, Shirley Field-Ridley has stated that, "the rumors that circulate within the country are not generated by Guyanese nationals." Adding, "if we can eliminate those foreign influences, that provoke coups, using racial divisions, we will be out of danger."

Progressive forces in Latin America and elsewhere have moved against these attempts. The recently concluded Congress of Latin American Journalists passed a resolution in Mexico City on June 9, pledging support for Guyana which

is "threatened by an imperialist conspiracy and its aggressor arm, the Brazilian regime." Similarly, Tass the Soviet news service carried a column on June 9, by F. Bulantesev denouncing the imperialists for their "destabilization efforts against Guyana." On the same day as the Tass denunciation, the First Latin American and Caribbean Conference of National Peace Movements meeting in Bogota, Colombia, passed a resolution condemning Brazil for functioning as "the American Policeman," and denouncing the "danger of aggression that threatens Guyana incited by Yankee Imperialism." The Peace Conference declared June 16 as "International Solidarity day with Guyana."

The immediate threat against Jamaica and Guyana has critical significance well beyond the Caribbean. The two countries have been singled out for their leadership role in the Third World, and Kissinger's policy toward them is identical to his policy toward the countries of Africa, Asia, and the rest of Latin America.



What The Socialist Sector Is Really Saying

June 12 (NSIPS) — The three translations printed under this heading, as well as the Soviet Government Statement on the Mideast crisis and the Soviet Economic Journal commentary on the capitalist monetary crisis printed elsewhere in this issue provide the reader with a clear and fairly comprehensive picture of how Soviet and Comecon sector leaders view the current world situation. It is not surprising that the Atlanticist-controlled press has chosen to either ignore or significantly downplay such statements.

This is particularly striking in the case of the Soviet Government Statement on the Mideast (reprinted in full with our Mideast newsletter). While the New York Times and other papers acknowledged that the Soviets had issued such a statement, instead of reporting its contents as a clear warning on the Lebanese situation and the significance of its attack on the Syrian invasion, such Western "journals of record" reported that the Soviets are want to make such statements at the drop of a hat and that they don't really mean very much.

It is quite clear where this line was coming from. NSIPS contacted a Mr. Arthur Houten, the National Security Council staffer in charge of their Mideast desk, for comment on the Soviet statement "It doesn't mean a damn thing," he stated, "It's no warning... the Soviets don't really mean what they are saying..." A similar statement was made by the Pentagon's Defense Intelligence Agency analyst for Mideast affairs. Such insanity continues to this moment to be peddled through the Atlanticist press.

Soviet Party Leader Brezhnev's Speech Welcoming Indira Gandhi

June 11 (NSIPS) — The following are excerpts from a speech delivered at the Kremlin dinner June 9 in honor of visiting Indian Prime Minister Indira Gandhi.

....Esteemed Madam Prime Minister,

Not much time has passed since our last meeting in Delhi. But political time, as is known, is measured not by the number of leaves in the calendar, but by the events filling it. The past years were very eventful. Big positive changes took place both in the international arena and in relations between our countries....

As to the prospects of Soviet—Indian cooperation, it can be boldly stated that all possibilities exist for its further deepening and perfection. Precisely this is being discussed at the current talks.

The relaxation of tension now is a tangible reality. Without doubt, it has struck deep roots. Preconditions exist for the relaxation of tension to acquire a really irreversible nature. But we cannot fail to see another thing: lately there has been a noticeable increase in the activity of the opponents of the relaxation of tension. They appear to have sprung to activity on seeing that their game is up. In an attempt to frustrate the relaxation of tension they slander in every way the policy of the Soviet Union and other socialist countries. They are using such charges as aggressive intentions, striving for hegemony, etc. That has been worn thin already during the times of the cold war.

Our answer to them is simple: we do not strive for hegemony, we do not need it. It is precisely those who struggle so zealously against the strengthening of peace and the deepening of the relaxation of tension that strive for hegemony and interfere into the affairs of other countries and peoples, attempting to impose their will on them. Is it not known who are rejecting our persistent proposals to really limit the arms race, who are inflating military budgets and stepping up the development of ever more destructive types of weapons. All this is well known.

We clearly see these negative phenomena and are fully determined to oppose them. The development and deepening of the relaxation of tension is the call of the time, this is a demand of all peoples prompted by their vital interests in durable peace. And those, who connive at the campaign of the opponents of the relaxation of tension and those who succumb to their pressure for these or those temporary considerations, assume a heavy responsibility.

Adherence to peace is being measured now in concrete deeds more than ever before, by the daily work for the sake of that lofty goal. At its 25th Congress our party put forward a clearcut, realistic programme of the further struggle for peace and international cooperation, for the freedom and independence of the peoples. We note with satisfaction that it has been met with broad support of the world public...

In our view, good prerequisites toward relaxation of tension are emerging here (Asia) too. Guns become silent in Indo-China, and the political arena is witnessing the emergence of such a peace force as united Vietnam. Certain positive changes are taking place in Southern Asia. We have learned with satisfaction about the results of the recent Indo-Pakistan talks which will, in our opinion, contribute to the further normalization of the situation in that region.

At the same time we realize that the situation in Asia still remains complex enough. There are forces in Asia, which, ignoring the rights and sovereignty of the states, are striving

DDR on Unstable U.S. Presidency

June 11 (NSIPS) — The following article by Major Heinz Rabe was run in the latest issue of the German Democratic Republic military magazine, Volksarmee:

It has been 15 years, since the summer of 1961, when warlike statements by NATO politicians clustered around the idea that they would "risk atomic war" in order to continue to use West Gerlin as a NATO bridgehead to conquer the German Democratic Republic. This special piece of territory had already been described as the "cheapest atomic bomb in the world." August 13, 1961 prevented the world from experiencing unforeseeable consequences.

Since then, imperialism's field of action in the entire world has been seriously reduced. The principles of peaceful coexistence now must also be recognized by imperialistic states. "Nevertheless, this has brought about no change in the essence of imperialism, not in its adventuresomeness or its rapacity," as the Socialist Unity Party (the SED, the ruling party in the German Democratic Republic — ed.) program emphasizes: "It is still applying all of the power that it still has available for its dangerous aggressive plans. Imperialism's goal remains as it always was, to guard and expand its positions, and to undermine and destroy socialist order."

This means that we can continue to reckon on the adventuresomeness and the aggressiveness of a class enemy, who since the 1950s has armed himself systematically and chiefly for a nuclear war against the Soviet Union and the socialist states allied with it.

It becomes visible from a book that has recently appeared in the U.S. to what degree in the past certain representatives of imperialism played with this risk. The book is called "The Last Days" and has, according to U.S. News and World Report of April 12, 1976, "a detailed description of what went on in the White House from April 1973 to August 9, 1974, the day on which Mr. Nixon resigned his office."

The former U.S. president was put under the magnifying glass by those very same two journalists who had previously gotten the Watergate scandal that was associated with his name underway. According to credible reports by witnesses, he appeared as a man who increasingly turned to alcohol, who cried often, and who spoke of suicide as the Watergate Affair reached its end, and with it, he reached his fall.

What makes these statements interesting for the whole world, is Nixon's social and military stands, as well as his position on the questions of war and peace. An eyewitness reports about this: "If the president had his way, we'd have a nuclear war every week." ...

Here is a remarkable statement about imperialistic unpredictability. The triggering moments of a political intensification of a situation become evident, NATO adventuresomeness becomes personified. And at what positions! As is well known, the U.S. President has complete control over the nuclear potential of imperialism's major power, and over the release of nuclear weapons by the West German general officers. But above all it would be unjust to put aggressiveness and adventuresomeness only on an individual person such as Mr. Nixon, who no longer has the war-triggering "Red Phone" in his grasp. This characteristic is bound to the

to subordinate other peoples to their rule. They sabotage the efforts aimed at ensuring peace and security of Asian peoples on a bilateral and collective basis. Acting in alliance with the internal reaction, imperialism does not abandon its attempts to set off one against the other the countries of that continent.

Let us take, for instance, the problem of the Indian ocean. As is known, certain powers, despite their remote location from that region, are building up their military forces here, and are building new military bases. The question arises — why do they act so? All this arouses well-founded concern of the coastal countries. They justly see in such a policy a threat to their independence and security. This also causes concern for us.

The Soviet Union is far from being indifferent whether the Indian ocean will be a zone of peace or whether the existing foreign military bases will remain here or and will be built. Our position is clear. We have unambiguously stated that the Soviet Union has not had and does not have intentions to build military bases in the Indian ocean. We have called upon the United States to act likewise and expect its clear answer.

The Soviet Union intends to further actively participate in searching for the ways to solve the urgent problems of the Asian continent. We will support any proposals prompted by the ensurance through the joint efforts of Asian states.

The Soviet Union welcomes the growing role of the developing countries in world politics, steadily supports their struggle for equal political and economic relations, for social progress. Already today they are making a tangible contribution to the normalization of the international climate. In this context we give our due to the positive role of the non-alignment movement in which the Republic of India occupies an outstanding place. The principles, on which this movement rests — strengthening peace and peaceful coexistence, independence of states, struggle against imperialism, colonialism and neo-colonialism — have successfully withstood the test of time. We wish every success to the forthcoming conference of the non-aligned countries in Colombo.

Life confirms the farsightedness of the course of the Indian National Congress Party led by You, Esteemed Mrs. Gandhi, the course aimed at industrialization of the country, construction of independent economy and creation of a strong public sector. It is thanks to that course that India has emerged as a powerful state, playing an important role in world politics. And today the prophetic words of Vladimir Ilyich Lenin, the founder of the Soviet State, who predicted the great future for a free India, come true.

Soviet people realise what efforts are required for advance along the road of progress by such a huge country as India with her complex and diverse problems. The more so that new India remains a target of attacks by external forces which to this day cannot reconcile themselves with the independent and progressive course of this great state.

Your government's actions against internal and external reaction met full understanding in the USSR. The reaction's attempts to launch an offensive encountered a resolute rebuff by all democratic forces of India.

We wish Your government, the entire industrious and talented people of India new successes. In this connection may I repeat again: the Soviet Union was, is and remains a reliable friend of India and the Indian peoples...

Moscow June 8, 1976.

system. It is rooted in the power of imperialistic monopoly, which has not given up the goal of driving socialism out of existence.

Nixon had to go, because he had lost face. But one year after his departure, (James) Schlesinger, the U.S. Defense Secretary at that time, threatened the Soviet Union with a first strike by nuclear weapons, and he did not have to wait long for this to be echoed by his friend Leber (West German Defense Minister). His theory of "limited strategic nuclear war" against socialism, which is based on more flexible use of the strategic nuclear potential of the

U.S., has already been acclaimed the "Schlesinger Doctrine" on the other side of the Atlantic.

Adventuresome politics are never delayed by false pretences. Revelations about this characterize imperialism as the only source of danger for war in the world, a danger, which is considered, as well as successfully met, by true socialism. And only because of this can democratically-inclined Americans write in peace today about Nixon, the war god who was thwarted, whom we want to forget just as little as the NATO dance around the "cheapest atom bombs" in the tension-burdened summer of 1961.

A Lawful Question

Where Is The 'Expanded Security Zone' Doctrine Taking France?

June 12 (NSIPS) — The following is the full translation of an article appearing in the June 9 Pravda, the official newspaper of the Soviet Communist Party, under the byline "I. Aleksandrov."

Since Tuesday, June 1, this question, brought up by the statement of French Chief of Staff of the Armed Forces General Guy Mery concerning a "new form of strategy," has been hotly debated both in Paris and in New York, London and other Western capitals. Naturally, this statement could not go unnoticed.

What is the essence of this "new form (and we should add: not only form but also substance! — Pravda Ed.) of strategy" of the French command? The statement of General Mery, who has been Chief of Staff of the Armed Forces of France since April, 1975, and before that was chief of the personal staff of the (French) President, published in the semi-official journal "Revue de Defense Nationale," leaves no doubt but that at issue is a definite revision of the basis of French defense policy, which were established by General Charles DeGaulle, and affirmed by his successor (Georges) Pompidou and subsequently the current president Giscard D'Estaing.

In the course of the ten years since France broke with the aggressive military organization, NATO, secured the departure of American subordination to the "Atlanticist" generals, it has consistently implemented a policy independent from that of other states. Contrary to NATO, which is an aggressive bloc oriented against the peace-loving socialist states, France built its detente under the formula "in all directions," developed by the late General Ailleret, who was Chief of Staff of the Armed Forces under DeGaulle. This formula meant that the armed forces of France would be used for defense against any aggressor, no matter where he came from.

Rejecting participation in NATO activity, France repeatedly stated that its military units which have been stationed in Pfalz and Schwarzwald — in the Western area of the Federal Republic of Germany — since World War I should by no means be considered by NATO staffs as their

troops, and that these units have a single purpose: to ensure the interests of the national defense of France, which suffered so terribly in the war years from Hitler's invasion.

So what do we hear now?

As is clear from the statement of General Mery, this "new form of strategy," which is based on the concept of an "expanded security zone," provides for the French armed forces to be immediately sent into battle against the socialist countries of Europe. "It is by no means excluded," says the Chief of Staff of the French Armed Forces, "that we will take part in this battle in the advance line of defense."

First of all the question arises: what, all of nine months after the signing of the Final Act of the All-European conference in Helsinki, where the principles of inviolability of borders, restraint from application of force and even the threat of force, inspires the Chief of Staff of the Armed Forces of France to launch into discussion of the possibility and even plans for such a battle?

Now — what about the essence of the "expanded security zone" doctrine itself? The French, English and American press and a whole array of responsible politicians have understood it as a rejection of the defense policy based on national independence.

"A full break with the doctrine of General Ailleret (on "defense in all directions") has taken place," writes the Paris paper, Le Monde.

It is clear that a rather close collaboration with the Atlantic alliance is quite logically written into this prospectus," specifies Le Figaro.

In the words of the newspaper L'Echo, what is at issue is "very Atlantist theses," since "our allies" — this paper writes — "have for a long time been demanding our presence in a certain area ... The gradual return to NATO will consequently be on the agenda more than ever before, both for the opposition and for the Gaullists,"

The New York Times spoke out in the same spirit, stating baldly: "The Chief of Staff of the Armed Forces of France, Army General Guy Mery has given official blessing (!) to French participation in the front line of NATO troops in the event of war."

On June 2 French Foreign Minister Jean Sauvagnargues, evidently trying somehow to mitigate the impression left by the sensational statement of the Chief of Staff of the Armed Forces of France, said in a government radio interview that the statement supposedly "contains no new elements, unless (unless! — Pravda Ed.) you count the fact that we will try, through the strengthening of our armed forces, to fulfill our obligations."

And then followed the already traditional affirmation: "We left the united organization of the Atlantic alliance in 1966, in order to preserve our independence in taking decisions. We excluded any return to the united organization."

Lovely. But the what need for the above-cited phrase — unless you count the fact that we will try," etc? This question naturally arises in the mind of many French, and not only French, politicians.

This, for example, is what former Defense Minister and former Prime Minister General Pierre Messmer said — and he is someone who certainly knows what he's talking about on military questions: "This presumes that our armed forces will from now on be deployed under NATO command New ties between NATO and the French staff will undoubtedly be created This is a leap backwards. This is not progress. This is a retreat."

And Messmer, emphasizing that this is a matter of "a fundamental change in French doctrine," recalled that "for 10 years the French armed forces were no longer slated for taking up some section of a front against Czechoslovakia or the German Democratic Republic, but were rather held in reserve, in a fashion."

The French Socialist Party figure Chevenement said: "The military policy of the government is leading to a return to NATO. This policy ignores the interests of France. It gives priority to the hypothesis of conventional conflict in Europe between the two blocs. It ignores the special characteristics

of our geographical location.... In brief, it is a bread with the policy of independence and sovereignty which was conducted by General DeGaulle."

The statement of the Politburo of the French Communist Party, states that General Mery has asserted the inclusion of the country's military means into the NATO system. This, says the statement, betrays an intention "to turn our army into an auxiliary force of the West German army on the borders of the socialist countries." The authors of the new doctrine refer "to the Soviet Union and other socialist states of Europe as enemies" of France. Such a policy, notes the statement, "runs counter to international relaxation of tensions and peaceful coexistence."

Such are the outcries evoked by the statement of the Chief of Staff of the Armed Forces of France on the new strategy. To this it remains to add that, as *Le Monde* reported on June 3, "the explications given by General Mery were not improvised. They were first communicated in March, to the Higher Research Institute of National Defense.... There is no basis to suppose that the Chief of Staff of the Armed Forces made his statement without the approval of the highest governmental authorities."

All the more urgently and acutely, then, do broad circles of the French public now pose the lawful question: where can this new military doctrine lead France?

We think that the fundamental national interests of France lie not in playing up to the interests of the aggressive NATO bloc, but in ensuring all-European security and cooperation on the basis of strict observance of the Final Act of the all-European (Helsinki) conference and the Principles of Relations between the Union of Soviet Socialist Republics and the French Republic, signed at the summit level.

The vital interests of all the peoples of Europe demand strict and consistent implementation of the extremely important tenets of those documents.

The Hidden Story of Rocky's Nuclear Machine

Nelson Rockefeller and Henry Kissinger:

The History of Their Attempts to Blow Up the World .

June 11 (NSIPS) — The Rockefeller family, directed by Nelson Rockefeller, has over the last 30 years built up a political faction of nuclear madmen — known in official circles as "Utopians." The insane strategy of the Utopians for "winning" World War III against the Soviet Union by nuclear warfare terror descends directly from the theory of Fascist Italy's Commissioner of Aviation General Giulio Douhet for "command of the air" and the Nazis' strategy of massive bombing of civilian population centers known as "Terrorangriff."

The Rockefeller Utopian faction organized their fascist private nuclear war plotting apparatus directly out of their World War II Strategic Bombing Survey and British-linked Operations Research groups. After the war these were

constituted as the Rand Corporation, the Hudson Institute, the MITRE Corporation, and later in the 1960s, the Institute for Policy Studies — an apparatus that is now completely interfaced with such key Rockefeller-controlled government and military agencies as the National Security Council, the North Atlantic Treaty Organization (NATO), the U.S. Air Force, the Energy Research and Development Agency (formerly the Atomic Energy Commission), and the head of the Joint Chiefs of Staff. This private machine constitutes Rockefeller and his Utopians' own command and control apparatus for nuclear war and is the vehicle for their relentless, insurrectional drive for the button.

Rockefeller and his Utopians have held the world hostage for more than 30 years to their insane nuclear warfare terror

drive. It was the Rockefeller Utopian cabal that was directly responsible for the A-bomb attacks on Hiroshima and Nagasaki. It was the same Rockefeller Utopian cabal that set up and staged the Cuban missile crisis as a pretext for what they hoped and expected would be a final nuclear warfare showdown victory over the Soviet Union. It is this same fascist Utopian war-planning machine that today — in open defiance of the policy of President Ford — is attempting to launch a nuclear war in the Middle East to prepare the way for an anticipated thermonuclear showdown confrontation with the Soviet Union.

Utopians versus Traditionalists

Rockefeller and his Utopian cohorts have fashioned their nuclear "doctrine" around Douhet's completely discredited thesis that massive terror bombing of selected civilian population centers — or even the communicated **threat** of such bombings — will physically and psychologically destroy any nation's will to resist and guarantee victory in any modern war.

The Rockefeller Utopian crazies have dictated their rules to the Soviet leadership for a gradual or limited nuclear war. Rockefeller and his Utopian faction propose that they can use nuclear weapons when and where they choose to defend their self-defined strategic interests with immunity. They are anxious to play a nuclear warfare chicken game with the Soviet leadership — a nuclear chicken game that is designed to prepare a massive first strike nuclear attack on the USSR to be followed by invasion and conquest once the Soviets have "backed down." The fact that the Soviets have publicly and explicitly rejected any notion of "limited" or "regional" nuclear war and have made it clear that they would fight a total all-out nuclear war in the face of any Rockefeller-instigated nuclear attack has not yet dissuaded the Rockefeller Utopian madmen.

Their Traditionalist opponents have included all the occupants of the White House from Truman on and most of the country's military leaders — especially from the Army and Navy — as well as the large majority of the country's elected representatives in Congress.

Traditionalists believe the purpose of nuclear weapons is to **prevent** total war. They see nuclear weapons as **detering** World War III.

Traditionalists firmly maintain that there is a distinct "firebreak" between nuclear and non-nuclear weapons. Committed to the defense of the nation, the capitalist Traditionalist adopts one or another version of the Mutually Assured Destruction (MAD) doctrine. They use diplomacy to seek a reduction of tensions and a limitation of the arms race. For the Traditionalist, there is no such thing as a limited or gradual nuclear war: any such war the United States begins, the Traditionalists realize, necessarily means at best mutual annihilation.

Even such a bullet-headed Yahoo as the late Traditionalist General Douglas MacArthur in 1955 blasted the Rockefeller cabal's demand for a preventive nuclear war against the Soviet Union: "War has become a Frankenstein to destroy both sides If you lose, you are annihilated. If you win, you stand only to lose. No longer does it possess the chance of a winner of a duel — it contains rather the germs of double suicide."

While the United States enjoyed a distinct advantage in strategic weaponry and delivery capability, the Rockefeller Utopian cabal did everything in their power to force U.S. Presidents to launch a "preventive nuclear war" against the Soviet Union regardless of the consequences.

The Rockefeller Utopian cabal has never made a distinction between conventional and nuclear war — they regard nuclear weapons as conventional. The Rockefeller Utopian policy is one of immediately escalating all regional conflicts to the nuclear level if possible.

Rockefeller and his Utopians have constructed an elaborate command-and-control structure replete with "wonder weapon" technological gadgetry, and have permeated existing governmental institutions to prepare the execution of their aims.

For 31 years, while Rockefeller held a gun at the heads of Presidents, the world has trembled under the nuclear terror fostered by the psychotic Rockefeller Utopians. The often lonely and steadfast battles against Rockefeller's crazed nuclear rampage demands fought by elected presidents of the United States — Truman, Eisenhower, Kennedy, Nixon, and now Ford, themselves virtual prisoners in the White House — have thus far prevented the Utopian push over the edge. Fortunately for mankind, Rocky never captured the White House and all the men who have occupied the presidential seat of power have been Traditionalists.

Today, Rockefeller's nuclear war drive is far more dangerous than ever before. The clinically insane Rockefeller is once again in open insurrection against the president of the United States. He and his hireling Henry Kissinger seek nothing less than nuclear "Reichstag Fire" terrorist attacks leading to the establishment of police states and a simultaneous nuclear warfare showdown with the Soviet Union to be kicked off by a Mideast regional nuclear war.

Rockefeller's Hiroshima and Nagasaki

Nelson Rockefeller was right in the middle of World War II war planning. Not only did he run the office of Coordinator of Inter-American Affairs (CIAA) as a Nazi collaborator — working in coordination with the I.G. Farben spy networks in the United States, Latin America, and Vichy France — but also he was instrumental in setting up the entire U.S. strategic bombing (terror bombing) capability during the war.

The two strategic bombing outfits Rockefeller established were the so-called Operations Research Group (OR) — which later became the Rand Corporation — and the Strategic Bombing Survey. Their assignment was to study the effectiveness of Nazi and Italian fascist terror bombing, to assess the results of the Allied saturation bombing against population centers, and to plan future terror and nuclear bombing attacks.

The OR Group, which included future Secretary of Defense McNamara, was headed by Rockefeller family flunky Dr. James B. Conant, chairman of the U.S. National Defense Research Council. The Strategic Bombing Survey, which the Rockefellers set up in coordination with the Morgan financier faction and their insurance company, Prudential, was directed by some of Nelson Rockefeller's top hirelings. The Strategic Bombing Survey was run by CIAA Deputy Director Paul Nitze, and such other Rockefeller-Morgan braintrustees as George Ball, John Kenneth Galbraith, Henry Alexander,

and Rensis Likert. Inspired by the Nazi and Italian examples of mass mental and physical destruction through terror bombing of population centers, these Rockefeller fascist outfits advised that the fire-bombing of Dresden and the dropping of atomic bombs on Japan would secure a great American **psychological warfare** victory.

The Rockefeller hatchetmen controlling President Harry Truman — including Rockefeller lawyer and War Department head Henry Stimson; his assistant John J. McCloy, Rockefeller banker and future president of David Rockefeller's Chase Manhattan; and Conant — made the final decision to use the A-bomb on Hiroshima and Nagasaki, hiding from Harry Truman the now well-known fact that the Japanese were on the verge of complete surrender.

The explicit reasons for the heinous Rockefeller-authored nuclear decision, made apparent in government documents released years later, was to **threaten the Soviets with the same A-bomb treatment if they did not surrender Eastern Europe to ultimate political and military control by U.S. imperialists. Rockefeller dropped the bomb to prevent 1 million Soviet troops poised in Manchuria, from occupying Japan.**

Previously, official joint U.S.-Soviet occupation of Japan had been agreed upon in diplomatic negotiations. Rocky wanted Japan all to himself.

Seen in this light, one might think that the A-bombing of Hiroshima and Nagasaki was the first act of the Cold War. Actually, Nazi collaborator Nelson Rockefeller had already beaten the A-bombs to the punch. In July, 1945 in San Francisco, shortly before the atomic attack on Japan, Nazi-collaborator and CIAA director Nelson Rockefeller barged uninvited into the San Francisco conference meeting to draw up the United Nations charter and plan the formation of that body. Rockefeller demanded first that the Monroe Doctrine be incorporated verbatim into the UN charter! He demanded that the fascist Argentine Axis-government of Juan Peron be officially recognized by the UN body! He demanded that the Soviet Union not be allowed to hold Eastern Europe! Asserting that the UN should not be allowed to exist unless the body accepted his outrageous and provocative demands, Rockefeller concluded his tirade by accusing the official U.S. conference representatives, Alger Hiss and Dorothy Fosdick, of selling out to the Communists!

In one blow, this was the actual start of the Cold War and McCarthyism. Only an incredible accomodation by Stalin prevented the UN from aborting at birth.

In 1946, Rockefeller was already trying to run the U.S. government from his position as Undersecretary of State. He was pushing Truman to use the limited U.S. nuclear arsenal as quickly as possible against the Soviet Union before the Soviets got the bomb. He continued his support and collaboration with fascist Juan Peron against the express orders of President Truman.

Fed up with what he called "Rockefeller's insubordination" (that is, insurrection), Truman fired Rockefeller in 1946.

Rockefeller Utopians Demand Go-For-Broke

The Rockefeller cabal and his CIA cohorts wanted to shoot the works with their then-limited arsenal of A-bombs against the Soviet Union shortly after the World War II armistice.

The Rockefeller madmen were not even held in check by the knowledge that they did not yet possess the capability to destroy the Soviet Union through nuclear attack and that the Red Army would justifiably occupy all of Europe with ease immediately following any such nuclear strike. In recognition of this fact, NATO's official policy line at its formation was "Hold the Pyrenees" if the Soviets moved on Europe in response to a U.S. nuclear strike.

