

provide technical expertise for a giant new aluminum smelter complex; the building of a 120,000 barrels a day oil refinery at Tobruk with the assistance of Italian technology; the building by Soviet experts of a 180-mile new natural gas pipeline between Libya's Sarir oil fields and of an oil and natural gas port at Brega; and an expansion of Libyan trade and investment deals throughout the Mediterranean, most notably a deal with Greece for the exchange of more than a million tons of crude oil a year in return for construction projects by Greek contractors

in Libya.

The diversity of Libya's economic policy ties is further indicated by the pattern of exports of Libyan oil. In 1975, 51 percent of exports went to the United States, West Germany, and Italy, with West Germany in the lead. In 1976, the percentage went up to 60 percent, with the United States alone taking over 25 percent. Such figures make the image of Libya created by the American press a transparent fraud.

European Press On Egyptian-Libyan Conflict

Following are summaries and excerpts from other West European press commentary on the fighting between Egypt and Libya.

Financial Times, July 23: "Pan-Arab Unity the Biggest Casualty," by Anthony McDermott:

The ramifications are... serious. The first is that such inter-Arab fighting constitutes a diversion away from the American efforts to negotiate a peace between the Arabs and Israel. Secondly, it is a source of profound worry to Syria that Egypt, its closest ally in any serious diplomatic negotiations or military conflict with Israel, should be politically and militarily weak. Thirdly, the Arab countries as a whole are concerned that the fighting on the Libyan border reflects the weakness of and vulnerability of Egypt's government. Fourthly, this in turn they fear, could be used by Israel as an excuse not to come to positive agreements with the Arabs, because the Arab governments with which they would have to agree could be replaced... Of the two rulers, it is President Sadat whose need to protect his prestige in his own country is greatest — and unfortunately it is the Egyptian President who is the one who is crucial to the prospects of a Middle East Settlement.

L'Aurore, July 25: "Africa is in Flames!":

The time is now ripe to "beat the Soviets out of the Mediterranean." The Soviets will nevertheless try to regain their influence "by using and instigating instability, a war, or a crisis..."

Die Welt, July 25:

Sadat is a moderate, but he is also an enemy of the Soviets in Africa and the Middle East. This battle is therefore a decisive one, since the fall of either Qaddafi or Sadat will have unpredictable consequence for world politics. The battle will also bring about a "partial decision" on the NATO-Soviet conflict in the southern flank area. The Soviets will not drop Qaddafi, and might even support him with Cuban troops. Sadat himself is weak, his only firm base is in the military, and his domestic situation highly unstable. But no mediation efforts will be able to cover up the real conflict, even though it might be cooled off for a while... Sadat cannot give in because his own fate depends on the struggle.

Frankfurter Allgemeine Zeitung, July 25: "World Peace in Danger":

The Saudis want to keep their Egyptian neighbors

calm, because internal tensions there could easily blow up into a revolution. This is why they have supported Sadat up to now — but that was a Sadat who promised to keep Egypt calm, while now it is a question of whether the Saudis will continue to support him. On the other hand, the battles between Egypt and Libya are easing the Israeli situation," and Begin is bargaining for time to get the world accustomed to Israel's position on the West Bank. "Moscow... must also have its hopes awakened that it might again be able to get a foothold on the southern flank of the Mediterranean." Therefore, this is no mere local conflict.

Frankfurter Allgemeine Zeitung, July 26:

Sadat seems to be testing how far he can go to consolidate his domestic and foreign political positions... But the public mood will not tolerate a war between Arab brothers, unless Qaddafi tries to bomb Cairo for revenge... Qaddafi does not stand isolated — he has many enemies, but also many friends, for tactical and strategic reasons. This has been shown by Boumediene's quick decision to mediate. Also, the Soviet Union will not be provoked into intervening directly...

Les Echos, July 26: "France doesn't intend to propose its mediation, which has not been demanded, in an affair followed with particular attention by the Elysée, because the conflict pits against each other two nations with whom our relations are good."

Le Monde, July 27, Editorial, "Libya and France":

Two traditional principles guide France in this matter: neutrality in any inter-Arab dispute and the desire to favor entente between 'brother' countries at a moment when their cohesion is indispensable in the pursuit of a settlement in their conflict with Israel, so crucial for the international community.

Corriere della Sera, July 26:

The initial coverage of *Corriere*, the newspaper of record in Italy, was contradictory. In its lead article, *Corriere* reports that relations between Italy and Libya are quite cordial. In fact, the paper says, Libyan Prime Minister Jalloud is "very close to Roman circles, and feels welcome to drop in at Rome for a sojourn whenever necessary."

This article is however, accompanied by a Renato Ferraro-authored article datelined Cairo which states in part: "Yesterday a ray of hope shone on the situation

when Sadat ordered an immediate ceasefire... The original fighting was an attempt by Libya to obstruct Egypt's initiatives to successfully convene the Geneva conference... (Qaddafi acted) in a hope of favoring a Nasserite putsch inside the Egyptian military. Qaddafi counts on the internal troubles in the Egyptian situation... Observers say in fact that Qaddafi funds the extremist Muslim Brotherhood."