If the U.S. had won the race for the H-bomb, the Soviet Union would have likely been wiped off the face of the earth.

Details of this heinous secret nuclear conspiracy against the Soviet workers' state are supplied in insider accounts of the history of the Rockefeller Utopian cabal's mad drive for nuclear preventive war. Readers are referred for some of the details to the revealing and informative accounts by former Navy officer and State Department official, the staunch Traditionalist James Lowe in *The Age of Deterrence* and the Traditionalist Col. Fletcher Prouty in *The Secret Team*.

This Rockefeller plot in the 1946-49 period is a matter of public record. Soon after the war, in 1946, 73 U.S. scientists who had been OR specialists, with Army, Air Force and Rockefeller family funding, founded Project Rand, the forerunner of the Rand Corporation, to carry on the genocidal tradition they had recently initiated. By 1947, the U.S. Air Force was founded as the cabal's own private military branch with the Utopian motto, "Unhindered by tradition."

In 1948, Rockefeller sponsored the "Finletter Report" of Thomas Finletter (later the organizer of the CIA's Eugene McCarthy campaign in 1968) which urged an atomic attack against the Soviet Union. Major Alexander P. De Seversky published a similarly Rockefeller-sponsored call for an atomic attack on the Soviets in his book *Victory Through Air Power*. Rockefeller-Buckley flunky James Burnham wrote the "bible" on the need for a preventive nuclear war against the USSR during this period. The Luce family's Air Force Col. C.J.V. Murphy, editor of *Fortune* magazine, then was — and still is — the major press conduit for Rockefeller's preventive nuclear war propaganda. At the same time, Fabian Bertrand Russell in Britain was publicly calling for the nuclear annihilation of the Soviet Union, before "the totalitarians" got the "ultimate weapon."

The 1949 B-36 hearings, for example, were a mere pretext for promulgation of the psychotic Utopian nuclear scheme.

All the talk in the Rockefeller circles was "rollback," of the Iron Curtain, "liberation," and "preventive war." As Traditionalist James Lowe strongly suggests, the 1948 suicide of Navy Secretary of Defense James Forrestal, a Traditionalist, was caused by the enormous pressure on him from the Rockefeller-Utopian cabal to A-bomb the Soviet Union **despite** the deficiency of U.S. conventional forces in Europe.

Rocky and Dulles Brothers Demand "Nuke 'Em"

Throughout the 1950s, 1960s, and 1970s, Nelson Rockefeller has been looking desperately for any angle, opening, gimmick or trick to start and win a nuclear war. With the failure of the Marshall Plan to provide the necessary economic recovery for looting purposes in Europe, and with Truman

holding fast against Rockefeller demands for a preventive nuclear war adventure, Rockefeller was forced to settle for the limited Korean War. In 1950, Rockefeller created the so-called U.S. Psychological Warfare Board (USPWB), appointed himself head of it, and launched a nuclear sabre-rattling black propaganda campaign that destabilized the world situation and precipitated the Korean conflict. John Gunther, stationed in Japan at the time, reveals in his book *Douglas MacArthur* that U.S. government and intelligence agencies started the Korean conflict by deliberately beginning war forays into North Korea to which the North Koreans responded with force.

In 1953, with a Republican national election victory, the Rockefeller Utopian retinue moved in force on the U.S. government, taking over the new Republican administration. John Foster Dulles, the old Standard Oil-I.G. Farben lawyer from the firm of Sullivan and Cromwell, took over the Secretary of State position; Allen Dulles, John Foster's brother, became head of the CIA; and Nelson, in 1954, created for himself the post of Special Advisor to the President for National Security affairs in order to manipulate Eisenhower into a nuclear first strike at the first propitious moment. Immediately John Foster Dulles announced the so-called New Look and his infamous nuclear first strike doctrine of "massive retaliation." The hideous doctrine publicly and explicitly posited that the U.S. would launch a massive nuclear first strike against the Soviet Union upon any Soviet "interference" with U.S. economic, political and military interests in regional areas (that is, anywhere in the Third World).

With the Korean War stalemated, Rocky and the Dulles brothers in the saddle, and the Air Force's Strategic Air Command elevated to a position of complete supremacy in the military, the Dulles "massive retaliation" doctrine was put right into action. As noted by writer and historian John Spanier along with Sherman Adams, the "Ron Nessen" of the Eisenhower administration, Rocky and Dulles tried to start a nuclear war just before the Korean armistice was signed!

In May 1953, Dulles told Indian Prime Minister Nehru that the U.S. was going to use tactical atomic weapons to "provide a tremendous beef-up in the United States punch." Air Force Reserve Colonel C.J.V. Murphy reported that a squadron of F-84G jets was sent to Japan at that time, armed with tactical atomic weapons ready for use.

During 1954, Rocky and his Utopians rode herd on the administration. The Atomic Energy Commission under Lewis Strauss was an insider to the Dulles "massive retaliation" horror: the Army knuckled under, with its attack from McCarthy; the Dulleses had the State Department and the CIA pursuing all-out for preventive nuclear war; and, as James Lowe points out, "the Department of Defense had been stormed by the Utopians." From Rand Headquarters at Santa Monica, Cambridge, Mass., and Princeton, N.J., Rockefeller utopian madmen — mathematicians, physicists, and economists — were churning out nuclear war scenarios and gameplans for implementation by the National Security Council, the Rockefeller-Rand SAC Command, NATO, and other key command-and-control points in the Utopian factions now fully coordinated in the nuclear warfare private machine.

In this period Rockefeller activated his henchmen, including Senator Joe McCarthy and pseudo-scientist Edward Teller to disorient and silence dissenting Traditionalist opposition to the Utopians' preventive nuclear war policy. The Army-McCarthy hearings and the Robert Oppenheimer hearings were but two examples of this witchhunt against the Traditionalists.

Only the White House had not been completely captured. President Eisenhower, a conservative Traditionalist at heart, overruled the Utopians in his cabinet and executive branch and torpedoed Rocky's drive on three specific occasions: "massive retaliation" in Indochina in April, Quemoy in September 1954, and at the Tachen Islands in January.

Special Advisor to the President for National Security Affairs, Rockefeller, and the Dulles brothers had been in a berserk rage and desire to go for broke since the August 1953 Soviet development of the H-bomb. When the Soviets deliberately demonstrated their long-range jet bomber delivery capability in July 1954, it sent Rocky and the Dulleses into a total psychotic rampage demanding that the U.S. nuclear arsenal be thrown at the Soviet Union at once.

Eisenhower, facing the same Utopian nuclear onslaught that Gerald Ford is facing from Rockefeller and Kissinger today, was forced to hold a press conference on August 11, 1954 to state his firm Traditional beliefs and his firm opposition to nuclear war: "... a 'preventive war' is unthinkable because, by whatever name it is called, it would still be war, and an atomic war to boot. It would mean that in fear of future dangers we would be courting suicide and the annihilation of our civilization — a policy not of wisdom but of desperation."

When he realized its implications, Eisenhower completely skuttled the Rockefeller-Dulles "massive retaliation" New Look. In September 1954 Eisenhower overruled his "State and military advisors" Dulles and Rockefeller when the Communist Chinese began shelling Quemoy and the Utopian "fire-eaters" wanted to blast the gun emplacements on the mainland. In December 1954, Eisenhower overruled them again when they demanded an atomic strike over the Communist Chinese shelling of the Tachen Islands. In 1958, during the Lebanese crisis when U.S. Marines invaded Lebanon, Eisenhower overruled the Rockefeller Utopian government once again.

Enter Henry Kissinger

Mad bomber Henry Kissinger's 1957 Council on Foreign Relations study, financed by the Rockefeller Family Fund, Nuclear Weapons and Foreign Policy, was the basis for a Rockefeller Utopian counterattack against Eisenhower and a renewed bloody drive for a preventive nuclear war — the so-called "New, New Look." "In the event of war," psychotic Rockefeller flunky Kissinger wrote, "which side is likely to gain by fighting a limited nuclear war? Here our superior industrial potential, the broader range of our technology, and the adaptability of our social institutions should give us the advantage . . . It will be strategically most productive to use weapons sufficiently complex to exploit its industrial advantage, sufficiently destructive so that manpower cannot be substituted for technology, yet discriminating enough to permit the establishment of a significant margin of superiority."

"The introduction of nuclear weapons on the battlefield will shake the very basis of Soviet tactical doctrine," Kissinger continued, expounding Rockefeller's new doctrine of "limited nuclear war." "Everything depends on leadership of a high order, personal initiative, and mechanical aptitude . . . self-reliance . . . spontaneity . . . and initiative (that) grow naturally out of our social institutions."

It was Nelson Rockefeller who first personally presented Kissinger's findings on strategic doctrine to the U.S. Congress in the late 1950s. Similarly, when his proposals were stymied first by President Eisenhower and then by President Kennedy, it was Nelson Rockefeller who proposed to Congress in 1962 and again in 1963 that NATO Supreme Commander should be given the power to order the use of American nuclear weapons with or without the consent of the President of the United States. President Kennedy firmly rejected the idea making a final definitive statement on the matter in October 1963 — one month before his assassination.

With the public unveiling of the Kissinger limited nuclear war doctrine, the Rockefeller Utopian crazies launched another nuclear surge from 1957 to 1960. After the Soviets launched the Sputnik affair, Rockefeller released the Rockefeller Foundation-sponsored and Henry Kissinger-authored "Mid-Century Report" and pushed the trumped up "Missile Gap" hoax and the massive "civil defense" "fall-out" shelter scare, developed in collaboration with Herman Kahn's Hudson Institute and the Rand Corporation.

Nelson Rockefeller, who acquired the nickname in higher political circles of "Fallout Shelter," tried to finalize his plans for nuclear war with his insane personally-directed national fallout shelter campaign. Then governor of New York, the Strangelove of American politics demanded that every American build a fallout shelter in his back yard. Companies went into mass production of fallout shelters. Rocky then orchestrated a psychological warfare terror campaign to prepare the population for nuclear war. Among its themes was: "Should you shoot your neighbor if he tries to enter your fallout shelter?"

At the same time, Nelson Rockefeller and the Rockefeller Foundation financed the so-called Rockefeller Mid-Century Report, authored by his flunky Kissinger, which demanded that the United States begin an all-out escalation of nuclear arms and missile production to "put the U.S. in a position to win a nuclear war." It further called for the reorganization of the U.S. Armed Forces and Defense Department, placing exclusive emphasis on nuclear weapons. The Report also proposed to cripple conventional branches of the military in order to leave no other course than nuclear showdown and, ultimately, nuclear war.

The Real Story About The Cuban Missile Crisis

Rockefeller's grip over the new Kennedy administration was complete. Among the Rockefeller Utopian controllers were: Rosewell Gilpatrick, Under Secretary of Defense and former Secretary of the Air Force; McGeorge Bundy, Special Advisor to the President on National Security Affairs and Rockefeller front man; George Ball, Undersecretary of State and one of Rockefeller's old Strategic Bombing Survey boys; Douglas Dillon, Secretary of the Treasury and an old banking partner of Rockefeller from the Dillon, Read and Co.

investment firm; John McCone, Director of the CIA from the Rockefeller-Bechtel combine; Dean Rusk, Secretary of State and former Rockefeller Foundation president; and Robert McNamara, Secretary of Defense and Ford Motor Company executive from the old Operations Research.

In 1962, it was suddenly announced that the supposed missile gap was a hoax, that the U.S. had a 4 to 1 nuclear advantage, and Rockefeller was once again moving all out to prepare a nuclear showdown with the Soviet Union. Defense Secretary McNamara was sent by the Rockefeller Utopian cabal to announce in his infamous June 16, 1962 speech in Ann Arbor, Mich., that the United States is prepared to launch a "counterforce" first strike against Soviet missile silos. McNamara laid out "Marques of Queensbury" rules for a nuclear chicken game. In this speech, Rockefeller announced to the world that the U.S. was going to preserve the "option" of fighting a "controlled thermonuclear war." The Rockefeller Utopian cabal was intentionally **setting up** a nuclear confrontation with the Soviet Union. The Cuban missile crisis was a direct result of their heinous conspiracy.

The response of peace-loving forces all over the world was shock at this bald pronouncement of intentions to prepare a nuclear first strike attack. The French under Gen. Charles DeGaulle's direction, immediately established the independent force de frappe.

Soviet Premier Khrushchev, on July 10, 1962 at the World Conference on General Disarmament and Peace, declared that "the league of war-industrial monopolies, the 'death merchants,' and the zealot militarists — this military industrial complex as ex-President Eisenhower described it — is heating up the arms race to a frenzy." Khrushchev answered the McNamara "doctrine" directly: "The U.S. press says that McNamara's statement had the approval of the White House, and interprets it as a sort of proposal to the Soviet Union on 'rules' of conducting a nuclear war . . . It is a monstrous proposal filled from beginning to end with a misanthropic disdain for men, for mankind, because it seeks to legalize nuclear war and thereby the murder of millions upon millions of people . . ." Khrushchev further accused the United States of plotting "preventive war" under the cover of "taking the initiative."

The fact that the entire rotten affair was a Rockefeller setup for nuclear war was confirmed by the recent public admission of former West German Chancellor Willy Brandt that he and neo-Nazi Franz-Josef Strauss, former West German defense minister, were in contact with "high government officials" (that is, the Utopian planners) and were prepared to go to war over Berlin one week before the Cuban missile crisis, but that Kennedy nixed the plan! Lowe in his book *The Age of Deterrence* confirms that "the obvious issue (such as Berlin or Cuba) was to use any Communist aggression as the pretext to get in the first strike."

In the face of the cabal's public announcement of plans to commit nuclear aggression, in the summer of 1962 the Soviets sent **defensive** anti-aircraft weapons and SAM missiles to Cuba. CIA estimates, since made public, noted this and informed the President that this constituted no threat whatsoever to the United States.

Then in August 1962, Rockefeller ran a psychological warfare operation to prepare the crisis atmosphere for the anticipated provoked nuclear showdown with the USSR

through his front man, the Republican Senator from New York, Kenneth Keating. Keating began announcing in a hoked-up black propaganda campaign that the Soviets had delivered **offensive** nuclear weapons — fully weeks before they were shipped!

Accounts by administration insiders including Arthur Schlesinger, Jr. and Roger Hillsman provide ample evidence of the phony Rockefeller orchestration of the entire affair. Schlesinger, in his book *A Thousand Days*, reveals that Bundy, CIA Director John McCone, and other top Executive Committee members withheld from Kennedy the “information” about missile installments in Cuba until they had their “case prepared.”

In mid-October, at the first Ex Com National Security Council meetings on the crisis, Rockefeller’s Utopians presented Kennedy with an ultimatum — an air strike, a “surgical operation” to eliminate the bases in a sudden surprise attack (that is, a nuclear attack on Cuba). Bobby Kennedy immediately demanded some other alternatives: “Surely there was some other course than bombing.” The Attorney General, as Roger Hillsman reveals, made clear that he did not want to see John F. Kennedy go down in history as “the American Tojo.” “For the United States to attack a small country without warning,” he said, “would irreparably hurt our reputation in the world — and our own conscience.”

This move would certainly have precipitated a general thermonuclear war. Fortunately, the more sane and cautious President Kennedy, with his brother and the late Adlai Stevenson, then U.S. ambassador to the United Nations, negotiated a face-saving compromise with Khrushchev.

Kennedy publicly repudiated and rejected the nuclear brinkmanship policy foisted upon him by the Rockefeller gangsters. On June 10, 1963 Kennedy said, “. . . And above all, while defending our own vital interests, nuclear powers must avert those confrontations which bring an adversary to a choice of either a humiliated retreat or a nuclear war. To adopt that kind of course in the Nuclear Age would be evidence only of the bankruptcy of our policy — or of a collective death wish for the world.”

President Kennedy began to increasingly resist the Rockefeller fascist invisible government machine and the CIA. He had already fired Allen Dulles as head of the CIA in 1962. In 1963 Kennedy halted another Rockefeller-CIA Bay of Pigs invasion plan and resisted the Vietnam buildup. Against the express wishes of the Rockefeller crowd, Kennedy sent Averell Harriman to negotiate the 1963 Test Ban treaty with the Soviet Union. Just months before he was assassinated, Kennedy sought to open negotiations with Fidel Castro in Cuba to achieve detente.

The evidence is overwhelming that Kennedy paid for his actions for world peace and his intransigence against Rockefeller with his life. In November 1963, the President was shot and killed — a coup d’etat had occurred in America. Since that time, the presidents of the U.S. — Lyndon Johnson, Richard Nixon, and Gerald Ford — have been prisoners of the Rockefeller apparatus, trapped in a controlled environment under the Rockefeller gun, as the assassination of presidential candidate Robert Kennedy in 1968, the attempted murder of George Wallace in 1972, and the two

recent assassination attempts on President Gerald Ford — dramatically attest. Rockefeller and Kissinger, in **open insurrection against the U.S. government since 1963**, decided to forego the expenditure of a bullet for Richard Nixon, settling on an NSC-CIA “destabilization” operation to drive him from office.

There is extremely strong evidence to indicate that the assassination of Kennedy was designed to initiate yet another nuclear warfare showdown with the USSR. Lee Harvey Oswald, the alleged assassin, was in fact a low-level CIA brainwashed zombie agent and patsy. He was infiltrated by the CIA into the USSR and planted in several CIA-created phony Cuban support groups to give him an artificially constructed left identity. Rockefeller and the CIA doubtless planned to blame the Kennedy assassination on the USSR and Cuba, but this was aborted when the CIA took 48 hours to bump off the patsy Oswald. Unmistakable photographs showing Watergate burglars and Rockefeller United Fruit-Standard Oil employees Howard Hunt and Frank Sturgis — both publicly admitted CIA agents — present near the site of the assassination in Dallas dressed as tramps have appeared in major U.S. press. The two were also veterans of the Bay of Pigs. In fact, the 1975 Rockefeller Commission on CIA activities devotes an entire chapter of its report to covering up Rockefeller’s role in the assassination plot by desperately seeking to discredit incontrovertible photographic evidence. Earlier, the Warren Commission, headed by the omnipresent lackeys Allen Dulles and John J. McCloy, had covered up Rockefeller-CIA culpability in the assassination.

As part of his nuclear endgame scenario, Rockefeller is now stating that Lee Harvey Oswald was a Cuban agent.

Immediately following the Kennedy assassination, Gen. Maxwell Taylor and McNamara ordered a massive escalation of the Vietnam war, a move to which Kennedy, of course, had refused to acquiesce.

Around the same time in 1963, the Institute for Policy Studies was established by head of the National Security Council special staff, Marcus Raskin. The Institute from the beginning began setting up the networks of terrorist gangs and countergangs that could later pull off a “nuclear Pearl Harbor” as a pretext for Rockefeller police state rule and that could be used as a 1984 fascist infrastructure.

Writing in the *Liberal Papers*, the Institute’s Manifesto, published just before the founding of the Institute, I.P.S. Associate Fellow and Harvard Sociologist Daniel Riesman said that what the U.S. needed was a Fabian Society, modeled after the British, to break down existing institutions.

Rockefeller on to Nuclear Armageddon

For the next ten years, the Rockefeller cabal carried out the most massive terror bombing of a civilian population in history in Vietnam. This was part of a rung-by-rung escalation of that war which never came off because the Soviets adhered in the most principled way to MAD. It was part of the Rand-Hudson Institute nuclear war game escalation ladder — from the Gulf of Tonkin incident to the Christmas 1972 bombing in Cambodia.

While raining genocide down on the Vietnamese population and attempting to get their fascist infrastructure in place in

Western Europe and the U.S. for the final showdown, Rockefeller and Kissinger were still trying to provoke a nuclear confrontation with the Soviet Union.

Driven by the deepening worldwide economic depression, the threatened collapse of the U.S. dollar, Rockefeller instigated the Israeli-Arab October 1973 war and the ensuing oil hoax. Simultaneous with the drive to establish police state Schachtian regimes in the U.S. and Western Europe, the Rockefeller Utopian cabal in January 1974 publicly resurrected Kissinger's "limited nuclear war doctrine" using Rand madman and then Secretary of Defense James "Rodney the Robot" Schlesinger as their mouthpiece.

Despite the fact that the Soviets now enjoy at least a **marginal** advantage in nuclear weapons and warfighting capability, despite the fact that the Soviets have time and again publicly announced that their policy is that "limited nuclear war" is not possible; and despite the fact that the Soviets have declared that any attempt to impose Schachtian police state regimes in the West is **their** tripwire for nuclear war — a war which would kill over 150 million Americans and devastate the economies of the West — nonetheless the Rockefeller Utopian cabal plunges madly forward to nuclear Armageddon.

Today nuclear maniacs Nelson Rockefeller and Henry Kissinger are conducting an insane drive to precipitate a regional nuclear war in the Middle East and a nuclear Pearl Harbor terrorist attack on a major Western population center in order to bring about a nuclear war show of force confrontation with the Soviet Union. Their fellow Utopian conspirators are all in place in key positions in nuclear command-and-control posts: Kissinger protege and Council of Foreign Relations graduate Gen. Alexander Haig heads NATO; Rockefeller flunky and Deputy Defense Secretary for Intelligence Robert "Lazard Freres" Ellsworth has just installed Thomas Lattimer, certified creature of the Utopians, as coordinator of all military intelligence networks; Rockefeller-Kissinger flunky Brent Scowcroft oversees the National Security Council for his bosses over and against President Ford; Air Force General and student of James "Rodney the Robot" Schlesinger, nuclear Utopian madman Gen. George Brown is the head of the Joint Chiefs of Staff and holds the military under his trigger-happy button finger; and so forth.

Unless Nelson Rockefeller and Henry Kissinger are removed from office and their international Utopian nuclear warfare machine dismantled, Rockefeller and Co. will launch World War III by no later than early 1977.

Third World Wins Victory For New Economic Order At Vancouver UN Meet

VANCOUVER, British Columbia, June 12 (NSIPS) — The United Nations Habitat conference ended here yesterday with a clear victory for Third World forces backing the new world economic order. The closing plenary session adopted by a vote of 89 to 15 the Declaration of Principles of the Group of 77, the organization of developing nations — thus officially burying the zero-growth, labor-intensive program of the conference organizers.

The Group of 77 Declaration demands the immediate implementation of the new world economic order and calls for industrialization, the exchange of technology, mechanized agriculture, nuclear disarmament, and a new international monetary system. A resounding slap in the face for U.S. Secretary of State Kissinger, the document incorporates most of the points forcefully laid out in the keynote conference address by Mexican President Luis Echeverria as well as the widely read resolutions circulated by the International Caucus of Labor Committees.

The Mexican delegation was disappointed at the passage of what they considered a "compromise" Declaration, partly because debt moratorium was not explicitly mentioned but only implied.

Kissinger Ploys Defeated

Kissinger and the World Bank forces threw an incredible array of diplomatic and other maneuvers at the governmental delegates to try and split the Group of 77 and stop the vote for development: A group of American Indian militants staged a raid on the plenary just as the vote was being taken on the Declaration; aspiring Elizabeth Ray "hostesses" tried to divert the attention of Third World delegates during political discussions; troupes of hippies, whose way to the conference was paid by the Canadian government, called Third World delegates "elitist" and caricatured Echeverria as a Mexican bandit; a Kissinger flunky from Kenya left a suspicious suitcase at the conference site, setting off a bomb scare during the debate.

These clownish happenings were accompanied by steady armtwisting and plugging away at zero-growth proposals by the big-wig Kissinger agents. "The import of industry will open up your country to the multinationals," Kissinger's European agents told African delegates, while his blackface agents from Kenya asserted in Committee One session, where the Declaration was fought out, that "technology is imperialist penetration."

Kissinger's hand in trying to stop pro-development politics was far from invisible. Whenever Labor Committee organizers would try to talk with one member of Sweden's delegations who is a relative of Kissinger Social Democrat Olof Palme, Sweden's Premier, guards would intervene to remove the organizers.

During the closing plenary when the vote was being taken on the Group of 77 Declaration, the conference secretary general Enrique Penalosa, and the session chairman Danson

forced a recess to coincide precisely with the raid on the hall by the militant American Indians. Danson gave the game away when after he called for a recess and was booed by the audience he nervously whispered to Penalosa, "They won't go for it." To his dismay, his remark was carried to the audience loud and clear on the sound system.

Despite the frenzied efforts, the Declaration was supported by all of the developing nations except a handful of puppet regimes like South Korea, and by all of the Comecon countries. The splits that occurred were among the usually staunch Kissinger supporters, with the Vatican voting for the declaration and Austria, Spain, Switzerland, Portugal, and Japan among the ten abstentions. Indicating the tremendous pull of development programs versus genocidal zero-growth, Japan issued a special press statement on its abstention stressing that it was committed to development but "unsure of the ramifications" of the new world economic order.

One of the delegations closest to the Rockefeller zero-growth camp was that of Italy about half of whose delegates were members of the Italian Communist Party, including a longtime editor of the PCI paper *Unita*. In the true spirit vkpistorical compromise participation in a bourgeois government, the Italian delegation pushed labor-intensive construction for the rebuilding of slums. One Italian reporter, a Mr. Nebbia (fog) from *Il Giorno*, went so far as to write a letter to the Vancouver Sun praising labor-intensive methods.

The Habitat defeat for Kissinger and his World Bank genocide planners was compounded by an out-and-out rejection of slave-labor policies by delegates at the International Labor Organization conference in Geneva. At latest reports, the strong opposition led by the Soviets is admittedly what forced AFL-CIO representative Irving Brown to withdraw the global work-camp proposals from the conference agenda.

The only police shred left for Kissinger at Habitat after his enormous lobbying effort, was a patently fascist resolution that passed as a result of a tactical blunder on the part of the pro-development forces. Coming out of the Conference's Committee on National Programs, the minor resolution includes labor-intensive local-control measures that are the antithesis of the unequivocal development principles in the Group of 77 Declaration.

The mandate at both the Habitat and ILO conferences supporting the basic questions of technology and development — following closely on the defeat of Kissinger's World Resources Bank proposal at the UNCTAD conference in Nairobi, Kenya — leaves the way clear for the leaders of the Group of 77 now to take unilateral action to begin implementing the new world economic order.

Comecon Initiatives

The Soviets and the Comecon sector took an increasingly active role at Habitat to prevent Kissinger and the World

Bank from busting up the Group of 77 vote. Socialist sector delegates working behind the scenes effected a compromise on a "Zionism is racism" resolution brought forward by the Iraqis, defeating a time-worn U.S. tactic to use anti-Israel allusions to split the Third World nations.

One compromise resolution attacked all racism without a reference to Zionism, while another denounced the uprooting of native populations in occupied territory.

Not surprisingly, bourgeois press coverage of Habitat has focused on the so-called anti-Israel resolution without a word on the development vote.

Comecon nations including Mongolia on the last day of the conference proposed and pushed through a resolution on international cooperation that called on the UN secretary-general to prepare a report for the upcoming fall session of the general assembly on the financial implications of the development program. Third World delegates at Habitat told Labor Committee organizers yesterday that the Soviet Union will push for a new monetary system at the UN General Assembly in the fall.

Decontrolling the Habitat

The defeat of the World Bank proposals for deurbanization and deindustrialization — putting people to work in labor-intensive agriculture projects — was prepared during the initial days of the two-week long Habitat conference, at the non-governmental part of the conference directed by British zero-growther Barbara Ward. Ward announced that "the new world economic order is a little hard for everybody to understand.Water is an issue we can all agree upon...water for all human settlements." After a few non-governmental forums where Labor Committee members set the record straight on Ward's genocidal proposals her only remaining supporters were a gaggle of hippies and "friends of the earth."

The zero-growth forums became so unpopular that when Aurelio Peccei, head of the Club of Rome, arrived at his speaking spot there were so few people present that he left. Later at his press conference, Peccei announced that "new anti-bodies are forming, spreading across the crisis-ridden planet, like the non-governmental organizations here...." There were very few bbdies to hear him, however, and the

only new anti-bodies were the zero-growthers involved in the conference from the start.

The few hundred hippies present at the conference were imported, housed and fed by the Canadian government which provided \$1.65 million for the job, assisted by International Planned Parenthood and the Manchester Guardian. Housing accomodations were readied for 4,000 such hippies although about one-fourth of that number arrived. The government funding also paid for the printing of a confrence swamp newspaper called "Jericho" and presumably for its well equipped reporters.

The high point of the hippies and their support for Ward's water was a march of about 200 assorted hippies, American Indians, zombies, and members of Parliament led by Prime Minister Trudeau's wife Margaret. Trudeau carried a bucket of water on her head, and was decked out in green leaves.

Even the bourgeois Canadian press labeled the entire non-governmental conference a "fiasco."

The Habitat conference later passed a proposal introduced by a mixed group of developed and developing nations setting up a world conference on water for March 1977.

Few Fall

Governmental delegates shunned the non-governmental meetings, a tendency that rapidly increased after leading Mexican newspapers featured an article on the Labor Committee intervention entitled "Genocide Plot Denounced in Vancouver," and Ward's swamp newspaper "Jericho" attacked Third World delegates as "elites which don't represent the people" and ran a racist cartoon portraying Echeverria as a Mexican bandit.

Feeling against the water-on-the-brain Ward hippies was so strong that many governmental delegates initially refused to buy New Solidarity, telling organizers "I don't want that Jericho paper!" During the conference period, the Labor Committee sold more than 1,500 newspapers to delegates plus a good number of programmatic documents. By the end of the conference when the Labor Committee organizers distributed copies of the U.S. Labor Party presidential candidate LaRouche's statement calling for an oil boycott if Israel invaded Syria or Lebanon, there was a tremendous openness toward the organizers and a recognition of the role of the Labor Committees in international affairs.

The Trilateral Commission Stands Behind Carter

June 13 (NSIPS) — The following expose of the powers behind probable Democratic presidential candidate Jimmy Carter is from an article which appeared under the above title in the June 4 issue of the Italian magazine L'Europeo.

by Guido Gerosa

There is an aspect of Jimmy Carter's rise which has not received much attention: the meticulous 'construction' of the candidate through laboratory methods and a sociology manual technique. And most surprising of all is that, as we will demonstrate in this article, the patient work of creating a political "golem," the distillation of a Frankenstein for electoral purposes, was done by well known scientists: this is, the academicians and experts from the Trilateral Commission, the very powerful international pressure group which reflects forces that identify themselves in the United States with the Rockefeller brothers, in England with the banking interests, in France with an alignment that goes from (French President) Giscard to Le Monde, and in Italy with Gianni Agnelli.

In 1973 Carter was an unknown character, even in the American political scene. The only thing known about him was his activism as Georgia governor and the strong religious component of his personality...Above all, Carter was a non-entity in foreign policy. He knew none of the American leaders who make U.S. international policy, or any foreign leader.... In spite of his lack of national and international credentials, shortly after Nixon's election to the presidency Carter began telling friends and relatives: "In 1976, I will become President of the United States." This would have been judged as pathetic eccentricity if during the same period Averell Harriman, the old man of the Democrats, the 80-year-old gray eminence of American diplomacy, the Chicago man whom Roosevelt sent to deal with Stalin, the wolf during the war, would not have paid a visit to Milton Katz, the powerful president of Harvard's international Studies Institute, to tell him: "We can't go ahead with the old faces. Why don't we target one of these young southern governors for 1976?" he drew up a list of three, with Carter's name on top. Katz carefully took down the names.

Events developed fast. In autumn 1973 Carter was invited to a dinner at David Rockefeller's house...The apparent reason was to discuss one of those Georgia business offices that Carter establishes here and there in the world: but the truth is that Rockefeller wanted to measure the man. Also present was one of the most respected American political scientists: Zbigniew Brzezinski, of Polish origin and a leading figure at Columbia University, the most informed Kremlin expert in the world and Secretary of State hopeful in the event the Democrats retake power after eight years out of office. In that period Brzezinski was building the most ambitious project of his career: the Trilateral Commission. In theory it was a great "think-tank", a laboratory for studies and experiments in international politics, achieved by

periodically gathering top politicians, bankers, financiers, industrialists, intellectuals, journalists and scholars from the three worlds, America, Japan and Europe. In reality the Trilateral Commission was shaping up as the most powerful institution of intellectual and political pressure ever imagined in the world, with a virtually unlimited ideological and economic commitment, with an array of political forces that included the Rockefellers and the banking, intellectual and diplomatic U.S. Eastern Establishment, Giscard and Agnelli in Europe and the new samurai of Japan's industry. An intellectually sophisticated holy alliance, for the dollar principle in the world: with the possibilities of recruiting from an overwhelming gamut of industries, newspapers, universities' laboratories, brains governments and under-governments. Brzezinski's idea was the most brilliant, the most "daring" of all: create an intellectual Frankenstein in a lab, a magnificent political robot, and launch him right to the White House. This superb creation, according to the Trilateral plans, had to be Jimmy Carter.

Let's see how the whole thing developed, according to our careful reconstruction right from the beginning. The first step was to choose 74 Americans for the Trilateral. This was done by a directorate of three wise men: David Rockefeller, Brzezinski and Gerard Smith, former director of the disarmament agency. Warned by the oracle Harriman, Brzezinski maintained that it was necessary to include in this assembly of brains two southern governors: one of them was to be given preeminence as the stalking horse for the elections. Two names were taken into consideration: Jimmy Carter and Florida's governor Reuben Askew. "We were very impressed by Carter," Brzezinski himself admits.

It is necessary to include here the comments of one of Jimmy Carter's lieutenants who has been with him since 1970, Dr. Peter Bourne from Washington: "David Rockefeller and Zbig (nick-name for Brzezinski) agreed immediately that Carter was the ideal politician to be built," and the fascinating test-tube experiment started. One authoritative observer says: "Kissinger built his own personality with Nixon as a first level political protege, but with Nelson Rockefeller and his groups of political scientists standing right behind him. Now Brzezinski is playing the same game, having Carter occupying Nixon's post at the first level, the youngest Rockefeller at the post of his brother, and the Trilateral as the pressure group."

Brzezinski performed a Carthusian job on Carter. He and his colleague from Columbia University, another high caliber mind, Richard Gardner, prepared Georgia's governor at the Trilateral meetings the same way in which great academicians lovingly cherish the doctoral theses of their favorite students. "At that time," says Peter Bourne, "nobody would have wasted half an hour explaining to Jimmy what was at stake in the Middle East, Asia or Europe; Brzezinski and Gardner spent weeks with him" Gardner really fell in love with his student'...

This complex gestation undertaken by the Trilateral was going swell: the Carter phenomenon was taking its own shape. Brzezinski recalls one of the first circumstances in which he was pleased by his efforts: "it was one of Carter's first appearances as a candidate. He had to explain to a group of journalists why, being almost unknown, he was undertaking such a big adventure. The audience was manifestly hostile... However Carter did not pay attention to the provocations and centered every problem with a great style... For the first time I was convinced that he could get the presidential nomination. He had the whole scheme in his head."

At his point, the Trilateral used all its muscle. With an easiness that he never would have known without being backed by such a powerful organ, Carter magically expanded his foreign contacts, touching on the entire spectrum of the big national and international political establishment. At home he made a major move in 1975, establishing a link to the Brookings-Institution, one of the most prestigious American think-tanks. An old friend... introduced him to Henry Owen, former head of the State Department's planning office and now conductor of international politics seminars at Brookings. Owen completed Brzezinski's job, performing a sensational brainwashing job on foreign policy. A series of high level "lessons" — organized with sublime finickiness — were taught to the brilliant student by top U.S. diplomatic experts. Carter submitted himself to this awakening of his intellectual powers with the stoicism of a young French monarch from the 16th century: for some weeks he passed from one teacher to the next, from expert to expert, having his brain irrigated with explanations on current world problems and forecasts up to the year 2000. A superb job which deserves to be recorded in volumes. Barry Blechman was in charge of opening up his head on defense issues, C. Fred Bergston, who used to be one of Kissinger's most brilliant lieutenants, initiated him on international economics, Ed Fries submitted him to a seminar on energy and the rise of Arab oil power. Finally, the "golem" was ready, perfectly indoctrinated, to run around the streets.

Naturally, this sentimental education has been reflected in Carter's campaign apparatus. To support the Georgian candidate, portrayed in the press as "new" and "naive," an intellectual-political machine has been built unlike any that has ever been seen in the USA: the great Trilateral battery, including leaders from the press, powerful Wall Street-linked offices, super-banks and super financial institutions, "think-tanks," the establishment's intellectual reserves, and naturally, from the Council on Foreign Relations.

But above all, Carter has profited by the capital he has accumulated in the Trilateral meetings... He met Leonard

Woodcock, the powerful president of the Autoworkers Union; I.W. Abel, president of the equally influential steel union; and a top press leader, Henry Donovan, director of Time, who according to some famous journalists, "has done more than what is humanly possible to get Carter into the White House." But most of all within Trilateral circles, Carter has been able to meet, some of the most prestigious world characters and captured their support: I just note Giscard, the Agnellis, the London bankers. It was not accidental that Turin's La Stampa was one of the first newspapers in the world to spell out the happy "push" of the candidate who came out of political limbo, nor that L'Espresso echoed it right away. And for those who try to see international developments as a whole, it is easy to understand why Carter, in a sensational Newsweek interview, stated that as president he would talk with ease with Italian Communists. Coming from the Trilateral candidate, this was strong support for that which within a few months could have resulted in the policy of Gianni Agnelli, had he entered the Italian political arena. For some weeks, Agnelli and Carter have been having a dialogue from their favorite tribunes (Time, Newsweek, La Stampa, Le Monde), following a strategy in perfect harmony concocted by the Trilateral's golden brains. If the total stupidity of his staff had not destroyed Agnelli's candidacy, rendering laughable his peeping at the Italian public scene, this dialogue with Carter would have developed along very close lines. Therefore, the idea that Agnelli was counting on the presence of his candidate at the White House in order to crown his own political growth is by no means unfounded.

But going back to Carter, will he succeed in presenting himself as a new force when his ideological lining and his political apparatus are fundamentally old? Is it possible that some big forces of the American establishment, the same ones that destroyed Nixon's tyranny, could tolerate a group with such a worrisome international power as the Trilateral winning, with only one turn of the roulette wheel, the invaluable strong positions behind the presidency: the position Secretary of State, the National Security Council, which Kissinger's Machiavellian mind has turned into a number one power?... If the Trilateral Commission, placing its portentous robot in the White House, takes control over all these instruments it would become the most fearsome force in the whole world and could establish an incredible U.S.-Japan-Germany axis that would use the great potential of the big technocratic, financial, banking and industrial empires of the world. The ideology of this technocratic axis would probably be an authoritarian ideology of the intellectual right wing, that which L'Europe has indicated many times....

All 'Cuban Backed' Terrorism Since 1960 Was Under National Security Council Control

June 9 (NSIPS) — Since 1960, all so-called Cuban-backed terrorism in North America and Western Europe has been directed by the U.S. National Security Council (NSC). From the establishment of the Fair Play For Cuba Committee (FPCC) in 1960 to the activity of today's Puerto Rican Socialist Party-July 4th Coalition-People's Bicentennial Commission terrorist network under the control of Marcus Raskin's Institute for Policy Studies, the NSC has conducted, a vast penetration and espionage operation against the Cuban government. This 16-year operation has been essential to the NSC for providing a "Cuban cover" for its own terrorist activity.

In the process, the NSC through its Institute for Policy Studies, has also established effective control of the U.S. zone of the Puerto Rican Socialist Party (PSP), and is at this time attempting to extend that control to the PSP's island operations using such Institute-controlled countergangs as the Weatherman terrorists, the Venceremos Brigade and the Puerto Rican Solidarity Committee as well as NSC operatives in the PSP including Roberta Salper, Ramon Arbona, Florencio Merced and Alfredo Lopez. The NSC's Cuban operation was also crucial in the takeover of many existing left groups in North and South America and Western Europe, and in the creation of the synthetic Maoist countergangs of the American "New Left."

The Labor Committees are able to establish that the National Security Council's vast FPCC-Institute for Policy Studies network is responsible for almost every terrorist action in North America and Western Europe since 1960 — and that this same network will be responsible for planned nuclear terrorist incidents on July 4 if it is not dismantled beforehand.

FPCC.Rocky's Steering Committee

By 1960, the Cuban Revolution represented both a top target of NSC anti-communist planners as well as an opportunity for the NSC to gain a credible cover for its synthetic left gangs. The success of the Cuban Revolution had tremendously impressed left layers internationally, and it was a shoo-in for the NSC to order many of its already in-place agents to visit Cuba and begin loudly touting the "Cuban Model." Much of the European left's top agents made the pilgrimage including French existentialist Jean-Paul Sartre, K.S. Karol, Regis Debray, Rene Dumeont, Andre Gorz, and the British-based Tariq Ali and Robin Blackburn. At the same time, it was necessary for the NSC to ensure that the actual Cuban revolutionary process was sabotaged and isolated.

To answer both these needs, the NSC created the Fair Play for Cuba Committee. Founded in 1960, the FPCC' public goal was to prevent Castro from "going communist." According to FPCC executive member Lyle Stuart, "Unless the U.S. gave Fidel an alternative, he would be forced to accept the support of Soviet Bloc countries." The FPCC propagandized that the U.S. should recognize Cuba and see "Castroism" as "nationalist and democratic", and it arranged trips to Cuba

to this end. Not coincidentally, the demand for the recognition of Cuba was also being pushed at the time by top NSC operative Marcus Raskin. Later to work for the NSC publicly — and then to "leave" the NSC to set up the Institute for Policy Studies — Raskin was then head of the "Liberal Project," an early NSC covert operation to maintain control of the U.S. Congress which was run out of Rep. Kastenmeir's (D-Wisc) office.

Despite its anti-communist credentials, the FPCC kept its left front enough to provide a left cover for presidential assassin Lee Harvey Oswald, who was "laundered" through the FPCC in New Orleans in 1963.

The FPCC's initial executive committee clarifies who bankrolled the operation:

* Waldo Frank — "honorary chairman" of the FPCC activities. During World War II Frank toured Latin America to brief governments on U.S. war policies under the personal direction of Nelson Rockefeller, then coordinator for Inter-American Affairs.

* Lyle Stuart — a former wartime correspondent for the International News Service and scriptwriter for the CIA front Voice of America. Turned to publishing MAD magazine, Women's Wear Daily, pornography and the writings of "peaceniks Sidney Lens and Dave Dellinger. His subsequent publications include the "anarchist Cookbook," a terrorist manual for making bombs, and the "How to Commit Revolution, American Style" by John Rossen and Jeremy Rifkin of the Institute for Policy Studies terrorist Peoples' Bicentennial Commission (PBC).

* John Rossen — former, chairman of the Chicago FPCC and new co-coordinator for the Washington PBC. Long part of the Institute's network, Rossen's activities have ranged from the engineered disruption of the 1968 Democratic Convention to the 1969 Weathermen riot in Chicago.

* Sidney Lens — a long-time State Department socialist, whose real name is Sidney Okun of the Okun-Oakes family of the New York Times. An Institute fellow, Lens was on the editorial boards of "studies on the left," a "left counter-insurgent journal, and of Liberation Magazine, a pacifist journal that David Dellinger also on the FPCC, wrote for Lens. Dellinger will be participating at the PBC demonstration in Washington D.C.

* Victor Rabinowitz — of the Rabinowitz Family Foundation which funds Institute for Policy Studies projects and practically every counterinsurgent left cover operation along with the Stern Family Fund. Rabinowitz was one of the founding members of the FPCC.

Phase Two

During the second half of the 1960's — after the collapse of both the FPCC and the CIA's Bay of Pigs invasion, and as the NSC-Institutes' "New Left" operation was getting into high-gear — the Cuban route became a major method of laundering agents. Utilizing the just formed Venceremos Brigade, several Institute operatives including Saul Landau, Bo Burlingham Weatherman, Maoist Mike Klonsky and

Roberta Salper began in 1969 to set up trips to Cuba for "New Left" recruits — many of whom would end up as today's terrorists. The second feature of the operation was to take over the pro-working class apparatus of the PSP and turn it terrorist — an indelible pre-condition for implicating the Cubans in terrorism.

The career of Roberta Salper ties together both these features. Once she had established her credibility among Latin leftists through several trips to Cuba, Salper immediately moved the PSP's U.S. network. First, she established a relationship with PSPer Florencio Merced — a leading proponent, along with Ramon Arbona, of terrorist activity. In early 1972 Arbona and Merced began the successful takeover of Claridad the organ of the PSP in New York. Arbona became editor in chief, while another key Salper contact Alfredo Lopez, became managing editor. Lopez is currently the chief PSP organizer for the July 4th Coalition demonstration in Philadelphia. Salper took up as General Manager of Claridad. By propagating through Claridad that terrorism is a legitimate political option, Arbona, Salper and C. began a process of linking up the "Puerto Rican struggle for Independence" with the entire spectrum of Institute Countergangs.

Under an umbrella organization, the Puerto Rican Solidarity Committee, every countergang from the Hard Times-July 4th Coalition to the Communist Party's Angela Davis faction has since joined hands with the PSP's drive for

"independence for Puerto Rico." The leaders of the Solidarity Committee are identical with the FPCC: David Dellinger and Arthur Kinoy of the National Lawyers Guild, also a member of the FPCC.

Salper's "inside job" within the PSP has been matched by an "outside job" coordinated for the Institute by Saul Landau, one of the creators of the Venceremos Brigade. From 1969 to now, over 2000 people have gone through the Venceremos Brigade to cut Cuban sugar cane for a several week period. The Brigade acts as a selection process for the recruitment and brainwashing of terrorists. The record speaks for itself: practically every veteran of the Brigade either has gone into the Weathermen or its above ground support group, or, to help Salper in the U.S. zone of the PSP. 1969 Brigaders Alice and Simon Berger, and Jose La Luz now are in the PSP's New England Regional Executive; Jeff Perry is on the New Jersey Regional Executive. Bernadine Dorn, Gerald Long, Jeff Sokolow and Julie Nichamin are only a few of the notable Weather Underground terrorists who went the Cuban route.

A wave of terrorism has hit Puerto Rico recently as part of the Institute for Policy Studies-NSC's buildup for a terrorist disruption of the "Rambouillet II" economic summit to be held on the Island June 27. The PSP has announced its intention of conducting a demonstration outside the meeting. These incidents are to act as a preliminary for a major terrorist atrocity ordered by the NSC for July 4. This whole network must be dismantled before that time.

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SYRIAN TROOPS CONTINUE DRIVE TO OCCUPY BEIRUT

WASHINGTON, D.C., June 7 (NSIPS)--Two Syrian columns are presently driving over the mountainous region in central Lebanon with Lebanese and Syrian air cover in efforts to occupy Beirut, according to Armed Forces Network today. A well-informed Arab source disclosed that part of the Syrian invasion force is attempting to cross mountain areas which are heavily fortified by leftists and Palestinians, who today engaged in heavy clashes with the Syrians and are committed to all-out resistance.

Syrian and Lebanese jet fighters are continuing to shell Palestinian camps outside of Beirut and strategic leftist outposts in both northern and southern Lebanon in efforts to contain the left and prevent leftist commandoes from reinforcing the left forces fighting on the front lines in the mountains. PLO sources have disclosed that hundreds of lives have been claimed in the last 24 hours.

LEBANESE LEFT FORMS CENTRAL MILITARY COMMAND AND VOTES TO EXPEL SYRIAN-BACKED SAIIQA OUT OF THE PLO

June 7 (NSIPS)--Eight leftist organizations in Lebanon, including the Palestine Liberation Organization and the Iraqi-allied Popular Front for the Liberation of Palestine met yesterday in Beirut to form a Central Military Command, according to the New York Times today. The coalition vowed to fight the Syrian invasion into Lebanon and called for the expulsion of Saiqa, the Syrian-based chapter of the Palestinian guerrillas, from the PLO.

Yesterday afternoon, leftists and Palestinians mounted a major offensive against occupying Saiqa troops in West Beirut, a heavily Muslim-populated area, taking over ten Syrian Ba'ath Party offices and storming the district headquarters of the party.

ARAB COUNTRIES SCHEDULED TO MEET IN CAIRO TO DEBATE SYRIAN LEBANESE INVASION

June 7 (NSIPS)--The Arab League has scheduled a meeting of all Arab countries for June 9 in Cairo to discuss the hotly contested Syrian invasion of Lebanon, following a statement issued yesterday

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ISRAELI THINK TANKER PREDICTS
ALL-OUT SYRIAN SLAUGHTER OF LEBANESE LEFTISTS

WASHINGTON, D.C., June 7 (NSIPS)—A well-informed Israeli think tanker today stated that Israel will only agree to peace talks with the Arabs "if the PLO (Palestine Liberation Organization) is subdued in Lebanon and Yasser Arafat (the chief of the PLO—ed.) is replaced." He stated that this task is Syria's assigned role in imposing a "settlement in Lebanon. Syria will slaughter enough Lebanese that order will have to be established there...and then there will be no more clashes between Syrians and the PLO." As for Arafat, he will be held up like a stuffed animal." The think tanker said that the next two days will be critical for Syrian President Assad as to whether or not he succeeds in taking Beirut. "If he does...he will have won a fait accompli before the Arab World" and will attend the Arab League meeting scheduled for June 9 in Cairo. Assad will then "have gained control of all the Palestinians," he concluded.

SCENARIOS FOR MIDDLE EAST WAR DETAILED BY WASHINGTON POST

June 7 (NSIPS)—In a provocative feature article in today's Washington Post, Boston Globe correspondent William Beecher described in detail the possible scenarios for a war in the Middle East. Entitled "Old Mideast Foes Plot New War Plan," the article claims that "detailed military and diplomatic plans are being actively prepared and implemented" in the Middle East. "While all military establishments routinely prepare contingency plans," writes Beecher, "such efforts have special urgency and top-level attention in the Middle East, since there is so little faith that diplomacy will soon bring peace."

Beecher "reports": "Egyptian officers have drafted plans and begun military exercises for a strategy based on a sudden deep thrust in the Sinai Desert aimed at no particular geographic points, but simply at maximizing Israeli casualties....(The Northern Front strategy) too is based on the notion that Israel cannot stand a bloody, prolonged war." Beecher notes that Israel is "prepared to pay a heavy price in lives and materiel" and has built up stocks "for at least three weeks of heavy, sustained combat." According to Beecher, Israel has also "reorganized their forces, with separate northern, central and southern commands and planned mobile reserves that could move to any front."

ISRAELIS ACCUSE SYRIA OF "MINOR INFRINGEMENTS" OF "RED LINE,"
BUT STILL CHEER ON SYRIAN ADVANCE

WASHINGTON, D.C., June 7 (NSIPS)—Unnamed "Israeli sources" claimed this weekend that Syria had "infringed" the unofficial "red line" beyond which their Lebanon involvement "risks Israeli intervention," yesterday's Sunday Telegraph of London reports. According to Telegraph reporter A. H. McIlroy, "the violations have been territorial and in the number of troops Assad has been deploying," leading to a "strengthening of Israeli positions along the Syrian and Lebanese frontiers." Further, Israel is "monitoring" the buildup of Syria's "Russian-armed forces," fears that Assad is

(more)

"testing Israeli response" and is "frankly suspicious" of Soviet Mideast diplomatic moves.

While the Israeli sources stressed that actual Syrian violations had so far been minor, McIlroy notes "the fact that it happened at all illustrates the potentially grave threat to Mideast peace of the events in Lebanon."

Along similar lines, London's Sunday Times reports that some Israeli observers see the large-scale Syrian penetration as "fundamentally changing the Mideast status quo" and are calling for a "drastic reappraisal of Israel's policy."

Nonetheless, Israeli officials today stated that the Syrian moves "did not constitute an immediate threat to Israeli security," according to WINS radio in New York, while a U.S. State Department press officer cited Moshe Dayan, leading out-of-government warhawk, as stating that Israel will remain passive "even if Syria takes over Beirut."

MASSACHUSETTS SOLONS SEND LETTER TO KISSINGER URGING QUICK MIDEAST PEACE

June 7 (NSIPS)--U.S. Senators Edward Kennedy and Edward Brooke and six other Massachusetts Congressmen joined in a letter to Secretary of State Henry Kissinger on June 2 stressing the urgency of continued efforts to resolve the crisis in Lebanon, according to the Worcester, Mass., Telegram of June 3.

The letter was drafted by Congressman Silvio Conte (R-Mass), who is chairman of President Ford's Massachusetts campaign committee, and was signed by the two Senators, along with Congressmen Boland, Tsongas, Early, Moakley and Harrington. The latter called it "imperative" to achieve a workable Lebanese ceasefire and halt the flow of ammunition to Lebanon so that peace may be achieved "as quickly as possible."

No other area media reported on the letter.

CARTER CALLS FOR OVERALL MIDDLE EAST SETTLEMENT AND RECOGNITION OF RIGHTS OF PALESTINIANS

June 7 (NSIPS)--In a speech yesterday in Elizabeth, N.J., Democratic candidate Jimmy Carter called for "early movement" toward a full and comprehensive peace settlement in the Middle East and a shift away from step-by-step diplomacy as practiced by Secretary of State Henry Kissinger, according to today's New York Times. Carter accused the Ford Administration of following "an inconsistent, vacillating position on the Middle East" and said, "I favor early movement to a discussion of the outline of an eventual overall settlement." He explained that such a "general" settlement probably "would have to be executed in stages over a period of time" and stated that Palestinian refugees had rights that would have to be respected in a settlement.