Corriere della Sera, July 27:

Sadat's victory... a blow against Soviet influence in the Mideast and Africa. Sadat will not be long in demanding his reward from Washington — his reward being that the

United States put pressure on Israel to accept the Palestinians at the Geneva negotiations. Algerian President Boumediene's "neutrality" during the whole affair in spite of his known "preference for Libya" is also portrayed as a victory for Sadat.

Il Popolo, the official daily of the ruling Christian Democratic Party (DC), July 26:

Attacks the Soviet Union as being the most responsible for the outbursts of conflicts between Libya and Egypt, as well as for the hot situation in Somalia, the Soviets are accused of being "imperialist and colonialist."

Italian Diplomacy In Mideast

Corriere della Sera reported July 26 on Italian Minister Forlani's offer to act as mediator in the Egyptian-Libyan conflict. Journalist Dino Frescobaldi reports that Forlani communicated to the secretary general of the Arab League, Muhammed Riad, through the Italian ambassador to Cairo that he was fully willing to mediate. Forlani further ordered the Italian ambassadors in Cairo and Tripoli to keep in constant contact with Rome.

Corriere also reports Forlani sent solidarity messages to Algeria, Saudi Arabia, and Kuwait for their part in diplomatic moves to ensure the re-assertion of peace. Rome, *Corriere* correspondent Frescobaldi states, wants to keep the peace negotiations within the realm of inter-Arab circles. Italy, the Forlani message says, "wishes to express the concern of all Mediterranean countries interested in maintaining good relations among all countries in the area."

Corriere reprints in part the points of Forlani's com-

munique to Arab League secretary general Riad:

"1. Italy maintains that a new break in the Arab world (Egypt-Libya war) is most dangerous because it threatens the destabilization of other governments in the region which could turn into a confrontation between the Soviet Union and the United States.

"2. There exists an indirect link between the uprising of the Egypt-Libya conflict and the lack of prospects for a short-term solution to the Israeli-Arab conflicts.

"3. It is necessary to go to the root of the tension, that is, to solve the Arab-Israeli conflict, if one wishes to avoid the dangers of destabilization of the area..."

Corriere della Sera July 27 reports that Italian Communist Party Central Committee member Giancarlo Pajetta is heading up a PCI delegation to Libya. Accompanying Pajetta are Giovanni Berlinguer (brother of the secretary general of the PCI), who is the PCI's Central Committee member in charge of culture and Antonio Rubbi, the PCI Central Committee's vice-sector head for foreign affairs.

Horn Of Africa Heats Up

Egyptian President Anwar Sadat's U.S.-ordered attack against Libya is already threatening to spill over into the Red Sea littoral, with potential danger spots currently centering on a U.S.-Sudanese sponsored onslaught against Ethiopia. The Egyptian government-controlled newspaper *Al Ahram* claimed July 27 that Libyan and Ethiopian envoys met before the "Libyan attacks" on Egypt for unspecified "coordination." Among his attacks against Libyan leader Qaddafi, Sadat issued a warning against Libyan "subversion" of the regime of Sadat's junior partner, Sudanese President Jaafar al-Numeiry.

Both Sadat and Numeiry are doing their best to further inflame the backward nationalist tensions in the region by pushing for the creation of an Arab zone of influence, or an "Arab Lake" on the Red Sea — a proposal designed to further isolate Christian Ethiopia and to draw pro-Socialist Somalia into Sadat's Arab nationalist anti-communist alliance.

At the same time, the U.S. State Department has launched direct provocation against the Soviet Union, with announcements this week that they are prepared to sell arms to Soviet ally Somalia, to the Sudan, whose

army is presently poised to strike on the Ethiopian border, and to Egypt.

The socialist bloc's response to the increased Carter Administration provocations came in a Radio Prague broadcast July 28 charging the U.S. with "stepping up their efforts against Ethiopia and drawing her neighbors into a dangerous game. This is especially the case with Sudan, acting on the orders of Saudi Arabia. ...Ethiopia is now under pressure, and the imperialists are giving full support to movements like the Ethiopian Democratic Union and the separatists in Eritrea and Ogaden. And the imperialists are inciting hate against Ethiopia among her neighbors. ...The progressive forces of Africa support Ethiopia in its struggle and the socialist countries stand on the side of Ethiopia in her fight to defend her revolution."

In addition, the Defense and Prime Ministers of the People's Democratic Republic of Yemen, across the Red Sea from Ethiopia, have made an unscheduled visit to Moscow, where they are meeting with Soviet Defense Minister Ustinov and the Chief of the Soviet Naval Staff Admiral Gorshkov.

The Ethiopian government has also officially