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KISSINGER CLAIMS U.S. IS NOT ENGAGED IN NEW MIDEAST PEACE INITIATIVE

UNITED NATIONS, N.Y., June 7 (NSIPS)--U.S. Secretary of State Henry Kissinger said in remarks to reporters here June 5 that press reports of a new U.S. peace initiative to solve the crisis in the Middle East are "incorrect." Kissinger also said that while "ideas" are being exchanged on the crisis, he saw very little possibility of convening a Geneva peace conference "in the near future."

Kissinger's remarks came in stark contradiction to the stated policy of President Ford, who had stated last week through press spokesman Ron Nessen that he hoped to convene a Geneva conference within two months. Asked if recent charges that he is personally responsible for the increased bloodshed in Lebanon are true and, if so, are his actions designed to sabotage President Ford's peace initiatives, Kissinger claimed that the U.S. government was not consulted about the recent Syrian incursion into Lebanon and that the basic U.S. position is to oppose foreign intervention. Further, Kissinger maintained that he and the President are closely collaborating on the implementation of U.S. foreign policy, which in the Middle East "up to this time has been a step-by-step approach."

Kissinger also claimed that recent press reports quoting his special Mideast envoy L. Dean Brown as criticizing the White House for opposing the Syrian intervention are "sheer nonsense." "I checked with him and he never said any such thing," Kissinger claimed.

KISSINGER THREATENS THIRD WORLD

June 7 (NSIPS)--Speaking in the Dominican Republic on his way to attend the Organization of American States meeting in Chile yesterday, Secretary of State Henry Kissinger praised Dominican Republic President Balaguer for "not feeling ashamed of (his) close ties to the U.S....at a time when the word anti-imperialism is in vogue," according to the Mexican daily El Heraldo today. Kissinger threatened that the raw materials producing countries should not be surprised if the consumer and industrialized nations form counter blocks to blocks formed by the Third World. If such a confrontation does occur, Kissinger said, "the poor countries will get the worst of it."

From the Dominican Republic, Kissinger flew to Bolivia, where he issued a joint statement with Bolivian military dictator Banzer that included U.S. support for Bolivia's campaign to get an access to the Pacific Ocean, according to West German radio today. The sea access question has been used over the past year as a key issue in heating up the Rand Corporation scenario for a so-called Second War of the Pacific targeting the pro-development government of Peru. The question will reportedly be raised when Kissinger arrives in Chile for the OAS meeting, which has already served as a forum for virulent attacks on the Cubans and on supposed Marxist penetration of the continent.

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GROUP OF 77 BACKS ECHEVERRIA DEVELOPMENT CALL AT HABITAT

VANCOUVER, B.C., June 7 (NSIPS)—The Group of 77 developing nations has rejected the pro-genocide draft resolution presented to the United Nations "Habitat" conference here and proposed instead that the conference adopt a document which is based almost entirely on the strong pro-development speech delivered to the conference by Mexican President Luis Echeverria. The Group of 77 declaration places the immediate implementation of the New World Economic Order as the most urgent measure and as the prerequisite to dealing with subsumed problems. It further calls for a new international monetary system, the industrialization of the Third World, a transfer of resources to underdeveloped countries and for immediate nuclear disarmament.

SOVIETS PLAN GOLD MONETARY OFFENSIVE, ROCKEFELLER STRATEGIST SAYS

June 7 (NSIPS)—"Soviet tactics involving monetary gold...will result in a British-style gold standard, administered from Moscow, serving the economic and political goals of the Russians," writes Gabriele T. Kerekes, in the June 7 issue of the influential Wall Street weekly Money Manager. Kerekes, who served as deputy to David Rockefeller in an Army Intelligence unit in Algiers during World War II and later as director of the Marshall Plan in Austria after the war, is a key Kremlin-watching economist for Rockefeller.

Faced with the virtual remonetization of gold after last week's successful International Monetary Fund gold sale, Kerekes points out that "the center of Soviet economic planning is gold, of which the Soviets are potentially the largest producers in the world.... They plan to corner the world market in gold, then have the Gossbank (central bank) own the overwhelming percentage of it."

"The Soviets then would make the ruble convertible for external purposes and induce countries to keep their reserves in Moscow... making the ruble the dominant currency," he concludes.

MONEY MANAGER THREATENS SOVIETS WITH TRADE WAR OVER IRB

June 7 (NSIPS)—Albert L. Kraus, editor of the prestigious financial weekly Money Manager, demands in a lead article of the June 7 edition that the U.S. force adoption of Secretary of State Henry Kissinger's International Resources Bank by means of "a U.S. threat to cut Russia off from U.S. grain exports."

Kraus supports the "pique and dismay" expressed by Kissinger and Treasury Secretary Simon that the IRB proposal was defeated at the Nairobi UNCTAD conference, which ended June 2, by "Russia... persuading the Third World nations to abstain from voting." He notes fearfully Assistant Treasury Secretary Gerald L. Parsky's recent statement that the IRB is essential to "reducing the non-commercial, or political, risks related to investment in developing countries."

Since the Soviets should be as able to force the Third World to accept the IRB as to reject it, "a U.S. threat to cut Russia off

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from U.S. grain exports might produce the needed incentive," he concludes.

**GROUP OF TEN OPTS FOR 5 BILLION DOLLAR
HYPERINFLATIONARY BAILOUT FOR BRITAIN**

WASHINGTON, D.C., June 7 (NSIPS)—In a move described by both U.S. Federal Reserve and Treasury sources as "without precedent," the central banks, treasuries and related institutions of the ten richest capitalist countries have decided to bail out bankrupt Britain with a hyperinflationary stand-by credit of a whopping 5 billion dollars. As a result, the value of the pound sterling zoomed by more than four cents on the currency exchange markets to 1.7610 dollars.

At the same time, British Chancellor of the Exchequer Denis Healey announced draconian credit tightening measures for Britain in the form of a Treasury note worth 800 million pounds that will be floated on the markets, thus soaking up the remaining liquidity in the British economy.

The decision to bail out Britain came after both Senate and House Banking Committee sources declared over the weekend that the effort by Secretary of State Henry Kissinger and Secretary of the Treasury William Simon to ramrod the 25 billion dollar Organization for Economic Cooperation and Development "safety net" through Congress was an "exercise in futility." Of the 5 billion dollar standby credit package, one billion dollars each was donated by the U.S. Federal Reserve and Treasury, 700 million dollars by the Basle-based Bank for International Settlements and the remaining 2 billion dollars by the Group of Ten nations.

**INSTITUTE FOR POLICY STUDIES TO HOLD
STRATEGY MEETING ON U.S. LABOR PARTY**

WASHINGTON, D.C., June 7 (NSIPS)—Stung by U.S. Labor Party exposes of their direct interfacing with the Rockefeller-Kissinger-controlled National Security Council, their creation of Maoist countergangs and "blind terrorists" and their central role in running Rockefeller's threat of nuclear terrorism, the Institute for Policy Studies will convene a meeting of their Board of Directors this week to discuss the U.S. Labor Party. The information on this week's meeting of the Institute, whose members have been somewhat hysterical over the exposes, was given to the Labor Party by a member of the Institute's Board of Directors.

**AFSCME AGENT LILLIAN ROBERTS PREDICTS "VIOLENT" HOSPITAL STRIKE;
UNION ORDERS WORKERS TO WORK FOR FREE**

NEW YORK, June 7 (NSIPS)—Lillian Roberts, Deputy Director of AFSCME District Council 37 and linked to the Institute for Policy Studies, today refused to "rule out violence" in the event of a Local 420 hospital strike. At the same time, reports from Morrisania Hospital in the Bronx this afternoon indicated that the New York City Health and Hospitals Corporation is distributing lay-off notices, which might provoke an AFSCME strike.

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Charles "37X" Kenyatta appeared at today's membership meeting of DC 37 Local 420, which represents the hospital workers, to denounce DC 37 Executive Director Victor Gotbaum and call for direct action against the hospital closings threatened by the city. Kenyatta, a personal agent of Nelson Rockefeller, has a history of provoking race riots in Harlem. Moreover, an Institute for Policy Studies-led counterqang, the Maoist Youth Against War and Fascism (YAWF), also called for "bloodshed" to stop the hospital lay-offs.

Meanwhile, AFSCME has ordered Local 420 members to work for free to keep open the hospitals slated for closing while negotiations over the closings continue. AFSCME headquarters in New York refused to deny that "they were scabbing on their own union."

JAILING OF NEWARK CITY COUNCILMEN FOR REFUSAL TO RAISE TAXES POSTPONED TEMPORARILY

NEWARK, N.J., June 7 (NSIPS)--The jailing of five Newark City Councilmen scheduled for today has been postponed until tomorrow. The five, Councilmen Martinez, Carrino, Sharpe, Tucker and Villani, were found in contempt by Superior Court Judge Harry Marqolis last Friday, June 4, for their refusal to vote for a resolution to reassess city property values. The judge had ordered that they assess the city's taxable properties at "realistic values" and promised to imprison the dissenting Councilmen "until they change their votes."

Councilman Henry Martinez stated he feels "disgusted that this can happen in the United States of America....I think the judge is usurping power." An attorney for the five said he is seeking an emergency stay of the sentence on the grounds that it is unconstitutional for a judge to punish elected officials for following the dictates of their consciences and their constituents.

According to this morning's Newark Star Ledger, several thousand people demonstrated at the Essex County Courthouse yesterday in support of the Councilmen.

End of Late NSIPS for Monday, June 7, 1976

**WEST GERMAN NATO PAPER PLAYS UP
CONFRONTATION LINE ON MIDEAST**

June 8 (NSIPS) -- The chances of the Lebanon conflict expanding into a general Mideast war have "not lessened, but increased," today's NATO-connected West German daily, the *Suddeutsche Zeitung* declares. "Washington, which until now has agreed to the political and military action of Syria in Lebanon, is suddenly concerned. The Soviet Union has decisively increased its fleet."

Syrian dictator Hafez Assad has "reached the point where there is no going back," *Zeitung* reporter Buchalla claims, "and must conclude the pacification action in Lebanon within days, if necessary by violence. If he (Assad) does not succeed, he himself runs into the danger of becoming isolated in the Arab camp and of being overthrown by radical, left forces in his own Baath Party.... Should Syria not succeed to create, within a few days, a fait accompli, and end the civil war by violence, then one has to take into account that Libyan, Algerian, and possibly also Egyptian military forces will be employed, to support the Lebanese left and the Palestinians. It is not likely, that the big powers would watch such chaos passively."

**MIDDLE EAST IN DANGER OF BLOWING UP
FINANCIAL TIMES WARNS**

June 8 (NSIPS) -- The London *Financial Times* warned yesterday that the news from the Mideast "once again looks ominous," and warns that there is "the danger that even an inter-Arab dispute can turn into an Arab-Israeli dispute because sooner or later one side or the other may take pre-emptive military action and the risk -- because of superpower interests -- that any Mideast conflict can develop into a wider conflagration."

The *Times* editorial notes that although the Syrian intervention was undertaken with the approval of the U.S. and Israel, the situation still remains dangerous. The root of the problem impeding a solution to the regional conflict, the *Times* notes, is the Palestinian question, which still has not been resolved.

SYRIANS STEP UP FIGHTING IN LEBANON

June 8 (NSIPS) -- WINS radio in New York today reports that Syrian troops and tanks had entered the southern Lebanese port of Sidon, following a shelling of portions of the city. This coin-

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cides with a movement of Syrian reinforcements into the Bekaa Valley in Eastern Lebanon. The New York Times reports that these troops were pushing northwards and westwards towards the Lebanese capital, Beirut. Syrian tanks are reported to be within 15 miles of Beirut.

In Beirut itself, the heavy fighting continues between the leftist Palestinian forces of the Palestinian Liberation Organization and the Syrian-controlled Saiqa units. Syrian troops are said to be massing on the outskirts of the city to the south and south-east.

JOSEPH KRAFT: LEBANON COULD LEAD TO WAR OR KISSINGER-IMPOSED SETTLEMENT

June 8 (NSIPS) -- Syndicated columnist Joseph Kraft writes today that "Syria's invasion of Lebanon raises a civil war into a conflict engaging most of the Arab states and the two great powers," which could result in a "general war." However, he hastens to add, one possible positive outcome of the crisis is that it may lead to a renewed opportunity for Secretary of State Henry Kissinger to revive his discredited "step-by-step" Mideast negotiations "at the spot they left off -- which is the agreement on Sinai between Egypt and Israel last fall."

Blaming the Lebanese and Palestinian left for the gravity of the crisis, Kraft continues that "apart from the danger of a coup that could unseat (Syrian dictator) Mr. Assad, his position is not so bad" and he "may be able to restore order to Lebanon." Then, Kraft continues, "careful diplomacy by the Saudis and Kuwaitis, and a little judicious silence from Mr. Fahmi (the Egyptian Foreign Minister), could head Mr. Assad back toward an understanding with Egypt." That could lead to the "next step...-- negotiations between Israel and Syria."

But, Kraft states, "months will have to pass before any such arrangements can be made," and in the meantime, "the possibilities for derailment -- and even a general war -- are abundant." Concluding on a positive note, Kraft says that "it is significant that the Israelis, nursed along by this country (i.e., the U.S.) are quietly accepting Syria's invasion of Lebanon."

LARGER WAR IN THE MIDEAST FORSEEN

June 8 (NSIPS)--The possibility that the bloodshed caused by the Syrian invasion of Lebanon may be the spark for a larger military battle in the Mideast cannot be excluded, according to Wolfgang Stocklausner in today's West German daily Frankfurter Rundschau. He also reported that it is not being hidden in Damascus that Syria's cooperation with the U.S. is working out well. The hot line between Damascus and Washington is constantly on, while Syrian relations with the Soviet Union are not very good, since Moscow is against the Syrian invasion.

CENTO IS UNRAVELLING, CZECH PAPER REPORTS

June 8 (NSIPS) -- U.S. Secretary of State Henry Kissinger's attempts to shape the Central Treaty Organization (CENTO) at last

month's conference in London into a militarized, anti-Soviet bastion have resulted in the "disintegration" of the organization, according to the Czechoslovak daily Rude Pravo. All three CENTO member countries -- Turkey, Iran, and Pakistan -- opposed Kissinger's anti-Soviet baiting, with Pakistan refusing to agree with the anti-Soviet resolution pushed at the conference, the paper reports. In addition, the CENTO countries came out in opposition to the Middle East policy backed by Kissinger and the British representative, Roy Hattersley, Rude Pravo said. Both the U.S. and Britain have "observer status" in CENTO.

DESTABILIZATION ATTEMPTS AGAINST PAKISTANI PREMIER BHUTTO

WASHINGTON, D.C., June 8 (NSIPS) -- A top thinktanker at Georgetown University's Center for Strategic and International Studies today began circulating a totally unfounded rumor that the government of Prime Minister Zulfikar Ali Bhutto "is weak internally and could fall to the military." The circulation of rumors of Bhutto's downfall follows moves by the Pakistani leader to normalize relations with Pakistan's neighbors on the Indian subcontinent, Afghanistan and India. The Georgetown source commenting on the viability of the military preparedness of the Central Treaty Organization (CENTO), claimed that the Shah of Iran's biggest worry is that "should the U.S. Congress fail to lift the arms embargo to Pakistan with speed, there is a constant danger of internal revolts" and the potentiality of a coup by Pakistan's dissatisfied, fanatical Islamic military. Top leaders in the Pakistani military are known to be closely controlled by the CIA.

Another possibility for a subcontinental conflict, the source suggested, could arise if pro-Soviet Afghanistani President Daud should support nationalist demands of the Puston tribe in one of the Pakistani states, and "India would get involved...Pakistan could be liquidated, cut in half before international diplomacy could be mounted," he said.

Bhutto is due to visit Afghanistan June 16 to normalize relations.

WEST GERMAN SHADOW DEFENSE MINISTER DEMANDS THAT NATO GO BEYOND ITS BOUNDARIES TO PROTECT TRADE

June 8 (NSIPS) -- Manfred Woerner, the shadow defense minister of the opposition West German Christian Democratic Union (CDU), released a policy statement yesterday saying "it is especially important that NATO expand its community of political interests beyond its territorial borders" in order to "guarantee free trade on the basis of a market economy....raw materials and energy policy."

In addition, Woerner promised that if he becomes West German Defense Minister in the national election in October, he will not just limit himself to being a Defense Minister, but will act as "a Minister for International Defense Affairs." He would also expand NATO's crisis management system, "harmonize policies," and set up a NATO secretariat. The West German Defense budget would have to be increased, and officer training and army maneuvers would last much longer, while he would order massive conventional armament according to the Atlanticist Tindemans plan

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Finally, borrowing a plan from Hitler's Wehrmacht, Woerner would organize special "Home Defense Commandos" to do all the tasks that the old SS did.

FORMER NATO COMMANDER SAYS DE GAULLE NEVER PULLED FRANCE OUT OF NATO COMPLETELY.

June 8 (NSIPS)--Former Supreme Commander of NATO, Gen. Lauris Norstad, argued before a study group on Gaullist Research and Studies this weekend that Gen. DeGaulle's decision to pull France out of NATO in 1966 was nothing more than modification of "degree" which never changed France's fundamental commitment to the Alliance. In that sense, Norstad claimed, France never left NATO. Moreover, Norstad raved that he was "convinced" that if DeGaulle were still around, he would be ready to make "adjustments" in France's current non-membership in the alliance.

SANGUINETTI CALLS FOR ELECTIONS TO SOLVE FRENCH GOVERNMENT CRISIS

June 8 (NSIPS)--Gaullist leader Alexandre Sanguinetti yesterday stated on French national radio that the only way to solve the "obvious incompatibility" within the government of President Giscard d'Estaing between the Gaullists and pro-Giscardians is to go for early elections. In addition, commenting on the closed door session between President Giscard and renegade Gaullist Premier Jacques Chirac this weekend, Sanguinetti stated "there can be a tactical agreement between Giscard d'Estaing and Jacques Chirac which could last for a certain time, let's say up to the municipal elections (spring 1977-edit.), but I don't think it will go any further."

FINANCIAL TIMES WARNS GAULLISTS ARE IN OPEN REVOLT AGAINST GISCARD

June 8 (NSIPS) -- The London Financial Times reported June 5 that the French Gaullists "are on the brink of open revolt" against the Giscard d'Estaing government. The report follows the outbreak of major attacks by Gaullist layers on a Giscard-proposed capital gains tax and on his support for NATO.

Financial Times correspondent Mauthner stresses the urgency of this weekend's meeting between President Giscard and Prime Minister and renegade Gaullist Jacques Chirac to find some means for "defusing" the Gaullists attack, while "saving face" for the government. However, the Financial Times comments that the "split allegiances" of Chirac -- between loyalty to Giscard and to the Gaullists UDR party -- will make any compromise difficult.

GAULLISTS UNDERLINE VICHYITE CHARACTER OF GISCARD D'ESTAING

June 8 (NSIPS)--The newspaper of the Gaullist UDR party, the Lettre de la Nation, has launched a contest among its readership stressing the fascist Vichyite character of President Giscard d'Estaing. According to the June 5 London Times, the subject of the contest is Giscard's personal standard, consisting of a French tricolor with a lictor's fasces surrounded by laurel wreaths. The lictor's fasces was the emblem of the fascist gangs of the Roman Ceasars, later adopted by Mussolini in Italy.

Contestants are asked the question "one understands (the purpose of) the fasces, but why the laurels?" The winner of the contest will get two

tickets to the National Assembly debate on a Giscard proposal for a capital gains tax, which has come under intense fire from Gaullist deputies over the past several weeks.

GAULLIST RENEGADE DECLARES GAULLIST PROTESTS "NOT SERIOUS"

June 8 (NSIPS) -- Speaking on French national radio, Albin Chalandon, a renegade Gaullist who is closely associated with Premier Jacques Chirac, discounted various Gaullist protests against the pro-NATO defense posture adopted by the Giscard d'Estaing government last week as "not serious." Chalandon went on to claim that Gen. DeGaulle's military policy had always been "ambiguous," saying that it is normal for French defense doctrine to change since "the world as a whole is changing." Chalandon further cautioned fellow party members to avoid any maneuvers aimed at pulling the Gaullist UDR Party out of the ruling coalition of President Giscard and into the opposition.

INDIRA GANDHI ARRIVES IN MOSCOW

June 8 (NSIPS) -- Ten thousand people welcomed Indian Prime Minister Indira Gandhi's arrival in Moscow today for discussions with Soviet leaders on economic, political and cultural issues. According to official Indian government reports, Gandhi is accompanied by numerous high-level advisors and will discuss with Soviet leaders India's foreign policy initiatives toward other countries in Asia as well as expansion of economic and political relations between India and the USSR. German Democratic Republic radio terms the Gandhi trip as "exemplary of what the Soviet Union and the socialist countries' relations to the non-aligned group of countries in their fight against imperialist attacks on their independence." Gandhi's visit is the first foreign trip taken by Prime Minister Gandhi since the declaration of a state of emergency in India in June of 1975.

KISSINGER AIMING TO "CARVE UP" GROUP OF 77 BANKER SAYS

NEW YORK, June 8 (NSIPS)-- A Latin America specialist at a top New York investment bank said today that Secretary of State Henry Kissinger's strategy following the rout of his 'International Resources Bank' proposal at the Nairobi meeting of the United Nations Conference on Trade and Development is to "crack the Group of 77 (Third World nations --ed) by carving off a few LDC's (less developed countries --ed.), explaining that this is the idea behind the emphasis on a strengthening of U.S. - Latin American trade ties in Kissinger's rhetoric prior to the just opened Organization of American States meeting in Chile.

With the Journal of Commerce noting today that Kissinger will propose "concrete means" to improve trade relations, facilitate the transfer of technology, and help stabilize commodity prices, this source predicts that Kissinger will remove Ecuador and Venezuela from the list of countries affected by the Trade Act of 1974 (which would restore to them preferential trade treatment in deals with the U.S.), and will present some mechanism for commodity price supports, possibly on a hemispheric basis with emphasis on agricultural commodities.

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The source said that this is the first time Kissinger has made a serious effort to correct his continuing political neglect of the less developed countries, and Latin America in particular.

KISSINGER TO ATTEMPT TO SPLIT DEVELOPING NATIONS ON A REGIONAL BASIS

NEW YORK, June 8 (NSIPS) — An authoritative source at a leading New York investment bank said today that Secretary of State Henry Kissinger's strategy for U.S. relations with the Third World will now focus on concrete regional development projects modelled on the recent agreement for a one billion dollar capitalization for the International Development Fund for Food reached between the Organization of Economic Cooperation and Development (OECD--the advanced sector nations) and the Organization of Petroleum Exporting Countries (OPEC) last month. Calling this the "most important international development of the last month," the source said that its importance is twofold in that it marks a definite turn in OPEC's attitude and "psychologically puts pressure on OPEC."

"Once they are in one of these," he continued, "there will be a lot more agreements like it." Revealing that this agreement was the model for financing of Kissinger's International Resources Bank proposal, which was rejected by the Third World at the Nairobi conference, the source emphasized that such proposals are not meant as serious economic measures. "He really just wants to calm the thing down," the source said.

The source said that the weak point in all of Kissinger's previous attempts to quell Third World demands for a new world economic order was the Secretary's insistence on operating on a global basis, with too much rhetoric and no substance. Explaining Kissinger's failure at Nairobi, and the continuing weakness of the U.S. position there (Nairobi) with 47 proposals. If you look at them none of them none of them really say anything. . . An International Conference on Technology, what is that? An International Energy Institute, what the hell is that ?"

The source added that he and many other financiers feel that "even the World Bank doesn't make sense anymore."

LONDON TIMES: TERRORIST "CAN PRODUCE...A SMALL BOMB IN A FAIRLY INCONSPICUOUS REACTOR"

June 8 (IPS) -- "The capacity to produce nuclear weapons is spreading all the time, and so is the demand for nuclear power stations," says an editorial in yesterday's London Times.

"If no better controls can be devised, a disaster of some sort may be unavoidable, whether it is caused by an accident or by nuclear weapons falling into the hands of irresponsible governments

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"In fact," the Times says, "once a few able people have been well trained in nuclear technology, they can produce enough material for a small bomb in a fairly inconspicuous experimental reactor."

BRITISH DEFENSE ANALYST: NUCLEAR TERRORISM IS POSSIBLE

June 8 (NSIPS) -- The defense analyst of the London Times, Lord Chalfont, gives credence to a recently published novel which tells of a plot by the Soviet secret police to take over Britain by encouraging Irish Republican Army terrorists to hijack a nuclear weapon. The novel, "The eve of the Tornado," portrays the capitulation of the British government to the terrorists' demands and accompanying communist riots.

"If you are wondering why I should wish to draw attention to what is apparently a rather jokey piece of lightweight fiction, Chalfont writes, "let me remind you that the author, Mr. Chapman Pincher, is a distinguished journalist who specializes in matters of defense, security and intelligence."

"For years his network of highly-placed sources and the embarrassingly well-informed nature of his disclosures have insured him a prominent place. His new novel, however alarming its hypotheses, is based upon a foundation of real, authenticated facts about such things as the transportation of nuclear weapons, the methods of our own security services, and the clandestine operations of the KGB."

Chalfont concludes: "The most convincing part of Mr. Pincher's scenario, however, is not the somewhat melodramatic takeover itself, but the condition of apathy to which the people of this country had first been reduced by a succession of small assaults..."

BRITISH BRING MORE TROOPS TO BELFAST

June 8 (NSIPS) -- Between two and three hundred British troops have been sent into Belfast, Northern Ireland from other posts in that country, according to the London Times.

Merlyn Rees, Britain's administrator in Northern Ireland, said that he made the move after increased violence in Belfast over the weekend. So-called volunteers from the Protestant Ulster Defense Association were also sent in, it was reported.

THREE JDL TERRORISTS ARRESTED IN NEW YORK

NEW YORK, June 8 (NSIPS) -- Three people, two of them members of the National Security Council controlled Jewish Defense League, were arrested here this morning by New York City police and the FBI and charged with transporting explosives across state lines. The three were found in Staten Island and were carrying eight pounds of black powder, according to various news reports. Police sources

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said that they were investigating links between the JDL and the rash of terrorist bombing incidents in New York City over the last several months and might be handing down indictments soon.

INSTITUTE PLANS TERROR FOR MONETARY CONFERENCE IN PUERTO RICO

NEW YORK, June 8, (NSIPS) — The Institute for Policy Studies, through its controlled Puerto Rican Socialist Party (PSP), plans a major disruption of President Ford's Rambouillet II economic summit conference in San Juan, Puerto Rico, due to take place on June 27. On that same date the PSP plans a major conference of its own and its leaders have already announced that they plan to close down early for a major demonstration at the Rambouillet affair. In addition, the Puerto Rican Independence Party (PIP), has also planned a demonstration with the leader of the PIP, signaling a scenario by criticizing security at the island's nuclear power facility, claiming that it is too vulnerable to terrorists.

Institute for Policy Studies control of the PSP is maintained through Roberta Salper, I.P.S. associate and a former editor of Claridad, the PSP newspaper, who maintains ties to the explicitly agent nexus within the PSP grouped around terrorist Florenzio Merced. Another I.P.S. controller is the coordinator of the July 4th demo. in Philadelphia, Alfredo Lopez, who is currently editor of the bi-lingual Claridad.

END LATE NSIPS FOR TUESDAY JUNE 8, 1976

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FORD PUSHING FOR MIDDLE EAST SETTLEMENT

June 9 (NSIPS) — President Ford is insistent on doing everything possible to promote a Middle East peace settlement, U.S. delegate to the United Nations, William Scranton, reported in the UN. The New York Times, which reported Scranton's statement in a one and one-half inch box at the bottom of page 14, under the heading, "Ford's View Reported," also quoted Scranton as saying "I believe him, I believe him deeply."

WHITE HOUSE SOURCE: NO "PUBLIC" DISAGREEMENT BETWEEN FORD AND KISSINGER ON MIDEAST POLICY

WASHINGTON, D.C., June 9 (NSIPS) — A White House source said today that "there is no public disagreement between President Ford and his Mideast policies and the way his Secretary of State, Henry Kissinger, is carrying them out." However, he continued, "the President does not have control over everyone all the time." The source had been asked for comment on remarks made yesterday by United Nations Ambassador William Scranton which reiterated the President's position in favor of "doing everything possible " to secure "a comprehensive Middle East settlement."

LE MONDE REPORT FORD-KISSINGER DIVERGENCES OVER MID EAST GENEVA CONF.

June 9 (NSIPS) — Le Monde Washington correspondent Louis Wiznitzer reported yesterday that after a meeting with U.N. Secretary Waldheim on Saturday, Secretary of State Henry Kissinger held a press conference in which "he tried to scatter the rumors" according to which "the State Department, spurred by President Ford, is trying to convene the Geneva conference in the near future." On June 4th, according to Le Monde, Ford spokesman (Press Secretary Ron) Nessen stated that if the Geneva Mideast Peace conference were convened "the President would personally go there." Kissinger, however, is insisting that no "new initiative" is being taken by the Administration on the Middle East, Le Monde reported.

ISRAELI-LINKED COMMENTATOR PREDICT SYRIAN COUP .

June 9, (NSIPS) — Syrian President Hafez Assad must be careful of Syrian reactions to his invasion of Lebanon, warned anti-Communist WEVD radio (New York) Jewish News announcer Dr. Judah Shapiro last night. He then related a story of a Syrian family's protest when their son was killed in Lebanon, and that they were, along with other mourning families, beginning to get very angry "with those people who had ordered the invasion." Further hints

that the Israeli's are expecting a military coup against Assad, came when Dr. Shapiro reported together that there had already been an attempted putsch against Assad and there was significant unrest within the military.

DEFLECTIONS AGAINST SYRIAN REGIME INCREASE

June 9 (NSIPS) -- The Vice General-Secretary of the Lebanese branch of the Syrian Baath Party, Raif Sufar, has defected from the Syrian camp and joined the Lebanese-Palestinian left, the French newspaper Le Monde reports today. Le Monde further notes that the 2000-man Hatin Division of the Palestine Liberation Army has joined the Lebanese-Palestinian forces and that the previously pro-Syrian "Nasserite" faction has dissolved itself to join the united left forces. The paper claims that these are only a few reported examples of a more extensive and general process underway.

ITALIAN AGNELLI PAPER WARNS: GENERAL WAR IF SYRIAN INVASION FAILS

June 9 (NSIPS) -- "Almost everybody," today's Corriere Della Sera, mouthpiece of Italian Rockefeller-connected industrialist Gianni Agnelli writes today, "has an interest that Damascus be successful" in its invasion of Lebanon. "If the Syrian army doesn't succeed, Corriere continues, "there will certainly be a large conflict with other countries (Israel)."...."we have to hope that the Syrian army will be successful."

SOVIET SUPPORT OF LEBANESE LEFT DEPENDS ON EXTENT OF SYRIAN INVASION

NEW YORK, June 9 (NSIPS) -- A strong Soviet position in favor of the Lebanese left and its Palestinian allies is "unlikely unless they see themselves pushed into it by the Syrians really moving into Lebanon and beginning to take over massively," a leading Mideast analyst for the Council of Foreign Relations claimed here today. "If there is a tremendous outcry in the Arab world against Syria from the Iraqis, Libyans, Palestinians, and others of the Soviet allies," he stressed, "the Soviets might not find it easy to stay out. Until that point, they will intensively engage in diplomacy to prevent the necessity of making such a decision."

CZECHS SAY IMPERIALISM WANTS PERPETUAL CRISIS IN MIDEAST, SAYS SYRIA TAKING "GREAT RISK"

June 9 (NSIPS) -- The June 7 Czechoslovak daily Rude Pravo came close to an open condemnation of the Syrian invasion of Lebanon. "Syria is taking on a great responsibility and risk", the paper wrote, "It is clear that Syria's action will provoke opposition in Lebanon and the Arab world." Rude Pravo said that imperialist circles intend to rely on NATO "gun-boat diplomacy" against Lebanon, and charged that "imperialism is interested in maintaining a 'perpetual motion' crisis in the whole Mideast region."

BREZHNEV WARNS OF AGGRESSION, SAYS DETENTE ENEMIES DESPERATE

June 9 (NSIPS) -- Soviet leader Leonid Brezhnev, speaking at a welcoming dinner in Moscow for Indian Prime Minister Indira Gandhi,

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warned yesterday that the enemies of peace having reached the point where "their game is up", are desperately threatening peace. According to a summary broadcast by Radio Moscow, Brezhnev said that the enemies of peace "are resorting to false accusations, aggressive designs and propoganda about hegemony." It is clear who is pushing the arms race and poisoning the international atmosphere, the Soviet leader said and that the Soviet Union is "fully aware of these things and fully determined to oppose them."

Discussing the Asian area in particular, Brezhnev noted the Western military buildup in the Indian Ocean, which "the countries around the Indian Ocean justly consider a threat to their security." The Soviet Union "cannot remain indifferent" to this military buildup, said Brezhnev. He called for the establishment of a system of collective security in Asia.

"CUBA WAS NOT INVOLVED IN KENNEDY'S MURDER" - FIDEL

June 8 (NSIPS) --Cuban Prime Minister, Fidel Castro said that Cuba has never used terrorism to reply to terrorism, in a speech given on June 6 in Havana's Karl Marx Theatre.

Noting recent efforts to incriminate the Cuban leadership in the assassination of former U.S. president John F. Kennedy, Castro stated that, "The Cuban Revolution can categorically affirm that it never had even the slightest involvement with the death of Kennedy because it has never pursued that type of policy." According to the Cuban news agency, Prensa Latina, Castro indicated that recent U.S. investigations "have refused to reveal what role was played by the CIA and the FBI in the Kennedy Assassinations."

Referring to the recent bombing of the Cuban United Nations Mission offices in New York, Castro declared "that such an act damages the U.S. because of its incapacity to guarantee respect for the lives of foreign diplomatic representatives."

SIMON, BURNS FEUD OVER TAB ON 5 BILLION DOLLAR BRITAIN BAILOUT

WASHINGTON, D.C., June 9 (NSIPS) -- A knowledgeable financial source here revealed yesterday that Federal Reserve Chairman Authur Burns and Treasury Secretary William Simon had a major fight over whose agency would contribute the U.S.'s two billion dollar share of the just-announced five billion international bailout for Britain. This is the reason, the source said, why the U.S. contribution is evenly divided, one billion from the Fed and one billion for the Treasury.

EUROPEAN CAPITALISTS SAY - BRITISH LOAN IS HYPERINFLATIONARY

WIESBADEN, W. Germany, June 9 (NSIPS) -- European banking sources admitted yesterday that the 5 billion dollar bailout of Great Britain announced yesterday is a hyperinflation attempt to prevent a

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collapse of the bankrupt Eurodollar market. Yves Laulan, formerly NATO head economist and now at the French Societe Generale's economics department said, "Rambouillet II is 'show business' for cynics...The international monetary system will be in brinkmanship for many years to come. Either we walk the tightrope, and let drop the countries which can't manage, or else, we'll have worldwide inflation. Either it's bankruptcy and let them go, or we extend credit and we're back at double-digit inflation as in 1973 -- and this time we won't be so lucky. Gold? It's a good idea -- there is not much else left, is there?"

The chief economist at a leading West German bank said, "This loan to Britain, we've got to do it, but think of the results. It only adds to international liquidity...We have no solution. We work on a day-to-day basis." The source went on to advocate Bundesbank (West German central bank) purchases of gold, strongly hinting that he supported a return to a gold-backed monetary system.

TETHER PUSHES FOR END TO LONDON AS INTERNATIONAL FINANCIAL CENTER

June 9 (NSIPS)-- Gloating over a "certain poetic justice" that the Bank of England, which for so long has been pushing a "hands off hot money traffic" policy has itself been ravaged by short-term flight from the pound in the last few weeks, C. Gordon Tether, columnist for the Financial Times has again called for the end of the City of London as a major international financial center.

Tether dismisses the so-called benefit which Britain receives from the Eurodollar market and other international dealings in terms of "invisible earnings" from British banks. The kinds of economic distortions created by linking the pound to such short-term flows of money, the columnist wrote on June 7, has in fact greatly exacerbated the country's economic crisis, and will eventually lead to an international currency war.

IMF TELLS INDONESIA TO DISMANTLE CAPITAL-INTENSIVE INDUSTRIES

NEW YORK, June 9 (NSIPS) -- The International Monetary Fund has called for the dismantling of Indonesia's capital intensive industries to be replaced by labor intensive industries to insure that the country meets its debt service payments. A "confidential" IMF - sponsored Annual Report on Indonesia 'recommends' that "the level and timing of public sector investments should be reconsidered and the use of central bank credit for financing public sector expenditures should be limited....priority should be given to implementation of appropriated foreign debt management and policies." The report also suggests that the way the country should make good on its over ten billion dollars in foreign debts to improve the employment creating capacity of non oil export (labor intensive) industries."

WE'LL MAKE STEEL FROM OUR GARBAGE: NY MAYOR

June 9 (NSIPS) -- Hailing the beginning of "a new era for New York

(More)

and the nation," Mayor Abe Beame announced June 7 that New York City will be the site of a new steel plant that will produce "high grade steel" out of municipal refuse. The Mayor and Paul Liu, president of the New York based Ashmont Metal Company, signed the contracts yesterday to start construction on a 12 million dollar plant adjacent to the Southwest - Brooklyn Incinerator. Liu, a Chinese - American with close ties to Twaiwan, said the plant will hopefully "introduce a new generation of technology." As Liu described it, the revolutionary technology will involve two steps -- separating the metal scrap from the other garbage and then processing the recovered metal into "very high grade steel." Liu did not indicate how many people will be employed to sort the garbage.

Beame, enthusiastically claimed that the plant will be a major boon to the city and the nation: not only will the company employ up to 100 people and pay the city up to 2 dollars a ton for all metal extracted from the residue, but if the Ashmont technique were utilized nationally, "we would be able to extract nearly 12 million tons of iron and steel and more than one million tons of nonferrous metals from our municipal waste streams" and halve U.S. dependence on imported ores.

SHAKE-UP IN THE CIA: BUSH OUSTS CHURCH CTTE COLLABORATORS

WASHINGTON, June 9 (NSIPS) -- A major personnel shake-up at the Central Intelligence Agency involving changes in six of the top eight positions was accomplished "to remove those who didn't stand up to the Church Committee (Senate Select Committee on Intelligence Activities) assault", according to a former high intelligence community official reached yesterday. The former official termed the appointment of veteran CIA administrator for intelligence "estimates", Henry Knocho, to the number two position an "excellent choice."

The former official attacked Senator Frank Church (D-Idaho) an "ex" CIA agent who was chairman of the National Security Council controlled Senate Select Committee for Intelligence, and said that present CIA Director George Bush had "a lot going for him."

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SPECIAL INFORMATIONAL BULLETIN:

NEW YORK, June 9 (NSIPS) — The following is a full translation of a statement by the Soviet government on the Middle East situation released today by TASS, the Soviet news agency.

TASS has been authorized to release the following statement in the name of the Soviet government:

In the course of the latest developments, the events in Lebanon have become more and more tragic. The fratricidal war in which Arabs are fighting against Arabs is becoming ever more bloody. The number of victims from amongst the peaceful population — women, elderly people, and children — is increasing. The events in Lebanon extend beyond the borders of this country; this is proven by, among other things, France's statement in relation to the possibility of sending a contingent of French troops into Lebanon. The United States' naval forces continue to be held in the vicinity of the Lebanese coast. The Soviet Union considers that the situation in Lebanon and the Mideast as a whole could become still more complicated if no end is put to the attempted foreign interventions into Lebanese affairs.

The Syrian Arab Republic on its part has repeatedly issued statements that the mission of the Syrian troops sent to Lebanon consists in aiding in the termination of the blood-letting war. The fact is remarkable, nonetheless, that up to this day blood is still being spilled in Lebanon, and indeed the flow is still greater. At this time, when the Lebanese events threaten to grow into a still greater international conflict, the Soviet Union calls upon all countries to disregard any action which runs contrary to the principles of respect for independence, sovereignty and territorial integrity, so that these internationally recognized principles can also be applied fully to Lebanon.

The crucial prerequisite for this is an end to the blood-letting. It is necessary for all sides who, in one way or another, are involved in the Lebanese events to immediately stop the shooting. As for the powers who are threatening a direct military intervention into Lebanese affairs under the pretense of their interest in the Lebanese situation, in this connection the Soviet Union sees itself compelled to make the following statement:

(MORE)

The Mideast region is situated much more closely to the Soviet Union than to those who are voicing such threats, and at all events it is no less interested in how the situation in and around Lebanon is developing, and how it will develop in the future. No one should disregard this. In the leading Soviet circles it is considered necessary to point out one further aspect of the events in Lebanon. As everybody knows, there are hundreds of thousands of Palestinians on Lebanese territory, who have now found accommodation in this country and who are now in the ranks of the Palestinian resistance movement, continuing their courageous fight for their legitimate, maximum rights, for the Arabs' common interests in eliminating the consequences of Israeli aggression. And what is happening to them now? They have likewise been sucked into the bloody fratricidal war. The Soviet Union expects the sides immediately involved in the events in Lebanon, as well as all other sides who are conscious of the danger of a further peaking of the situation, to immediately display proper responsibility.

NSC DECLARES THAT SOVIET GOVERNMENT DOES NOT BELIEVE ITS OWN WARNING ON THE MIDDLE EAST CRISIS

WASHINGTON, D.C. June 9 (NSIPS) -- When asked for comment on today's TASS statement warning the U.S. and French that the Soviets viewed the Lebanese crisis as serious and a threat to their security, Arthur Houten, the National Security Council staffer for the Middle East, declared that "The Soviets don't believe what they are saying." Confronted with recent Soviet attacks against Secretary of State Henry Kissinger, Vice President Nelson Rockefeller and his brother, Chase Manhattan Bank Chairman of the Board David Rockefeller for their war-mongering, he lost his composure: "They (the Soviets) know what you are saying is rubbish; that Kissinger and Rockefeller are linked to an American plan. It is incorrect linkage, illogical syllogism. I know the Soviets, they are rational and logical individuals and that is only what they are saying, not what they are thinking." When asked what he thought the Soviets were thinking, he replied, "Aha, that is an interesting question, but I have to go."

NO THREAT OF SOVIET INTERVENTION IN LEBANON: MIDEAST "EXPERT"

WASHINGTON, D.C. June 9 (NSIPS) -- Dale Tahtenan of the Washington-based American Enterprise Institute claimed that there is no threat of a Soviet intervention into Lebanon which would trigger a full-scale Middle East war: "The Israelis will react (to a Syrian invasion of Lebanon) depending on how far the Syrians will go... that's the greater possibility, Tahtenan continued. "I'm not saying it's likely, but it's possible."

Tahtenan, who has written for AEI on various scenarios for a limited nuclear war in the Middle East, claimed that the Syrians were meeting great resistance. He also stated that the "red-line" trip-wire that would trigger an Israeli invasion of southern Lebanon depended on how much more men and materials the Syrians were willing to pour into Lebanon and for how long they will retain hold of the situation once they have taken the country.

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MAPAM RENEWS GENEVA CALL; IDENTIFIES SOVIETS, FORD AS
SEEKING GENEVA PEACE SETTLEMENT

June 9 (NSIPS) — "Israel should renew its political initiatives" conference, says the left-wing Israeli Mapam party in the latest issue of their newspaper Al Hamishar. "On the eve of the presidential elections, President Ford would like to be able to show that peace moves are underway," the paper continues. "The Russians, too, worried about losing their position in the region, would also support an initiative that would allow them to improve it. Since both powers are necessary for securing a settlement in the region, the best path for all would be a reconvening of the Geneva conference, but without the Palestine Liberation Organization, which will only prove an obstacle to peace talks."

ASSAD GIVEN NINE DAYS FOR LEBANESE INVASION SUCCESS

June 9 (NSIPS) — The June 17 scheduled visit of Syrian dictator Hafez Assad to Paris sets "a time frame" for his moves in Lebanon, New York Times reporter James Markham writes today from Beirut. Markham notes that Assad cancelled a previous visit to Paris, scheduled in March, because of the Lebanese events and that another cancellation would be a "catastrophe."

According to Markham, "This gives Assad nine days to bring the chaotic situation in Beirut under control, but the resistance his troops have been meeting may compel him to order the use of considerable force." To further this objective, the "state-run Damascus press and broadcasting have been stressing that Syria will go to the 'final extreme' in bringing peace to Lebanon," Markham writes.

YUGOSLAV FOREIGN MINISTER FLIES TO DAMASCUS

June 9 (NSIPS) — Yugoslav Foreign Minister Milos Minic flew to Damascus, Syria from Ankara, Turkey this afternoon, bearing an urgent message from Yugoslav President Tito to Syrian President Hafez Assad. Minic had been with Tito at a Yugoslav-Turkish summit meeting, and left those negotiations because of the crisis in Lebanon. Yugoslav news media have been sharply critical of the Syrian invasion of Lebanon. There have been several high-level party and military contacts between Yugoslavia and members of the Warsaw Pact countries, including the Soviet Union, during the past week.

TIMES CALLS LEBANON CRISIS TRIGGER FOR ALL-OUT WAR;
REPORTS NATO WORRIES ABOUT SOVIET STANCE

June 9 (NSIPS) — A front-page article in today's New York Times warned that Syria's inability "to bring order to Lebanon" might "touch off a wider war." Quoting unnamed State Department sources, the Times article, written by Bernard Gwertzman, warned that the resistance of the Palestinian left might force Syria to introduce more forces, "Thereby increasing the risk of intervention, either from Israel or from other Arab countries."

In a second article, New York Times' European correspondent Flora

(MORE)

Lewis writes today that NATO officials are concerned because they have gotten "no reading about Moscow's stand" on the Lebanese war. "There have not been any special Soviet statements "on the Middle East," Lewis writes, ignoring Premier Kosygin's speech last week in Iraq. "According to high NATO sources," the Times correspondent says, "the substantial reinforcement of the Soviet fleet in the Mediterranean (is viewed) as merely a precautionary measure..." NATO sources are said to be generally unconcerned about the possibility of Soviet intervention.

STEVENSON CONDEMNS SYRIAN INTERVENTION

WASHINGTON, D.C., June 9 (NSIPS) -- Sen. Adlai Stevenson (D-Ill) today condemned the Syrian invasion of Lebanon and warned that the situation is "moving toward confrontation." Stevenson urged that the Palestine Liberation Organization and PLO head Yassir Arafat had to be negotiated with to assure an overall peace settlement.

Sen. Stevenson told this news service to call his office later in the afternoon for a statement. When reached, a Stevenson aide here, former State Department official, William Buell, said, "He made no commitment, there is no statement."

SYRIANS DELIVERED SETBACKS BY LEBANESE LEFTISTS; SAIQA COMMAND DESTROYED IN BEIRUT

June 9 (NSIPS) -- Lebanese and Palestinian leftist forces scored a major victory today defeating Syrian-backed forces for control of the Beirut International Airport. Earlier, leftist forces issued a release stating that the Syrian-backed guerrilla outfit, Saiqa, had been destroyed in Beirut. The routing of the Syrian-backed troops in Beirut is viewed as a major setback for Syrian President Hafez Assad, whose invasion of Lebanon last week was explicitly designed to destroy the left and their Palestinian allies.

As a result of these victories, Syria's planned advance on Beirut today was stymied. In the mountains near Beirut, however, heavy fighting was reported and the Syrians were said to be meeting stiff resistance from the leftist forces. Fighting was most intense around leftist leader Kamal Jumblatt's headquarters near Beirut, in the leftist-controlled Nabatiyeh region in the south, the country's second largest city of Tripoli and in the port city of Sidon. At least 300 residents were killed by Syrian tanks and troops in the fighting in Sidon, which also caused casualties.

Adding to Syrian President Hafez Assad's problems, Syrian and pro-Syrian troops and officers are deserting in increased numbers, according to today's French daily, Le Monde, and are balking at orders to liquidate Palestinian and leftist forces. Several brigades of the previously Syrian-controlled Palestine Liberation Army forces have deserted. Vice-General Secretary Bodeiry of the pro-Syrian Baath Party in Beirut announced that from now on, he is going to fight on the Palestinian-Lebanese side, and not the Syrian side, also according to Le Monde.

IRAQ DEPLOYS TROOPS TO SYRIAN BORDER

June 9 (NSIPS) -- Iraqi leader Saddam Hussein led a mass rally in Baghdad today to protest Syria's intervention into Lebanon

and massacre of the left there. Hussein resolved to send "popular forces to the front to defend our national honor."

According to United Press International, Iraq is now massing troops in an effort to pressure Syria into desisting from further provocation in Lebanon and to back up the Soviet warning to the United States today to refrain from heating up provocations in the region.

ASSAD'S FALL WILL LEAD TO "GENERAL WAR"

NEW YORK, June 9 (NSIPS)--A highly reliable diplomatic source said today that if Syrian President Hafez Assad falls from power in Syria, the Israeli's will launch a "general war" in the Middle East.

ARAB LEAGUE OK'S PAN-ARAB INTERVENTION FORCE INTO LEBANON

June 9 (NSIPS) -- Foreign ministers at the Arab League meeting in Cairo today approved sending Algerian and Libyan troops to Lebanon as a peace-keeping force subject to Syrian approval, according to CBS radio. The proposal is being widely interpreted as a "face-saving" means to facilitate a Syrian withdrawal from Lebanon.

WEST GERMAN GOVERNMENT CONFIRMS DISCUSSION OF SOVIET DECLARATION AND EUROPEAN SECURITY PACT

BONN, W. GERMANY, June 9 (NSIPS) -- The Federal Press Office of the West German government confirmed today that the recent Soviet Declaration to the West German government, and a European Security Pact were definitely discussed in talks yesterday between West German Chancellor Helmut Schmidt and Polish Communist Party leader Edward Gierek in Hamburg, West Germany. West German Foreign Minister Hans-Dietrich Genscher, Social Democratic party (SPD) chairman Willy Brandt, and SPD parliamentary chairman Herbert Wehner, also attended the meeting. Wolfgang Mischnik, Free Democratic Party parliamentary chairman, entered the talks immediately following his return from a meeting with West German Democratic Republic leader Herman Axen, in East Berlin. West German newspapers today noted that the talks lasted late into the night, and that the West German Ambassador to Moscow today had a 40 minute unscheduled talk with Soviet Foreign Minister Andre Gromyko.

PRAVDA PROPOSES EUROPEAN-USSR COOPERATION; LAMBASTS FRENCH ATLANTICISTS

June 9 (NSIPS) -- Today's Soviet party daily Pravda said that "The security of France lies not in NATO and war plans, but in European security and cooperation with the Soviet Union."

Pravda counterposed this collective security proposal to French Chief of Staff, Gen. Guy Mery's recent statement of commitment of French troops to NATO front line defense, in combat against the Warsaw Pact forces. Pravda charged that this pro-Atlanticist move was "a revision of the actual basis of the French pol-

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itical conception developed by General Charles DeGaulle."

The Pravda commentary was reported in today's German Democratic republic radio broadcasts.

FRENCH, SOVIET COMMANDERS MEET

June 9 (NSIPS) — The Chief Commander of Soviet troops in Germany, Gen. E. Ivanovskii, met with his French counterpart General Jean Richard in Wuensdorf, German Democratic Republic, the June 6 Soviet military daily, Red Star reported.

SWISS, W. GERMAN CENTRAL BANKS FORM NEW CURRENCY BLOC TO EXTRICATE EUROPE FROM BANKRUPT DOLLAR

NEW YORK, June 9 (NSIPS) — Swiss national Bank president Fritz Leutwiler and Bundesbank vice-president Ottmar Emminger have arranged a Swiss Franc-Deutschemerk axis geared toward an early gold-backed European currency snake, according to the chief foreign exchange trader at a leading Swiss bank here. The trader met with Mr. Leutwiler in Washington, D.C. last week at the International Foreign Exchange Association-organized conference.

"This," said the source, "doesn't bode well at all for the dollar or the British pound...The pound is headed for the 1.60 dollar level and the dollar can't be far behind. You think the 5.3 billion dollars bailout package they put together is going to stop the decline of the pound. Heh, Heh, who's kidding who?"

Foreign exchange market developments this week corroborate this analysis. Both the U.S. Federal Reserve and the Bank of England have been defending the pound — and indirectly the U.S. dollar — massively despite the 5.3 billion bailout package. On the other hand the Swiss have taken strong and unprecedented measures to stop the speculation in gold-backed Swiss Francs. In addition, the Swiss central bank under arrangement with the Bundesbank, is no longer buying dollars to protect the Swiss Franc from becoming too strong and is instead doing so with West German marks.

SOVIETS PUSHING GOLD-BACKED EUROPEAN CURRENCIES

NEW YORK, June 9 (NSIPS) — The current issue of the prestigious Wall Street weekly, the Money Manager, pointed out that the Soviet Union is moving forcefully to establish gold-backed European currencies and have been putting pressure on the Swiss, Germans and the French to move in that direction.

5.3 BILLION DOLLAR BAILOUT CANNOT STOP STERLING CONFIDENCE CRISIS

NEW YORK, June 9 (NSIPS) — The 5.3 billion dollar bailout 3-6 month loan to Britain by the Group of 10 completely failed to stop the crisis of confidence in Sterling and the Euromarkets generally as the pound fell to 1.7680 dollars at one point today despite heavy Bank of England intervention. The pound opened trading down 1.771, opening with the "Old Lady" the only sterling buyer in the market.

NEW YORK, June 9 (NSIPS) — A top executive at the British bank Morgan Grenfell reported today that "The Group of 10 are happy to put their money in (to the British bailout) but it doesn't change the basics. In the last 24 hours, the pound has required massive bank of England support. There is absolutely no change in the lack of confidence....After 3 or 6 months, the IMF will demand strings — a political crisis... A policy? Ha-ha, no one has any idea."

BANKERS SAY CREDITS FOR BRITAIN ARE ONLY TO BUY TIME FOR BUDGET CUTS

June 9 (NSIPS) — "It's terribly important to look at the actual understanding we have reached with the British," said U.S. Treasury Undersecretary Edwin H. Yeo yesterday. "We have given them a swap-type credit for six months — but only six months."

The New York times, which reported Yeo's remarks, added that if Britain borrowed so much of the 5.3 billion dollar credit that it was unable to repay at the end of six months, then the British Treasury would have to apply to the International Monetary Fund for another loan. the conditions for such an IMF loan would be very stringent, the Times observed.

"The loan means that other things will have to happen before the loan runs out," said an economist at Barclay's, England's largest bank. He suggested cutting government subsidies for housing and food. "You shouldn't do it to people who have an income below a certain level; but right now you're subsidizing the food of rich people and the housing of rich people who can afford their own."

The Wall Street Journal said in an editorial today: "We ourselves would be more jubilant if we could see some clearer signs that (British Prime Minister) Mr. Callaghan's government perceives the fundamental ailments and has serious intent to do something about them."

ITALY'S PRIME RATE GOES UP TO 20 PER CENT

June 9 (NSIPS)--The Italian prime rate has gone up to 20 per cent, up from 18 per cent. Following the implementation of the Bank of Italy ruling forcing the banking system to increase their mandatory deposit ratio with the central bank from 30 to 42 per cent. At the same time, non-prime rate interest levels have soared as high as 25 per cent. The news is reported by today's Il Fiorino, Italy's leading financial newspapers.

FRENCH DAILY CALLS MONETARY SYSTEM "A HOUSE OF CARDS"

June 9 (NSIPS)--In an editorial in today's issue of the French daily "L'Est Republicain," Pierre Meutey characterized the dollar-based international monetary system as "a house of cards," premised on the increasing impossibility of collecting Third World and municipal debts in the advanced sector. Citing the reported 150 bil-

(more)

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ZOMBIE ISSUES DEATH THREAT TO USLP IN BUFFALO

BUFFALO, June 9 (NSIPS)—The U.S. Labor Party's Buffalo office received a death threat last night from an individual identified as Dick Lincoln, an admitted FBI informant whose affidavit to that effect is on file with the Labor Party. Lincoln is a former member of the Maoist Progressive Labor Party and is presently a member of the October League, another Maoist sect.

Last night the Labor Party office in Buffalo received a collect call from Rochester from a person identified by the operator as "Robert Fisher." The call was not accepted. Shortly thereafter, the office received a second call from a person identified as "Joe Fish." As Joseph Fisch is the name of a leading Labor Party member in Rochester, this call was accepted. The following tape recorded message was then heard by Labor Party member Roger Hamm:

"I approached the Labor Party in friendship but now the world is Rockefeller. Now I am going to unleash psychotic zombies. If La Rouche (USLP presidential candidate Lyndon LaRouche) comes to Rochester he is finished. Leave Rochester—you have my warning." The message was repeated after its conclusion.

Dick Lincoln was identified as the author of the threat on the basis of circumstantial evidence which includes the tracing of the point of origin of an earlier threat to the Labor Party to Lincoln's place of employment, and more conclusively, a recent telephone conversation between Labor Party member Joe Fisch and Lincoln, during which Lincoln initially misheard Fisch's name as "Robert Fisher."

Lincoln had attempted to infiltrate the Labor Party last year but was expelled after a period of weeks as a police agent. A former member of the Progressive Labor Party, Lincoln subsequently joined the October League. Affidavits from Lincoln and others to the effect that he has functioned as an FBI informant are in the Labor Party's possession.

Charges have been pressed against Lincoln with both the Buffalo and Rochester police departments. Local offices of the FBI and the U.S. Attorney are also being fully briefed on the threat.

End of News Bulletin No. 112

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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE
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"ARABS KEEN ON GOLD," SWISS BANKER REPORTS

ZURICH, June 10 (NSIPS)—"The Arabs are keen for gold," one of the top executives of a major Swiss bank said today. He had just returned from a tour of the Middle East during which he was selling gold to the Arabs. "Privately, of course, you know, (U.S. Federal Reserve Chairman) Burns is for gold, but he can't say so officially," he added.

ITALIAN SOCIALIST PARTY PAPER REPORTS SOME EUROPEAN COUNTRIES READY TO BACK NEW WORLD ECONOMIC ORDER

June 10 (NSIPS)—Avanti, the Italian Socialist Party daily, yesterday reported that Switzerland and the Scandinavian and Mediterranean countries of Europe have "stated that they are getting ready with an open spirit for future negotiations" on the world economy following the deadlock at the Nairobi United Nations Conference on Trade and Development meeting, "even if (these negotiations are) difficult and long, with the strict understanding that they are contributing to the creation of the instruments aimed at bringing into being the new world economic order." Avanti further stated that it was only pressure from the pro-Atlanticist Great Britain and West Germany that prevented the Common Market group at Nairobi from giving support to a new world economic order. "Once again," said Avanti, "because of British and West German opposition, history has called at Europe's door and Europe has not answered."

PCF CALLS ON GAULLISTS TO JOIN MASS POPULAR MOVEMENT

June 10 (NSIPS)—In an editorial statement in yesterday's L'Humanite, newspaper of the French Communist Party (PCF), Charles Sylvestre issued a call to the "orthodox" elements within the Gaullist (UDR) party to join with the PCF in a new mass popular movement to defeat President Giscard d'Estaing and his renegade Gaullist Prime Minister Jacques Chirac.

The Sylvestre statement follows indications from this weekend's closed-door session between the President and his Prime Minister of a compromise reached between Chirac's Gaullists and the

(MORE)

government around the questions of national defense and a much disputed speculative gains tax. Criticizing the hard line Gaullists for doing no more than raising the "standard of revolt" and then "going to bed," Sylvestre insists that "the domestication of the UDR (at Chirac's hands) underlines with force that the national charge of Gaullism needs to be rediscovered in the assembling of popular forces."

PCF Secretary General Marchais echoed the same line in a national broadcast by stating that the Gaullists and the PCF "can fight together" on defense questions.

FRENCH TAX BILL SPLITS GISCARD'S PARTY

June 10 (NSIPS)—Many deputies from France's Independent Republican party (RI)—the party of Atlanticist President Giscard d'Estaing—agree with the Gaullists in the UDR party that Giscard will wreck his majority coalition if his promotion of anti-industrial-capital reforms is not stopped, according to this week's issue of the magazine *Le Point*. Finance Minister Fourcade, the author of a tax on profits bill which is adamantly opposed by the Gaullists, threatened the RI deputies last week prior to the parliamentary debate with expulsion from the party should any one of them vote against the bill.

According to *Le Point*, Prime Minister Chirac, an opportunist renegade from the Gaullists ranks, is now in a "dilemma" because of rumblings of revolt against the President in the UDR's ranks.

TERRORISTS MURDER GENOA'S GENERAL ATTORNEY OF THE REPUBLIC

June 10 (NSIPS)—Dr. Francesco Coco, General Attorney of the Republic in the Italian City of Genoa, was murdered June 8 by a gang of terrorists in Genoa. The gang also assassinated Coco's chauffeur and a personal guard.

Authorities have not revealed yet any information on the murders, but by late evening June 8 at least three "right" and "left" terrorist organizations, including the infamous "Red brigades" and the "New Partisans" and the fascist "Avanguardia Nazionale" were allegedly claiming credit for the killings. All of the terrorist groups who left messages for the press in conspicuous places stated that Coco's murder is not the last, but one of a series that is to continue.

ITALIAN INTERIOR MINISTRY SLATES MASSIVE POLICE MOBILIZATION FOLLOWING ELECTIONS

June 10 (NSIPS)—According to the latest issue of the Italian weekly *L'Espresso*, Italian Minister of the Interior Armando Cossiga

(MORE)

advised some of his closest collaborators that "if anything big is going to happen it will be June 22-23," in reference to the recent wave of violence in Italy, which is expected to escalate immediately after the June 20 elections. The magazine also reports that Cossiga has prepared a mobilization plan for those two key days: He will deploy 80,000 carabinieri, 78,000 police, and 30,000 fiscal police. As to where the violence is likely to originate, the magazine reports that the purportedly left-wing organization Lotta Continua, has been found to have links to Libya and the terrorist Irish Republican Army. It also reveals that Lotta Continua is perhaps the easiest group to infiltrate, and its membership includes carabinieri, police agents, and fascists.

CIA TERRORISTS LAUNCH TWO ATTACKS IN MEXICO CITY IN 6 HOUR PERIOD

MEXICO CITY, June 10 (NSIPS)—Terrorists of the Mexican "23rd of September League" carried out two attacks on the outskirts of this city in a period of less than 6 hours June 8. The "23rd League"—widely identified during the last year by progressive political and press circles and by the Mexican Labor Party as a CIA controlled gang—has stepped up its attacks during the last five days following an attack last Friday in which six policemen were killed.

In the latest incidents, three terrorists who were surprised painting 23rd of September slogans on the walls of the Aceros Nacionales Steel plant and the Campos Hermanos machine tool plant both located on the outskirts of Mexico City, opened fire on a police patrol on the early morning of June 8. No one was injured and the terrorists made a safe getaway, according to the June 8 Mexico City press. The Campos Hermanos plant has been the site of organizing by the Mexican labor Party during the past three months.

In a second incident a police guard station in the southern part of Mexico City was shot at yesterday morning by individuals identified as members of the 23rd League. The attack was reported in the June 8 evening daily, Ultimas Noticias.

MILITARY THREATS AGAINST GUYANA DENOUNCED BY LATIN PEACE CONFERENCE

June 10 (NSIPS)—The First Latin American and Caribbean Conference of National Peace Movements has denounced the "danger of aggression that threatens Guyana incited by Yankee Imperialism." The conference denunciation stated that "among the tactics of imperialism is that of using a 'principal partner' such as Brazil, to function as 'American Policeman.'"

The Conference, which concluded its deliberations yesterday in Bogota, Colombia added, that in addition to Brazil's role as policeman, the U.S. also pushes other countries that share borders with Guyana, "to use military actions against that country

(MORE)

in order to prevent its development along socialist principles." According to the Cuban news service, Prensa Latina, the Conference approved a unanimous resolution declaring June 16 "International Solidarity Day iwth Guyana."

The World @Peace Council will send an international delegation to Guyana on June 16 to convey the decision of the Conference to the people of that country, according to Prensa Lajina.

GUYANA DESTABILIZATION PLAYS ON RACIAL DIVISIONS

June 10 (NSIPS)—The destabilization attempt against Guyana is trying to use racial issues to divide the Guyanese people, Shirley Field-Ridley, Guyana's Minister of Information and Cultural matters, charges. The Minister made her charges in an interview with the Cuban news agency Prensa Latina which was released yesterday.

Ms. Field-Ridley referred to the anti-Guyanese attacks that are being published by the press in that country, stating that "the rumors that circulate within the country are not generated by (Guyanese) nationals." She adds that "if we can eliminate those foreign influences that provoke coups using the (racial) divisions, then we will be out of danger."

Acknowledging that the country's main ethnic groups, East Indians and blacks, have not always lived in harmony the Minister said, "We must recognize that the concept of culture includes ideology and values." However, she added, "these divisions that are exacerbated by the anti-Guyana campaign disappear under socialism...when we work together in development projects."

PERUVIAN ECONOMIC OFFICIAL CONFERS WITH ROCKEFELLER OPERATIVES

June 10 (NSIPS)—The head of the Peruvian Ministry of Social Property (CONAPS, a defined sector of the economy), Angel de las Casas, met in Washington last week for a strategy session with top representatives of the Organization of American States, Inter-American Development Bank, the International Monetary Fund, the World Bank and the David Rockefeller-run Council on the Americas, according to the Peruvian daily La Prensa. Under cover of discussions to arrange "technical aid" financing for social property, industrial and agricultural projects, de la Casas also met with the Latin American Director for the Agency for International Development, and top Kissinger advisor Luigi Einaudi, who developed the Rand Corporation scenario for a "Second War of the Pacific." De las Casas could not be reached for comment on the discussions.

CIA RESPONSIBLE FOR BOMBING OF CUBAN UN MISSION CUBA CHARGES

June 10 (NSIPS)—The Cuban Permanent Representative to the UN has accused the CIA of being responsible for the bombing of the Cuban UN mission on Saturday, June 5. Ambassador Ricardo Alarcon

(MORE)

said that the bombing "was not the first time that those bankrolled by the CIA blatantly announce their intentions to undertake attempts against the lives of the representatives of the Cuban Revolutionary Government."

The Ambassador's declaration, transmitted yesterday by the Cuban news service Prensa Latina, stressed that, "in none of these attempts have any actions been taken by the American authorities to apprehend and punish the felons." Alarcon added that "the behavior of the U.S. government is a blatant violation of its commitments as host country."

Alarcon indicated that the atmosphere conducive to these attempts was created by "the aggressive, irresponsible and cynical statements made recently against Cuba by the principal leaders of imperialism, including key government and diplomatic leaders of the U.S."

CANADIAN ENVIRONMENTALISTS PRESS PHONY TERRORISM SCARE

June 10 (NSIPS)—In a broadcast aired prominently on Swedish radio yesterday, a spokesman for the environmentalist group, Green Peace, claimed knowledge of a black market for Plutonium which terrorists could use to acquire enough nuclear material to poison a major city's water supply. Patrick Moore, the spokesman, claimed that the group knew of contacts, prices, drop-off points and deliveries but would not provide any specific information. Moore's warning about poisoning water supplies is identical to a warning issued by Institute for Policy Studies-linked muckraker Ralph Nader last week in reference to the dangers of nuclear power.

VVAW OCCUPIES STATUE OF LIBERTY

NEW YORK, JUNE 10 (NSIPS)—15 members of the Vietnam Veterans Against the War, created by the Institute for Policy Studies for U.S. Military Intelligence operations, two days ago seized the Statue of Liberty in New York Harbor under the slogans of the terrorist July 4th "Bicentennial" movement, "Get off our backs!" The VVAW members who are allied with the July 4th group and the Maoist Revolutionary Union, have barricaded themselves into the monument and then hid from the US Park Service officers who went looking for them.

President Ford will spend several hours in New York City on July 4 for Bicentennial celebrations.

REAGAN TO PUSH HARD FOR PARTY UNITY

WASHINGTON, D.C., June 10 (NSIPS)—A Reagan for President Committee

(MORE)

spokesman said last night that Ronald Reagan will be "pushing very hard for the unity of the Republican Party." According to CBS radio yesterday, Reagan said that now that the primaries are over, he and President Ford should refrain from any divisive attacks against one another and that party unity is of the utmost importance.

ROCKEFELLER WARNS AMERICANS TO TAKE CARE IN TELEPHONE CONVERSATIONS

June 10 (NSIPS)—Speaking to the National Broadcast Editorial Association yesterday, "Vice-President Rockefeller warned Americans to be more careful of what they say on the telephone for fear someone else might be listening in," according to a UPI release in today's New York Daily News.

"He said that it could be either a foreign intelligence agent or an unsavory American element, otherwise unidentified," the article stated. Rockefeller also warned "that monitoring and recording could involve wholesale invasion of privacy by organized crime, other information seekers or could be for blackmail, hijacking or terrorist purposes," the article said. It quoted the Vice President as stating: "The President is deeply concerned about this problem and is taking steps to reduce the vulnerability of our telecommunications system."

END OF EARLY NSIPS FOR THURSDAY JUNE 10

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LATE EVENING EDITION

SYRIANS ACCEPT PAN-ARAB PEACE KEEPING FORCE IN LEBANON

June 10 (NSIPS)--Syrian President Hafez Assad has accepted the idea of sending a pan-Arab peace keeping force into Lebanon to implement a ceasefire, according to today's Christian Science Monitor. The Monitor reports that Assad "sees this as the course most likely to ensure minimum loss of face or prestige from his troops whose advance into Lebanon has been stalled by Palestinian and leftist opposition to the Syrian invasion of last week.

The pan-Arab force will be made up of troops from several Arab countries. German Democratic Republic radio reports that 20 Arab League member states have supported the Arab League decision to send a peace keeping force.

SYRIAN OFFENSIVE IN LEBANON STALLED BY STRONG LEFTIST RESISTANCE

June 10 (NSIPS)--Three columns of invading Syrian tanks and infantry have been stopped at three strategically important areas in Lebanon, according to the Baltimore Sun today. Despite efforts for days to break through strongly-fortified leftist outposts throughout the mountains overlooking Beirut and on the Beirut-Damascus highway, the major Syrian deployment of heavy artillery has been stopped at the town of Sofar, 20 miles east of Beirut. Similarly, a column of troops has been stalled outside of Tripoli in the north and another outside of Sidon, after a leftist and Palestinian counter-attack drove the Syrians out of Sidon yesterday, destroying 24 Syrian tanks in the fighting. Shelling from jet fighters continued last night hitting Palestinian camps outside of Tripoli and claimed five lives. Bloody skirmishes are still continuing between the PLO's Fatah and the Syrian backed commando force Saiqa west of Beirut.

PENTAGON INTELLIGENCE SAYS SYRIA'S ASSAD IN "DEEP, DEEP TROUBLE"

WASHINGTON, D.C., June 10 (NSIPS)--Syrian President Hafez Assad is in "deep, deep trouble within the Syrian Baathist Party," according to a high-level Department of Defense intelligence official today. "Assad has a tremendous problem," the official said, referring to the Syrian intervention into Lebanon. "Assad is in mud over his ears...He's like an automobile in mud with slick tires--he can't move."

Asked what the reaction has been to the Soviet government warning on the Mideast, the official said that his personal reaction was that he didn't "give a good goddamn what the Soviets say...

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the Soviets aren't going to do a goddamn thing...Israelis are not going to do a goddamn thing either...they'll huff and puff and make statements, but they aren't going to do anything."

The official stressed that a pro-Iraqi leftist or a pro-Saudi Arabian rightist coup in Syria was "not appropriate." The threat to Assad was an "internal Syrian Baathist Party" matter, he said, and the intervention of Arab forces would be of "little help" to the syrian President.

U.S. STATE DEPARTMENT ADVISOR CALLS FOR ASSAD
TO MOVE IN AND CRUSH THE LEFT

WASHINGTON, D.C., June 10 (NSIPS)--A high-level pro-Israel think-tanker who acts as a Mideast advisor to the State Department and who conferred with former U.S. Envoy to Lebanon L. Dean Brown earlier today said in an interview this afternoon that he is advocating that the Syrians move to "mop up" the left in Lebanon. In reply to a question that Assad had acted rationally in accepting the Arab League ceasefire, he answered: "Rationality? Ha! It would be useful for everybody if the PLO would be crushed in Lebanon. The Syrians just might do it yet. Somebody will have to. Only the Syrians can do the job properly." He fervently discounted any possibility of Iraqi or Soviet reprisal despite the just-issued Soviet warning on Lebanon, calling it a "bluff," and further accused President Ford of being "stupid."

The source, a close associate of Secretary of State Henry Kissinger, further praised Israeli warhawk General Ariel Sharon as the man "who can deal with the PLO," unlike the current Rabin government. He concluded that, under heavy Saudi pressure, "the Syrians will launch a final invasion and wipe out the left."

L. DEAN BROWN SCORNS ARAB LEAGUE ARMY INTERVENTION,
SOVIET MIDEAST WARNING

WASHINGTON, D.C., June 10 (NSIPS)--"It will be a long day in the morning before anybody puts an Arab League army together to do anything in Lebanon," L. Dean Brown, Secretary of State Henry Kissinger's special envoy to Lebanon said today. "By the time the Arab League gets anything together," Brown continued, "it will be weeks at least. They'll spend more time fighting each other than getting any army. So why should (Syrian President) Assad be concerned? Now he can save face; he can use the pan-Arab language to justify his stay in Lebanon. His army can stay where it is and sit and wait and apply a tremendous amount of pressure in Lebanon."

Asked to comment on the Soviet TASS warning on the gravity of the Mideast situation which was issued yesterday, Brown gloated that "the Soviets have been sort of on the spot in relation to Assad's move into Lebanon. He moved in when Kosygin was in Damascus. Now this TASS statement: Ha, Ha; that's all part of the game; we warn against intervention, they warn against intervention."

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Brown confirmed that he had urged the Syrian invasion of Lebanon, "but only to stop the killing; it had nothing to do with policy from the U.S. That part is entirely up to Henry."

SYRIANS READY TO RESUME INVASION,
SAYS W. GERMAN FOREIGN MINISTRY OFFICIAL

BONN, W. Germany, June 10 (NSIPS)--A West German Foreign Ministry representative ominously predicted today that "if a real agreement is not seriously implemented in the next 24 to 48 hours" in Lebanon, Syria will continue its move into Lebanon and re-establish its fait accompli. He added that Syria considers that the pan-Arab forces to be sent to Lebanon will be in addition to the Syrian forces already there. He claimed that many countries at the Cairo Arab League meeting supported the Syrian position.

ABOUREZK SPORTS ARAB LEAGUE PEACE KEEPING
FORCE IN LEBANON

WASHINGTON, D.C., June 10 (NSIPS)--After reporting that his contacts in Beirut say that there is a lull in the fighting in Lebanon, a Middle East aide to Senator James Abourezk (D-SD) said this morning that the Senator now supports the Arab League intervention into Lebanon and may come out with a statement to that effect later today. The office also indicated that the Ford Administration is acting to restrain the Israelis, but refused to report who and how.

Only one hour prior to the endorsement of the Arab League move by the Senator's spokesman his office was still indicating support for the Syrian action in Lebanon.

SYRIA WORRIED ABOUT IRAQI TROOP MOBILIZATION

NEW YORK, June 10 (NSIPS) -- There is "growing concern in Damascus over Iraqi troop movements" according to WQXR today, the radio station here of the New York Times. Iraq has mobilized troops along its common border with Syria following the June 1 Syrian invasion of Lebanon. CBS radio reports that the Syrian government has expressed its concern over the announcement yesterday by Iraqi leader Saddam Hussein that additional Iraqi troops were being dispatched to the "front" -- i.e. the Syrian border.

ISRAELIS FEAR MIDDLE EAST WAR

June 10 (NSIPS) -- Chaim Herzog, Israeli Ambassador to the U.N. said yesterday that the Lebanese situation had developed into a major international conflict. "It is a dangerous situation for everybody, a terrifying situation. It cannot be localized and must spill over."

This excerpt from his speech was covered widely in the U.S. press.

DIE WELT "JUSTIFIES" ISRAELI ATTACK

WIESBADEN, W. Germany (NSIPS) -- In an attempt to create a justification for a possible attack on Lebanon by Israeli armed forces the Tel Aviv correspondent of the NATO-linked West German daily Die Welt writes today that "Israel fears the day when the internal

Arab conflict is ended in Lebanon." "In the Defense Ministry and in the General Staff," Die Welt continues, "it is presumed that after a ceasefire in their northern neighbor country, a dangerous situation could arise on the Israeli-Lebanese border....Such a (pan-Arab peacekeeping) force would be well organized and have its own dynamic. In case of a new Mideast war they could become a threat to northern Israel."

A WALL STREET FIRM SAYS USSR PUSHING GOLD BEHIND THE SCENES

GENEVA, June 10 (NSIPS) — Giuseppe Tomo, head of the international division of the Wall Street brokerage house of E.F. Hutton, said in a telephone interview today that further moves by European central banks and other financial institutions towards increased use of gold in financial transactions would develop within the next few months. Support for these developments would be forthcoming in the form of behind-the-scenes "subtle" actions by the Soviet Union. Tomo attributes the moves toward expanded use of gold to heightened expectations of accelerating inflation. Such developments sharply conflict with the U.S. Treasury's decade-old policy of seeking complete demonetization of gold internationally.

OPEN SPLIT IN WEST GERMAN FOREIGN MINISTRY

WIESBADEN, W. Germany June 10 (NSIPS) — Speaking before a special meeting of the West German parliamentary committee for foreign affairs, West German Foreign Ministry Hans-Dietrich Genscher admitted yesterday that "there is no uniform opinion" within the Foreign Ministry about the two-week-old Soviet Government call to the country's "reasonable circles" to halt all warmongering. Genscher, according to a report in today's Die Welt, explained that while some people in the Ministry believe the Soviet call is a "fundamental offer by Moscow for cooperation," others continue to refer to Moscow's "threatening undertones" in the document.

The depth of the split in the Ministry is indicated by the hurried dispatch today of an all-party delegation of West German parliamentarians to Moscow for talks with Supreme Soviet officials. The Soviet Union meanwhile is making its pressure felt on the situation through the current visit to West Germany of Polish Prime Minister Edward Gierk. The Polish leader has been conducting talks on the Soviet "Collective European Security Pact" proposal, as well as international economic matters, according to today's Frankfurter Allgemeine Zeitung.

ECHEVERRIA: NEW WORLD ECONOMIC ORDER IS MATTER OF SURVIVAL

June 10 (NSIPS)—Mexican President Luis Echeverria told a University of Guadalajara audience two days ago that the new world economic order is a "task of survival," and this is the reason why "the next (Mexican) regime will follow the same Third Worldist policy that has been followed until now." President Echeverria added that "It is indispensable to follow the same path. We must defend our natural resources, fight for a different world economic order...obtain low interest international loans for our development."

In a statement in Mexico City earlier the same day, Echeverria made reference to the International Labor Organization (ILO) meeting presently taking place in Geneva, and reiterated his commitment to "a true development policy," which, he explained, "is not simply investments or the impersonal creation of jobs," but

fomenting "the development of all the potentialities for improving individual and collective life." Elaborating on the subject, Echeverria added that "It is not important to gain higher salaries if at the same time these are not employed better; it is not important to increase production in the abstract, but rather multiplying that which satisfies the majorities."

Echeverria's statements were reported yesterday in the Mexican daily El Nacional, the government newspaper.

GAULLIST SPOKESMEN ATTACK GISCARD'S SUBORDINATION OF FRANCE TO NATO ON TV SHOW

June 10 (NSIPS)--Gaullist leaders Michel Debre and Pierre Messmer, both former ministers in the late French President De Gaulle's cabinets, attacked French President Giscard d'Estaing and Chief of Staff General Mery's recent commitment of the French army to fight in NATO's "forward defense" strategy against the East Bloc, during a television interview with Antenne 2 yesterday. Messmer noted that for this coordination of policy to work, "a tight rapprochement with the NATO command, very tight cooperation, is indispensable...even subordination." Both spokesmen noted that despite recent claims by Prime Minister Chirac, a renegade Gaullist, that "nothing has changed" in defense policies, "the hypothesis envisioned by General Mery would eliminate all freedom of decision-making for France." "Behind all this," they said, there is a choice of policies. Our problem is not to look for such or such an outside fight, but to have a deterrent capability sufficient to prevent any potential aggressor against France from concretizing its threat."

The statements were reported in today's L'Humanite, organ of the French Communist Party.

PCF HEAD CALLS ON GAULLISTS TO ABANDON UDR, JOIN PCF

June 10 (NSIPS)--French Communist Party General Secretary Georges Marchais issued a statement yesterday calling on the "Gaullist popular electorate which can no longer bring its support to the UDR" (the Gaullist party, controlled by Atlanticist Prime Minister Jacques Chirac - ed.) to join forces with the PCF, the "only party which translates their thoughts on the level of (national) independence and sovereignty."

According to today's L'Humanite, Marchais also attacked the French government and others for invoking the pretext of a threat from the East to justify de facto integration with NATO, noting that "the Soviet Union and other socialist countries threaten no one; they do not cease to propose going further in peaceful coexistence."

EUROPEAN LABOR PARTY CHALLENGES BERLINGUER TO A DEBATE

June 10 (NSIPS)--The European Labor Party (ELP) has challenged the general secretary of the Italian Communist Party (PCI), Enrico

Berlinguer, to a debate, to be held today in Rome.

The news was reported by the prestigious daily Corriere della Sera, which stated that "Berlinguer was challenged to a debate on economic policy by the Partito Operaio Europeo. The public debate will be held today at 1730 hours at the Leonardo Da Vinci Hotel in Via Gracchi." "The PCI secretary's antagonist will be Fiorella Operto (General Secretary of the Partito Operaio Europeo -- the Italian name for the ELP)," stated Corriere.

In issuing the challenge to Berlinguer, the ELP had circulated a memorandum blasting Berlinguer for his advocacy of economic policies which favor Wall Street banks' efforts to collect Italy's foreign debts and calls for genocidal austerity against the Italian population. Miss Operto stated in her challenge to Berlinguer that "if Berlinguer is a man" he should come and try to defend his economic policy.

AVANTI CHARGES THAT VIOLENCE IN ITALY OPENS THE WAY FOR A PINOCHET

June 10 (NSIPS) -- Avanti, the official newspaper of the Italian Socialist Party (PSI), charged in an editorial today that the new wave of violence in Italy is an attempt to open "the way for a Pinochet who has his order and recovery through the limitations of freedom." The paper also charged that the "manipulation of delinquents and adventurers rallied under the Red Brigades is a desperate and infamous effort that the fascists and worst reactionaries create in order to invent a left threat to the State and its institutions."

The Red Brigades have been exposed in the past as a terrorist organization, and are totally discredited among Italians. Nevertheless, the press controlled by the Italian Atlanticists are continuing to use the Red Brigade myth to create chaos and confusion. Today La Stampa, the newspaper of the Fiat empire of top Atlanticist conspirator Gianni Agnelli, also stated editorially that the Red Brigades "have men and the means to hit...there is no doubt that (the murder of general attorney Colo in Genoa two days ago) is a declaration of civil war in the name of unexisting armed proletarian power..."

SENATOR JAVITS FUELS ROCKEFELLER'S NUCLEAR TERRORISM

NEW YORK, June 10 (NSIPS)--Senator Jacob Javits (R-NY) declared flatly that "there is bound to be a nuclear terrorist incident" at a press conference on terrorism sponsored by the Ralph Bunch Institute of the City University of New York and held at the offices of the Japan Society yesterday. Queried at the conference if he would support an investigation into the nuclear terrorism spawned by Marcus Raskin's Institute for Policy Studies even though this would directly implicate Vice-President Nelson Rockefeller and Secretary of State Henry Kissinger, Javits told the U.S. Labor Party questioner that "there should be a special committee to deal with people who ask questions like that."

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Javits said that the center of the terrorist danger is in the Third World, and specifically pinned the blame on Libya. Javits called for the "setting up of strict sanctions against governments who foster terrorism" wither before or after the fact.

Contradicting the estimates of numerous nuclear weapons experts, Javits claimed that existing nuclear technology was such that a terrorist group could build a nuclear device for nuclear blackmail against governments..

AMERICAN LEGION TO CALL FOR INVESTIGATION OF CAMBRIDGE INSTITUTE

BOSTON, June 10 (NSIPS)--The Boston wing of the Institute for Policy Studies, the Cambridge Policy Studies Institute, is likely to come under investigation for its role in creating the Institute's international terrorist networks. The question of recommending a congressional investigation will be brought up to the Board of the Massachusetts State American Legion within the next 48 hours for formal approval. In recent conversations with six members of the Board, the U.S. Labor Party has found universal support for a full investigation of all of the Institute's activities.

DALEY WINS T.R.O. AGAINST NAZI PARTY IN CHICAGO

June 10 (NSIPS)--Chicago Mayor Richard Daley yesterday won a temporary restraining order (TRO) against the American Nazi Party that prohibits the Party from causing any racial disorders on the Southwest Side of Chicago, according to today's Chicago Tribune. The order also prohibits the Nazis from "urging or participating in physical violence toward blacks, or using or directing the use of or dispensing materials which urge violation of the rights of blacks in the area."

Mayor Daley commented on the decision: "Nazis have no right to free speech." The six-week restraining order stemmed from the Nazis' part in fomenting racial violence on Marquette Park last Sunday.

OHIO SENATE COMMITTEE PASSES YOUTH SLAVE LABOR BILL

COLUMBUS, Ohio, June 10 (NSIPS)--The Ohio Senate Labor and Commerce Committee today approved a bill which would set up labor intensive work camps for unemployed youth to work at less than 4 dollars a day. According to legislative sources, plans are to have the bill, which is modeled on the Depression Civilian Conservation Corps, clear the Judiciary Committee today and reach the Senate floor on Monday. The bill has already been passed by the State Assembly.

Passage came despite the fact that only one witness, the bill's author, Assemblyman Wilkowski, showed up to testify in support of the measure at Labor and Commerce Committee hearings yesterday. With extensive U.S. Labor Party lobbying against the bill, including testimony by USLP Vice-Presidential candidate Wayne Evans, many members of the Committee had predicted that the bill would be defeated in Committee.

However, the bill was rammed through the Committee today following a cosmetic amendment which shifted the administration of the work camps from the Adjutant General who oversees the National Guard to the Human Services Department, and a major armtwisting effort.

—THIRD REICH WAGE CONTRIBUTION SCHEME BEING PLANNED IN NYC

NEW YORK, June 10 (NSIPS)—The U.S. Labor Party confirmed today that construction union leaders here are engaged in secret negotiations with the office of New York City Mayor Abraham Beame to impose a Nazi wage contribution scheme on every construction worker in New York. According to a source close to the negotiations, the two sides are attempting to hammer out a plan under which every construction worker would have 50 cents deducted from his paycheck, for the purchase of city Construction Agency Bonds. The negotiations "are now at a delicate stage," the source said.

Proponents of the scheme, modeled on programs first introduced by Adolph Hitler in the 1933-37 period, claim that it will provide money to ensure that the city can supply matching funds against the 75 percent of city construction monies which are provided by the federal government under construction aid programs.

An International Brotherhood of Electrical Workers official in New York confirmed that the city tried to set up such a scheme several months ago, but said that unions had refused to buy housing agency bonds because the agency would not guarantee the investment.

GOTBAUM BRINGS ROHATYN TO CONGRESSIONAL MEETING

NEW YORK, June 10 (NSIPS)—Victor Gotbaum, Executive Director of the American Federation of State, County and Municipal Employees (AFSCME) District Council 37 in New York City, showed up at a weekend meeting between the New York City congressional delegation and union leaders in the company of Big-MAC Chairman Felix Rohatyn, to add weight to his fight against debt moratorium. The meeting opened, a bitter Gotbaum aide revealed today, with Congressman Herman Badillo of the Bronx urging that the city not repay its 2.3 billion dollar federal loan, and pointing out that services come first. Gotbaum attempted to rebut Badillo by insisting that all the debt must be paid. Badillo denounced Gotbaum as legally incompetent, and was supported by Representative Charles Rangel of Harlem. Representative Elizabeth Holtzman, also present, was said to be "unsure where she was."

END NSIPS-LATE JUNE 10, 1976

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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (NSIPS)
EARLY EVENING NEWS ROUND-UP
FRIDAY, JUNE 11, 1976 1500 HOURS EDT

**SYRIANS SABOTAGE ARAB LEAGUE INTERVENTION,
PRESS ON TOWARD BEIRUT; FIGHTING HEAVY**

NEW YORK, June 11, 1300 hrs EDT (NSIPS)—The planned intervention into Lebanon by Arab League peace-keeping forces has "come to an end and is no longer operable," as Syrian forces with "all the authority they could muster have said that they plan to stay in Lebanon until the job is finished," WINS radio here has just reported. According to the station, substantial fighting was renewed last night in which at least 80 people were killed.

Earlier reports from European media sources similarly reported that the Syrian invasion is proceeding apace and is provoking heavy fighting in Lebanon. Citing a Palestinian spokesman, French radio reports that "there has never been a real ceasefire." West Germany's Deutschlandfunk radio claims that "the fighting has increased on all fronts. The Syrian troops are advancing toward Beirut and shooting at Palestinian refugee camps."

Swedish radio reported this morning that "further Syrian troops have entered Lebanon and it seems that the Syrians are out for a military solution. Earlier information that a pan-Arab peace force has arrived in Lebanon appears to be wrong. The arriving forces were Syrian troops."

Reached for comment in Washington this morning, an Arab diplomatic source reported that Syrian units are now being airlifted into Beirut International Airport for further fighting. CBS radio reports that a Palestine Liberation Organization communique also claims that large numbers of Syrian troops were airlifted into Beirut. The communique also reports that Syrian ground-to-ground missiles have been installed to the south and east of Beirut.

**"FEVERISH CONSULTATIONS" LEAD TO
"TOTAL REVISION" OF ISRAELI POLICY**

June 11 (NSIPS)—"Feverish consultations" were held over the night of June 9-10 that led to a "total revision" of Israeli policy in respect to Lebanon, today's L'Humanite, newspaper of the French Communist Party, reports. Citing the Israeli rightist newspaper Maariv, L'Humanite states that the Israeli government decided to

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take upon itself the right to take any actions needed to face the arrival of new Arab units in Lebanon.

Also citing Maariv, the French daily Le Figaro today reports the original concept of the "red line" conditions under which Israel would intervene into Lebanon if Syrian intervention went beyond a certain point "is no longer reliable after the arrival of Arab extremist units in Lebanon. A new situation is being created."

At the same time, Israeli Chief of Staff General Mordechai Gur told a group of Israeli soldiers yesterday that Palestinian guerrillas now fighting in Lebanon were gaining battle experience that they would later use against Israel. According to the New York Times, Gur warned that "if the fighting ends in Lebanon, we must expect these forces will be turned against us."

MAPAM DEMANDS RABIN REPUDIATE DAYAN AND PERES, MOVE FOR ISRAELI PEACE PLAN

June 11 (NSIPS)--At a national party convention currently being held in Israel, the leftist Mapam Party "made it clear" that it was prepared to pull out of the ruling coalition with the Labour Party if Israeli Prime Minister Yitzhak Rabin did not "come up with a clear plan for peace with the Arab states and declare its official opposition to Israel's hawks, personified by General Moshe Dayan and supported in the Cabinet by Mr. Peres," yesterday's London Daily Telegraph reports.

Attending the conference, Rabin declared that "Israel is available to make major territorial concessions to the Arab countries, if they agree to deal with Israel for a peaceful and definite solution of the Middle East conflict," the Italian Socialist Party newspaper, Avanti, today reports. Avanti comments that "it is remarkable that this declaration came at the peak of the Lebanon conflict."

EVANS AND NOVAK: ASSAD HAS GONE TOO FAR TO TURN BACK

June 11 (NSIPS)--Writing in today's New York Post, CIA conduit columnists Roland Evans and Robert Novak state that Syrian President "Assad's adventure (in Lebanon) has gone too far to be turned back. If he fails and is overthrown, Israel's watch-and-wait and see policy may also be overthrown, to be replaced by an Israeli invasion of southern Lebanon....Down that road lies Middle Eastern war and a turn of the clock back to October 1973, when the U.S. and the Soviet Union hovered on the brink of World War III."

The columnists quote a Ford Administration official as saying that "Assad has a tiger by the tail and he may not be able to let go. What he is trying to do may not be doable."

While Israeli "hawks," they say, have long "been hoping that a pretext would someday present itself for occupying the southern portion of defenseless Lebanon up to the Litani River," Washington assurances that Assad is only interested in wiping out "Moslem left-wing extremists, including the hated Palestine Liberation Organization," have so far persuaded Israel to hold back.

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Now, however, Assad's tanks have met stiff and unexpected resistance from "well-armed, bandit type gangs which roam at will" in Lebanon. Moreover, "clandestine propaganda...from Syria points to an anti-Assad reaction beginning to bubble." Assad's failure in Lebanon could prove "fatal," they state, and if "he is replaced by a more radical regime, Israel would confront...a more dangerous Lebanon...a newly-radicalized Syria...together with new Syrian bellicosity in the Israeli-occupied Golan Heights."

The other "tragedy" that points to an escalation in the Mideast war danger, the columnists write, "is the importance of today's U.S. Mideast policy," which is totally intermeshed, according to them, with the success or failure of Assad's intervention in Lebanon.

FORD DISPATCHES TOP AIDE TO MIDEAST

WASHINGTON, D.C., June 11 (NSIPS)—Director of the Office of Management and Budget James Lynn will leave for the Mideast soon to investigate the parameters of various foreign aid programs to countries in that region. The dispatch to the Mideast of Lynn, who is a holdover from the Nixon Administration and who is known to be close to President Ford, rather than a State Department official, is viewed as unusual by Washington observers.

INFLUENTIAL JEWISH SOURCE SAYS "OUTSIDE FORCES" TRYING TO RESTRAIN ISRAEL

CHICAGO, June 11 (NSIPS)—An influential source in the American Jewish community said today that there are "strong efforts coming from the outside to restrain Israel" in the current tense situation in the Mideast. The source indicated that President Ford as well as influential private citizens are in close contact with the Israelis and trying to prevent them from acting in Lebanon.

The major problem, the source indicated, is President Ford's continued refusal to fire his war-mongering Secretary of State, Henry Kissinger, because of what Ford perceives as the Reagan threat.

LEBANON'S FALANGE OPPOSES ARAB LEAGUE MOVE, BACKS SYRIA

June 11 (NSIPS)—Lebanon's still-untopped fascist President Suleiman Franjeh "has opposed the Arab League's call for dispatch to Lebanon of a security force" that would include units from various nations and "has backed the Syrian military intervention," the Washington Post reports today. According to Post reporter Douglas Watson from Beirut, Franjeh stated, "We warn against any decision that may be taken about Lebanon without our approval because it would be null and void."

Further public attacks against the Arab League move came from the leader of the fascist Falange party, Pierre Gemayel, who stressed, "There is no need for an Arab united army to come to Lebanon to bring security, because we already have the Syrian forces here to pacify the country." Watson notes that the Lebanese rightists are still actively pushing for a French military

intervention and that if they continue to oppose the Arab League peace-keeping force proposal, "its chances of success will be substantially reduced."

Reporting on these right-wing activities, the French Communist Party's newspaper, L'Humanite, notes that Franjeh has called for a "military mobilization" against Arab League intervention in Lebanon and is getting full backing on this from fascist Interior Minister Camille Chamoun. "This right-wing attack against the left was very probably engineered by Syria, who pushed Franjeh for this," L'Humanite comments.

LOPEZ PORTILLO CONDEMNS OAS MEETING AS FASCIST

June 11 (NSIPS)—Mexican President Luis Echeverria's successor Jose Lopez Portillo three days ago made clear that Mexico's decision not to attend the Organization of American States (OAS) meeting being held in Chile was taken "so that our absence underlines our decision to repudiate fascism." Portillo made these statements at a Presidential campaign rally, on the eve of the arrival of U.S. Secretary of State Henry Kissinger for a four-day visit to Mexico on his way back from the OAS conference.

After a strong condemnation of fascism, which he referred to as "the dark shadow which is beginning to cover Latin America," Lopez Portillo made a call for fighting fascism "and its unequivocal expressions of terrorism" both at home and abroad. His statements were reported yesterday by Excelsior, a Mexico City daily.

MEXICAN FINANCE MINISTER PLEDGES FURTHER AUSTERITY

June 11 (NSIPS)—Speaking as the guest of honor at a dinner given by the American Chamber of Commerce in Mexico on June 9, Mexican Finance Minister Ramon Beteta reaffirmed his belief that Mexico's huge foreign debt "is within our capacity for payment" and that inflation would be fought by managing "aggregate demand." In addition, according to the Mexican daily El Sol, Beteta told his audience that his economic policies were designed to fight inflation "within what is realistically possible, so that expenditures are adjusted to income, within a policy of budgetary discipline."

The Mexican Finance Minister, speaking a day before U.S. Secretary of State Henry Kissinger addressed the same Chamber in Mexico City, also claimed that foreign investments and debt-servicing led to the growth of the productive capacity of the country. Warning against one-sided views against making payments on the 22 billion dollar Mexican foreign debt, Beteta pleased his U.S. backers by telling them that "if this (positive) side is not taken into account, one runs the risk of being partial in judgment and of only seeing the black side of the moon, without seeing the side that shines so beautifully on earth."

MONTERREY GROUP AGENT CALLS FOR FASCIST LABOR POLICIES FOR MEXICO

June 11 (NSIPS)—Institute for Policy Studies Mexican agent R. Guajardo Suarez three days ago charged that the Agrarian Reform

(more)

(the government policy designed to equitably distribute land to the peasantry, which dates from the 1910 Mexican Revolution) "has come to its end." Guajardo Suarez, a representative of the powerful right-wing group of industrialists known as the "Monterrey Group," made his statements two days ago at a meeting of IEPES, the ruling PRI party's group of experts in charge of elaborating the program for Jose Lopez Portillo, Mexico's next President. Instead, Guajardo Suarez proposed a fascist labor policy of "full employment," which, he says, "should be intimately tied to productivity," especially in agriculture, within a new system of land tenure which would do away with communal land holdings by turning them into "private property."

Guajardo Suarez elaborated his genocidal proposals in an article the same day in the Mexico City daily El Universal, in which he calls for "intensive hand labor" instead of technology for agriculture so as not to "reduce the possibilities of employment."

Guajardo Suarez' statements at the IEPES meeting were reported in Excelsior, a Mexico City daily.

LOAN CUT-OFF IN MEXICO CITY TO CUT GROWTH

June 11 (NSIPS)—A liquidity crisis now shaking up the Mexican banking system will result in a drop in economic growth during the fall and winter quarters, according to leading Mexican bankers interviewed yesterday by the newspaper El Sol. "The private banking sector has instituted a 'virtual freeze' in loans" in the industrial Mexico City area, bankers told the Mexican newspaper, stressing that "this situation will not improve in the short run."

PERUVIAN UNION BLAMES RIGHT-WING POLICEMEN, GUARDIA CIVIL, FOR PROVOKING RIOT

LIMA, June 11 (NSIPS)—Peru's Guardia Civil has been accused of provoking a major six-hour riot June 4 involving 4,000 workers, police and residents of the area in Lima, Peru. The accusation was made by the leadership of the striking workers NYLON SA union affiliated to Peruvian Communist Party (CPP)-led General Confederation of Peruvian Workers (CGTP). Maoists armed with Molotov cocktails, Guardia Civil policemen and workers fought on a five-mile stretch of highway. Over 60 were injured and two reportedly died.

The right-wing-dominated Guardia Civil was implicated previously in provoking the Feb. 5, 1975 riots in a destabilization operation against the progressive government of then-President Velasco Alvarado.

NEW YORK TIMES GOES AFTER FORD AND THE REPUBLICAN PARTY

June 11 (NSIPS)—The New York Times served notice yesterday that it will resort to any trick in Goebbels' book to sabotage the re-election campaign of President Gerald Ford and destroy the Republican Party in the process.

(more)

In a front-page article based on a New York Times poll in California, Ohio and New Jersey, the New York Times today predicts that as many as 35 per cent of Republican Party voters will defect from the GOP in November to vote for Democrat Jimmy Carter. This survey found that both Ford and Reagan supporters would abandon their party en masse "if their Republican favorite was not the nominee." According to the same account, there would be minimal defection from the Democrats, and Carter would win back two-thirds of the Democrats who defected to Nixon in 1972.

An editorial on Ford then cites "disinterested political observers" that Reagan would give Carter "a much stiffer battle for the electoral votes of the South than would the President." Meanwhile, the Republican Party will incur "increasing risks of personal bitterness and ideological disappointment."

Times columnist William Safire goes even further, outlining how in the next six weeks the bandwagon-jumping in the Democratic Party will elevate Carter in the polls and will produce polls that show that neither Ford nor Reagan can win against him. Safire predicts that uncommitted Republicans will decide to go with their "sentimental favorite," Reagan, if neither can win and they're just "going for the ride." The other possibility is that they will reason that if any Republican is to win, he will have to take California and Texas and the Wallace votes in the South, and only Reagan could accomplish that.

End of Early NSIPS for Friday, June 11, 1976

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LATE NSIPS, JUNE 11, 1976

SYRIA REJECTS ARAB LEAGUE PEACE PROPOSAL

June 11 (NSIPS) -- Syrian Foreign Minister Abdel Halim Khaddam stated that Syria will not accept the Arab league resolution calling for a ceasefire in Lebanon, a withdrawal of Syrian troops, and a pan-Arab peace-keeping force, according to today's West German daily, Die Welt. Syria had initially accepted the proposal.

Khaddam today said Syria could accept the proposal only if it was modified, calling for substitution of Syrian troops instead of "withdrawal of Syrian troops." He also said that Syria could accept the proposal if it specified that the pan-Arab peace-keeping force be sent after receiving official approval of the nonfunctioning Lebanese government. Rightist Lebanese President Suleiman Frangieh has already opposed the proposal, reportedly at Syrian instigation.

JORDAN URGES SYRIA TO REJECT ARAB LEAGUE PEACEKEEPING EFFORTS, COORDINATING ACTION AGAINST IRAQ

June 11 (NSIPS)--The Jordanian government of King Hussein has been urging Syrian President Hafez Assad to reject Arab League offers to send a peacekeeping force to Lebanon, yesterday's French daily, Le Figaro, reports. According to Le Figaro, other unnamed Arab governments are also engaged in these sabotage efforts.

Last night, Jordanian Prime Minister Zaid al-Rifai and Jordanian Chief of Staff Maj. Gen. Zaid Ben Shaker "arrived unexpectedly in Damascus" and "went directly to a meeting with Assad. It was widely assumed that they were discussing both the Syrian-Iraqi tension, and the situation in Lebanon," today's New York Times reports.

It was Jordanian troops that carried out the 1970 Black September massacre of Palestinians on which Assad is now modelling his invasion of Lebanon. Jordanian troops and pilots have been involved in the Lebanese invasion.

SYRIAN GOVERNMENT TAKING "MEASURES" TO COUNTER IRAQI BUILD-UP

June 11 (NSIPS)--The Syrian government announced yesterday that it was "obliged" to take "urgent and appropriate measures" to counter a reported buildup of Iraqi military forces near the Syrian border, today's New York Times reports. According to Times reporter James Clarity, the Syrians are propagandizing that the Iraqi troop movements were "impeding the efforts of Syria and other Arab nations to bring peace to Lebanon," while forcing the Syrians to re-deploy troops otherwise to be used in Lebanon toward the Iraqi border.

(more)

Indicating the intense internal pressure Iraq's moves are creating for Syrian President Assad, Clarity reports that Syria's Foreign Minister Khaddam "convened a meeting of Arab ambassadors in Damascus to explain Syria's position on the reported Iraqi military movements." Also, Syria's so-called "National Progressive Front," now nearly defunct, issued a hurried statement "supporting the policies of President Assad and appealing to other Arab countries to help Syria settle the civil war in Lebanon." Clarity notes that the purpose of the declaration was "to tell the Arab world, and particularly the hostile Baath party in Iraq, that Syria was weathering any internal tensions provoked by its military intervention in Lebanon."

ARAB LEAGUE ASKS UNITED NATIONS SECURITY COUNCIL ENDORSEMENT

United Nations, N.Y. June 11 (NSIPS)—The Arab League has asked the United Nations Security Council formally to endorse the resolution passed June 10 by the emergency meeting of Arab foreign ministers in Cairo, Arab League Ambassador Amin Hilmy said today. The request was forwarded to the UN Mission of Guyana, currently president of the UNSC.

Hilmy stated that the Secretary-General of the Arab League, Mahmoud Riad, said in Cairo today that the league was opposed to any "internationalization" of the crisis in Lebanon, including the involvement of any foreign troops. The league insists that the resolution of the civil war in Lebanon, now worsened by an invasion of the country by Syria, be achieved on the Arab level.

An Arab diplomatic source also reported that the Algerian and Sudanese troops in Lebanon would help "neutralize" the invading Syrian forces, militarily if need be. In addition, he said that the mobilization of Iraqi troops on the Syrian border would pressure the Syrians and reduce their military capability in Lebanon.

IRAQ, EGYPT, PLO EXPRESS UNITED STAND AGAINST SYRIAN LEBANON INTERVENTION

June 11 (NSIPS)—Iraq and Egypt are apparently acting "in collaboration" to carry step-up pressure on the Syrian government "in an attempt to get it to carry out what was thought to be an agreement to begin withdrawing from Lebanon," today's Washington Post reports. Departing from Cairo, where he attended an emergency Arab League conference on the Lebanon situation, Iraqi Foreign Minister Saadoun Hammadi claimed that the League had agreed on the "necessity of the withdrawal of Syrian forces from Lebanon" but "expressed regret" that Syria refused to "promise that the troops would be removed," the Post notes.

The Post further reports that two additional Iraqi cabinet ministers besides Hammadi held discussions with the Egyptians on Lebanon and Syria and that Egypt, "in addition to giving wide publicity to the consultations with Iraq," made new shows of "solidarity" with the Palestine Liberation Organization, whose forces are now under siege from Syrian troops in Lebanon. For the first time in months, Egyptian President Sadat met with PLO leader Arafat, while on June 9, Egypt's only political party, the Arab Socialist Union, "staged a rally in support of the Palestinians." The Post stresses that the rally had "official approval."

INDIAN CONGRESS PARTY PAPER ATTACKS ASSAD'S INVASION OF LEBANON

June 11 (NSIPS)--The paper of the Indian Congress Party, the National Herald, on June 8 blasted the Syrian invasion of Lebanon as a "foolhardy intervention" conducted with the complicity of the U.S. and Israel to directly undermine Soviet initiatives for peace.

The Herald quoted Soviet Premier Alexei Kosygin's statement that the Syrian invasion would lead to the destruction of Arab unity and liquidate the Palestinian liberation movement. The Herald editorial speculated that Syrian President Assad might break with the Soviet Union entirely and join the American camp, but said that this would leave Assad facing a hostile Arab world. "How would Assad justify the break?" it asked. The Herald concluded by saying that Assad is in a position from which he will have difficulty extricating himself, because even if Lebanon cannot hold out against the invasion, a guerrilla movement will be consolidated by the resistance to Syria, and in any case, "politically, within Syria, Assad's political life is very fragile."

SYRIA, FALANGE STATE OF SIEGE AGAINST BEIRUT UNLEASHING TRIAGE CONDITIONS IN CITY

June 11 (NSIPS)--The leftist-controlled area of Western Beirut has been cut off from its sources of supply of food and fuel, and famine is now imminent, today's New York Times reports. At the same time, WCBS radio in New York today notes that invading Syrian forces have seized food stockpiles in Beirut, while Cuba's Prensa Latina reports that the Arab League has called twenty Arab health ministers to Cairo to discuss the danger of epidemics breaking out in Lebanon.

Reports from the June 10 British press leave no doubt that Syrian and Lebanese Falangist shocktroops are totally to blame for these genocidal conditions. In an article entitled "Beirut: City of the Dead," the Financial Times of London reports that Beirut is without electricity, water, and nearly out of food, as Syrian forces have put the city "under siege" and cut it off from the rest of Lebanon. Noting that attempts are being to repair electricity lines, the Times reports that "every time maintenance crews finish the repair work, the line is disrupted by shelling," as many Lebanese think this is done deliberately to "oppress the wrought nerves of most Lebanese." Because of the electricity cut-off, food is rotting due to lack of refrigeration, while water pumps have stopped, forcing children to "duck bullets to reach water holes."

The road from Beirut to Sidon port in the south has been cut off by Syria's "Saiga" thugs, which has "played havoc" with provision of supplies, "especially flour." Already short of bread, Beirut has been unable to receive necessary supplies because of Syria's blockade, the Times reports.

Yesterday's London Daily Telegraph reports that Beirut is "under siege" from the field guns of rightist and Falange militias. "The militia gunners, firing from positions in the east of the city, seemed bent on creating as much terror as possible," the Telegraph claims. Further, slim hopes for some compromise between the Syrians and the Palestinians on the evening of June 9 were "gradually being

NSIPS/Late/June 11, 1976/p.4

wrecked by the intervention of the right-wing Falangist gunmen who directed a "barrage" of "completely random" shelling into western Beirut.

W. GERMAN PRESS CONTINUES PUSH FOR ISRAELI INTERVENTION

June 11 (NSIPS)--West German press conduits for the U.S. State Department continue to publish arguments today in favor of an Israeli invasion of Lebanon. The Jerusalem correspondent of the Frankfurter Rundschau writes that "It is hard to imagine that Israel will passively look on when troops from the most radical Arab camp take up positions on its northern border....No one can say when southern Lebanon will become a theatre for new bloody battles." The Suddeutsche Zeitung adds that in the Israelis' opinion, "strategically the Syrian invasion was not sufficient" to pacify the left. Both papers discuss how the U.S. is heavily involved in discussing the Israeli "red line" threat. "One thing is clear," concludes the Frankfurter Rundschau, "the new regime in Lebanon, whatever it may be, will be much more bellicose against Israel."

LE FIGARO FLOATS STATE DEPARTMENT LINE ON SOVIET MIDEAST STATEMENT

June 11 (NSIPS)--Le Figaro correspondent Girard Nirascou today echoed the United States State Department in claiming that yesterday's government statement on the Middle East crisis issued by the Soviet Union is clear demonstration that the Soviets "influence is considerably decreased in the Middle East and that it has become incapable of directly acting on the events." Nirascou asserts that Moscow fears the U.S. and Israel could be tempted to look for a solution in the Middle East "excluding the Soviet Union."

FORD PRAISES SUDANESE PRESIDENT

June 11 (NSIPS)--President Ford met with Sudanese President Gaafar al-Miniery yesterday at the White House and praised him afterwards as a "constructive force for peace and stability in both the Arab and African worlds." Sudan is one of four countries designated by the Arab League to participate in a peacekeeping mission to Lebanon.

SCHMIDT REASSURING ON DETENTE FOLLOWING GIEREK VISIT

BONN, W. Germany, June 11 (NSIPS)--Press conferences and statements emerging from the Bonn meetings between West German Chancellor Helmut Schmidt and Polish Premier Edward Gierek, which ended today, indicate the two leaders discussed wide-ranging of political and economic issues. Schmidt, who has come under increasing pressure to respond to the May 19 Soviet message advising West German leaders of an imminent war-or-peace choice, expressed confidence that Western countries would continue a policy of detente -- including the U.S., regardless of electoral results, he added in response to a journalist's question. Schmidt stated that both countries are well-disposed toward troop reduction, citing the plan for a nuclear-free zone in Central Europe raised by Polish foreign minister Rapacki in the late 1950's. West German press and governmental

sources confirmed that Schmidt and Gierek discussed the May 19 Soviet declaration.

Gierek's discussions with Schmidt occupied all of yesterday and much of last night; Gierek also met with industrialists from Metallgesellschaft, Drupp and Ruhrkohle, and Christian Democratic chancellor candidate Helmut Kohl, as well as West German Communist party (DKP) leader Herbert Mies.

A number of joint economic projects were concluded, essentially along the lines of previous Polish-West German projects. "Problems of world currencies" were also discussed on the first day of Gierek's visit, according to the West German daily, Frankfurter Rundschau.

The West German cabinet will discuss the May 19 Soviet message in a session on June 16, according to today's Die Welt.

GIEREK FIELDS STRONG EUROPEAN SECURITY DEMANDS IN BONN

June 11 (NSIPS)--Speaking after his talks with Helmut Schmidt in West Germany yesterday, Polish party leader Edward Gierek emphasized the importance of consolidating the results of last summer's Helsinki European security conference with progress in the Central European arms reduction talks in Vienna, and world disarmament. Gierek recalled that improvement in relations between Poland and West Germany is entirely predicated on recognition of the inviolability of present European borders, according to the German Democratic Republic daily Neues Deutschland today.

Signalling the position of the Warsaw Treaty Organization, Gierek pointed out that Soviet-American detente is key to peace in Europe.

Gierek's colleague in the Polish leadership Edwar Babiuch told the West German Communist Party (DKP) daily Unsere Zeit that military detente is the top need for Europe. Babiuch linked military detente to the concomitant opportunities for expanding European trade, referring particularly to the pan-European cooperation conference proposals of Soviet leader Leonid Brezhnev.

NEW WARSAW PACT PROPOSAL AT VIENNA ARMS CUT TALK

June 11 (NSIPS)--Radio Moscow broadcast last night that Oleg Khlestov, Soviet delegate to the Mutual Force Reduction talks in Vienna has presented "concrete new proposals" in the negotiations there. Details were not released.

Today's New York Times story on the proposal denied that it exists and said that Khlestov merely presented new data on current Soviet Forces in Central Europe.

According to press reports, the Vienna talks are on the agenda in Bonn, where Chancellor Helmut Schmidt and Polish party chief Edward Gierek are meeting.

GANDHI IN MOSCOW PRAISES INDUSTRIALIZATION; GANDHI'S NEWSPAPER SAYS SOVIETS BACK INDIA'S REGIONAL DIPLOMACY

NEW YORK, June 11 (NSIPS)--In a press conference in Moscow today, Indian prime minister Indira Gandhi delivered a strongly worded attack on opponents of India's Soviet-aided program of industrial development, according to Prensa Latina. She said that "the Soviet Union provided valuable help to aid the growth of the public sector of our economy in a period when the eternal enemies of the Indian people criticized our policy of preferential development of the industrial sector. Today we can see that effort has permitted us to double our agricultural production as we support our growth on the industrial base that we constructed." Gandhi was implicitly attacking the World Bank and allied agencies that had long opposed the industry policy.

In a June 7 editorial on Gandhi's Moscow trip, the National Herald, newspaper of Gandhi's ruling Congress Party, observed that Moscow has begun to use its own influence in favor of mutual reconciliation of disputes in the Indian Subcontinent region, the same policy Gandhi has been following in recent months. It said that the Soviets have advised Afghanistan to improve relations with Pakistan, which helped lead to Pakistani Prime Minister Bhutto's current visit there, and that the Soviets could not but welcome the "recent initiative bringing the governments and peoples together." And as for India's opening toward Peking, widely billed in the west as an Indian move away from Moscow, the Herald said that Moscow itself wishes to mend its fences with China, and "any progress that India makes in her search for peace and reconciliation there could not but contribute to Moscow's own longterm objectives in that quarter."

SOVIETS DEMAND ILO MAKE ARMS INDUSTRY RECONVERSION INTERNATIONAL POLICY

June 11 (NSIPS)--According to the trade union daily Trud, the Soviet delegate to the Geneva International Labor Organization meeting, Petr Pimenov, proposed there that the ILO should "take up serious research on reconversion of the arms industry, i.e. shifting military production to peaceful rails." The package presented by Pimenov confirms that the communist-affiliated World Federation of Trade Union (WFTU) delegations intervened firmly at the ILO meeting against labor intensive programs on the agenda.

The WFTU demands include guarantees for increased production, guarantees of workers' standard of living, and expansion of international trade and economic cooperation. The last point, on disarmament and defense industry conversion, breaks new ground in making these explicit elements of international policy, to involve the socialist sector, the capitalist countries, and the Third World.

Pimenov assailed the ILO documents presented at Geneva as incompetent, noting that they failed to discuss the capitalist crisis as the fundamental cause of unemployment.

TETHER: 'GOLD SYSTEM BEGINNING TO BECKON'

June 11 (NSIPS)—"Only more or less continuous feats of brinkmanship of the kind organized round the pound now stand between the world and the ultimate catastrophe," C. Gordon Tether charges in the London Financial Times yesterday.

The growing realization of this among financial authorities, the columnist says, means that "solid progress has been made towards giving gold the greater stability that will make it much easier for it to move into the central monetary role that is now beginning to beckon."

The Soviet Union is urging a role for gold, Tether says, citing the latest quarterly report of Moscow's London trade bank. The Soviets "happen to be major producers of the stuff themselves," he adds. "But that does not alter the fact that there is a great deal in what they are saying. And it so happens that they are far from being the only ones saying it."

BASEL-BASED BANK FOR INTERNATIONAL SETTLEMENTS TO REPLACE IMF AS TRANSITIONAL INTERNATIONAL MONETARY INSTITUTION

NEW YORK, June 11 (NSIPS)—The Basel-based Bank for International Settlements (BIS), also known as the central bank for European central banks, is to act as the transitional institutional framework replacing the bankrupt International Monetary Fund on the road to a gold-backed international monetary system, according to a knowledgeable Eurocurrency trader at the Wall Street branch of the Swiss-based investment banking house of White, Weld.

"As far as BIS' loyalties are concerned, said the trader, "there is no question that it is solidly pro-Swiss, pro-Europe and pro-gold." He also dismissed yesterday's statements by the Eurodollar branch of a U.S. bank that the BIS was defending the dollar with Swiss Francs as "rumourmongering."

"The Germans, known in Europe as the 'niggers in the woodpile', are finally beginning to react to Swiss and I would imagine Soviet pressures to go with Europe", he continued. The BIS is ideally situated to act as a European clearing house in gold and the Soviets could join in. With that a gold-backed system is in place, he added.

Asked as to what evidence he had that the Germans were willing to replace the IMF with the BIS, he responded: "Look at their foreign policy over the last couple of weeks. They don't seem to be playing mouthpieces of the State Department."

EUROPEAN REACTIONS TO GOLD MOVES

WIESBADEN, W. Germany, June 11 (NSIPS)—In interviews today, a number of European bankers expressed their recognition that the present dollar-based system is on its last legs and that a gold-based replacement may be the solution. A top officer of the European branch of a leading U.S. bank said, "The structure of the international debt is inappropriate—because of the relation between debt

and real capital return. I may not agree with all your solutions (the gold-backed International Development Bank), but. . ." The chief economist at a leading Belgian bank was more explicit about the latest moves towards gold by the Arab nations: "There may be a gold block of sorts potentially emerging, probably in the Arab world. I can think of the Libyans and the Saudis increasing their gold stock. In any case, gold will be the main asset in the common Arab monetary authority under formation."

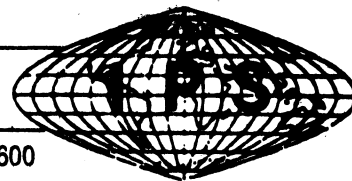
The West Germans are, of course, key in any establishment of a gold-based monetary system. An official in the Swiss National Bank commented that he was not surprized at last week's speech of Karl Otto Poehl, State Secretary of the West German Finance Ministry, expressing "sympathy" with Central Banks that want to maintain the price of gold. "This is no shift on Poehl's part. He's always thought personally that demonitization should not be continued. The Germans have no reason to quickly dump their gold."

END LATE IPS

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EARLY EDITION

SYRIA FORCED TO ACCEPT CEASEFIRE AROUND BEIRUT AS FORCES SUFFER HEAVY LOSSES

June 12 (NSIPS)--A ceasefire has been imposed in Beirut through the mediation efforts of the Libyan government between the forces of the left and Palestinians and those of Syria, WINS radio in New York reports today. Citing Palestinian sources, the radio station claims that the Syrians have agreed to withdraw their forces from the area over the next week and that Syrian units have already begun to move back to the Bekaa Valley east of Beirut.

According to recent Swedish radio reports, the ceasefire was imposed because the Saïqa guerrilla units under Syrian command were badly beaten. Citing Radio Damascus, the radio reports that Syria has no intention whatsoever of withdrawing from the southern port city of Saida or from the northern city of Tripoli.

Late reports from the June 12-13 edition of the French newspaper Le Monde indicate that Palestinian and left forces were preparing a substantial military thrust towards Saida to break a Saïqa blockade prior to the ceasefire announcement.

DIE WELT: COLLAPSE OF SYRIAN EFFORTS WILL NECESSITATE ISRAELI ACTION IN LEBANON

June 12 (NSIPS)--Explicitly repudiating its analysis yesterday that the Palestine Liberation Organization and leftist units in Lebanon are losing their battle with the forces of Syrian President Hafez Assad, today's West German daily Die Welt claims that Assad is "in fact the real loser" in Lebanon. Noting that Assad has recently made several grave political and military mistakes in his Lebanon deployment, the NATO paper wonders, "What must be done." It concludes by reporting warnings from Israeli chief of Staff Gur on possible Israeli action in Lebanon and noting that "only Israel can solve the situation."

ISRAELI CHIEF OF STAFF WARNS OF ISRAELI INVASION OF LEBANON

June 12 (NSIPS)--Israel's Chief of Staff Mordechai Gur warned yesterday that "we hope that the Lebanese people will be sufficiently intelligent not to push the Israel army" into the position of being forced to intervene to stop terrorist activity. "Nobody

presented now in Lebanon are not leading to any calm in the Middle East situation."

ISRAELIS WARN OF LEBANON INVASION POSSIBILITIES

June 12 (NSIPS)--Citing "informed sources" in Jerusalem, today's Washington Post reports that "Israel has warned the United States that it could change its previous position of non-intervention in the Lebanese civil war because of the Arab League decision to send a joint military force" to Lebanon. According to Post reporter Yal Elizur, "Israeli sources" have claimed that there has been a "serious erosion in recent days in the 'red line' reportedly drawn by Israel as the trip-wire for possible intervention in Lebanon as a result of Syria's involvement."

Saying that the creation of the Arab League force has added a "new dimension" to the Lebanon conflict, the Israelis are claiming that the presence of Algeria, Libyan, and Sudanese forces in Lebanon "might create a new and explosive situation on Israel's northern border."

Today's Baltimore Sun similarly reports that Israeli Foreign Ministry sources are warning that Israel "may intervene if events threaten Israel's security" and that Israel is "constantly reviewing the situation."

IMPERIALISM WILL TAKE ANY RISK, SAYS SOVIET MILITARY PAPER

June 12 (NSIPS)--An editorial in the June 10 Krasnaya Zvezda, the Soviet military daily, said that world peace is gravely threatened by the imperialist countries, according to the Italian Socialist Party paper Avanti. "The Soviet Armed Forces are deeply conscious of the fact that the aggressive nature of imperialism has not changed, and that imperialist reactions and Maoists allied with it are capable of risking any war adventure and to ignite the fire of a new world war," warned the editorial. This state of affairs, it concluded, creates "the objective necessity for strengthening Soviet defense capabilities."

SEE THREAT TO STERLING CREDIT

June 12 (NSIPS)--"Criticism of the 5.3 billion dollar credit package has come from other countries, notably Germany where reaction has ranged from tolerant amusement at Britain's continuing slide into debt, to open hostility to providing cash to finance the British Government's policies", says the June 10 London Daily Telegraph.

"There is growing concern in British government circles that this impression of skepticism and thinly veiled criticism could undermine the whole support operation for sterling", the Telegraph continues. "At worst it could force Britain to draw heavily on the credit and be unable to repay it in December."

CENTRAL BANKS ONLY BUYERS OF STERLING

June 12 (NSIPS)--"Only the the help of substantial Bank of England support was the pound able to hold steady," says the June 10 Journal of Commerce.

The New York Federal Reserve Bank has also been a buyer, the Journal reports.

The Bank of England spent 100 million dollars on Wednesday "and a similar amount on Tuesday" from the new 5.3 billion dollar credit, the June 10 London Times says. The pound has fallen from 1.80 to 1.77 dollars since Tuesday despite the unusually large support.

NEW YORK TIMES SAYS LOAN TO BRITAIN RESTORED "CONFIDENCE"

June 12 (NSIPS)--In its lead editorial yesterday, the New York Times called the 5.3 billion dollar international pound sterling bailout operation arranged for Britain a "well-timed example of international monetary cooperation at its best." The rescue operation demonstrated the "good sense" of the agreement reached at Rambouillet and now "confidence had returned to the foreign exchange market."

HYPERINFLATION LOOMS

NEW YORK, June 12 (NSIPS)--With prices on the commodity exchanges up sharply food price inflation will be up sharply in the coming weeks, despite the fact that the U.S. Dept. of Labor is still predicting 2 to 6 percent food price inflation during 1976. The price of soy meal, which is a basic ingredient in cattle feed, is up by 49 percent on the Chicago Board of Trade since the beginning of March.

The increases in the prices of other commodities such as copper, up 18 percent since March 1 on the Chicago Mercantile Exchange, translate into direct price increases in consumer goods. Automakers have already announced price increases of 6 percent on the 1977 model year autos and trucks. On overall consumer price inflation for 1976 the Bureau of Labor Statistics is still forecasting less than 6 percent.

TOP SECOND INTERNATIONAL, CIA TERRORIST ARRESTED BY INDIAN GOVERNMENT

June 12 (NSIPS)--The Indian government press agency, Samacher today announced the arrest of top Second International and CIA terrorist leader, George Fernandez in the city of Calcutta. Fernandez, the most wanted man in the country, went underground at the time of the declaration of state of emergency by Prime Minister Indira Gandhi in June 1975 and has been directing the terrorist activities against railways, urban areas and government offices by a vast network of maoist and CIA networks.

Fernandez made international news 'headlines' last year when Second International propaganda outlets throughout Europe picked up his cause, began printing his attacks against the Indian government. The Second International has publicly given support to his activities, and informed sources have linked Fernandez' finances to U.S. Central Intelligence Agency operations in India. As a leader of India's railway unions, Fernandez led the national railway strike of 1974 and turned it into a massive provocation against the Indian government. Other trade unions have repeatedly accused Fernandez of launching U.S.-aided provocations against the Indian labor movement, according to the daily of the Indian Communist Party, New Age. An arrest warrant was issued by the government for Fernandez' arrest last July.

TOWER FORCED TO RESIGN AS FORD FLOOR MANAGER

WASHINGTON, D.C., June 12 (NSIPS)--Sen. John Tower (R-Texas) was forced to resign yesterday as President Ford's Convention floor manager because Tower could not get delegate status in his home state of Texas. Tower could not be effective on the convention floor unless he was a delegate.

A spokesman in Tower's office reported that the Senator had tried to get delegate status or delegate-at-large status all over the state, but that the Reagan forces who control the delegation refused to appoint him unless he declared for Reagan.

DEM WRECKERS SURFACE AROUND PLATFORM FIGHT

June 12 (NSIPS)--Sen. George McGovern (D-SD), the just appointed chairman of the CIA-spawned Americans for Democratic Action, has written a letter to the chairman of the Democratic Party's platform drafting subcommittee warning against the adoption of a "non-specific, fuzzy platform." Yesterday's Washington Post notes that the ADA-McGovern move is directed against candidate Jimmy Carter and his hesitancy at including support for the fascist Humphrey-Hawkins bill, the Kennedy health bill and forced busing in the platform.

McGovern led the party to its worst defeat this century in the 1972 elections.

BRANDT NOT IN GOOD SHAPE

WIESBADEN, W. GERMANY, June 11 (NSIPS)--Willy Brandt, Chairman of the West German Social Democratic Party, showed signs over the past weekend that the recent political climate has not been favorable to him. When he arrived in Frankfurt to address an SPD meeting, Brandt's nose presented a deep color in spite of his tanned face. When a member of the European Labor Party called this to Brandt's attention and inquired whether his long-time associate, John J. McCloy, Jr., was aware of his condition, Brandt suddenly became agitated and was about to physically threaten the inquirer when he was hauled away by well-wishers. The press later reported there were "no indications at the meeting."

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NEWS BULLETIN NO. 113

KISSINGER ORDERS ASSASSINATION ATTEMPT AGAINST PLM ORGANIZER

June 13 (NSIPS) -- Mexican Labor Party organizer Marcelino Barbosa was the victim of a hit-and-run assassination attempt this afternoon in the south-west of Mexico City. He has been hospitalized and his condition is not yet known. Witnesses at the scene report that a White Dodge Dart with license plate #763-BSY ran a red light and accelerated to hit Barbosa as he crossed the intersection of Angel Urraza and Cuauhtemoc Avenues.

The assassination attempt comes as the latest of a series of attacks against members and supporters of the Mexican Labor Party (PLM) over the last week. The attacks have included arbitrary firings of workers organizing with the PLM, break-ins into the homes of PLM leaders, threatening visits to members' homes by police agents, and death threats from the CIA-controlled 23rd of September League terrorist organization. The terror operations against the PLM are aimed at halting the PLM's exposure of widespread terror networks in Mexico that are controlled by the Rockefeller family and U.S. Secretary of State, Henry Kissinger. Kissinger is currently in Mexico.

The Rockefeller and Kissinger terror apparatus has been activated on a national scale over the last month as part of an operation to isolate and destabilize Jose Lopez Portillo, the Presidential candidate of the ruling PRI party and the assured winner of the July 4 Presidential elections. Rockefeller and Kissinger are attempting to split Lopez Portillo from the pro-development policies of current President Luis Echeverria in order to open Mexico up for the implementation of genocidal economic and political policies that would reduce Mexico's population by 30 million people.

The PLM has previously identified Interior Minister Moya Palencia as a key controller of terrorist operations in Mexico, and as the front man for the Monterrey Group of industrialists who are the local executors of Rockefeller's plans for the Mexican population.

Marcelino Barbosa is a Professor of Physics at the School of Science at the National Autonomous University of Mexico. Further information on his condition and the attempted murder will be released as soon as it is available.

END OF NEWS BULLETIN NO. 113, 06/13/76.

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NEW SOLIDARITY INTERNATIONAL PRESS SERVICE (NSIPS)
NEWS BULLETIN NO. 114

MEXICAN LABOR PARTY DEMANDS IMMEDIATE INVESTIGATION OF ATTEMPTED MURDER OF PLM MEMBER

MEXICO CITY, June 13 (NSIPS)--Members of the Executive Committee of the Mexican Labor Party (PLM) today demanded an immediate investigation into the attempted assassination of PLM member Marcelino Barbosa. Barbosa, a Professor of Physics at the National Autonomous University of Mexico, was deliberately struck by an automobile at 6 p.m. yesterday as he stepped into an intersection in the southern section of Mexico City.

As Barbosa began to cross the street to meet other PLM members on the other side, a white Datsun with license plate number 763-BSY ran a red light at high speed and struck him. The car threw him 25 feet down the street and then attempted to run him over. Witnesses at the scene screamed "assassin!" as the car swerved and sped off. Barbosa was hospitalized with serious fractures.

The leaders of the PLM said that the automobile that hit Barbosa was immediately pursued by another car, a black Galaxie without license plates, that did not return to the scene of the attack.

The leaders of the PLM declared that, "This attempt occurred in the context of an intensification of illegal operations against various members of the PLM, and these operations are directed by the National Security Council of the U.S. and its networks in Mexico under the control of U.S. Secretary of State Henry Kissinger. These attacks have occurred after the PLM widely denounced terrorist operations aimed at destabilizing the government of President Luis Echeverria and preventing the implementation of a New World Economic Order." Kissinger, the PLM noted, has been in Mexico since June 10.

The spokesmen of the PLM emphasized that they "demanded an immediate investigation of this criminal attack and the series of recent attacks against worker organizers of the PLM which have included arbitrary firings and terror operations against workers' families.

The PLM noted two further significant features of the attempted murder. White Datsuns have been identified as the model cars frequently used by the CIA-controlled terrorists of the 23rd of September League. In addition, the modus operandi of the attempt

(more)

parallels closely the international operations of goon squads of the Spanish Communist Party under the leadership of CIA agent Santiago Carrillo. Carrillo is known to be very close to the Mexican Communist Party, which has functioned in Mexico as a defender of and political front group for the 23rd of September League.

In their statement, the PLM leaders emphasized the Kissinger direction of the attacks on both the PLM and Echeverria and linked them directly to plans of Kissinger and his mentor Nelson Rockefeller to impose genocidal economic and political measures on Mexico that would reduce the country's population by half.

The PLM announced a press conference for Tuesday at 12:30 at which they will provide further details of the assassination attempt, the wave of attacks against the PLM and Kissinger-directed terrorist operations inside Mexico.