

press that it had agreements for coordination among the central banks of the three countries against currency speculation. But approximately 10 days ago, reports appeared that the West Germans and Swiss had reneged on their agreement, and now it appears that West German and Swiss banks are among the biggest buyers of yen.

Many of the private banks in Japan hoped for political support from those American bankers who opposed the Blumenthal "toilet paper dollar" crowd in favor of Arthur Burns' attempts to defend the dollar, including the Rockefeller and Harriman interests as well as institutions like Citibank and Bank of America. But at least one Harriman spokesman, Robert Roosa of Brown Bros., Harriman's investment bank, indicated in an interview this week that the Harriman-Rockefeller interests have little positive to say beyond a narrow interest in defense of the dollar and sentiments against protectionism.

Others in Japan looked to the Southwest-based industrialist forces in this country led by men like John Connally and former deputy Defense Secretary William Clements. But although Connally and Clements themselves have consistently attacked protectionism and dollar depreciation, a sampling of Texas bankers and businessmen — Connally's base — interviewed by this reporter revealed that they had been suckered into at least lukewarm support of Blumenthal's protectionist line. A Texas-Japan meeting last month in Tokyo failed to reach any significant breakthroughs in cooperation.

Both the Harriman-Rockefeller types and U.S. industrialists will find very soon that they must shift into a far more active posture if they are not to follow Japan into London-engineered economic chaos. As of this writing, they have not yet done so.

—Richard Katz

China's Teng Seeks World 'United Front' Against Soviets

Teng Hsiao-ping, deputy premier of China and third-ranking member of the Peking Communist hierarchy, took China's long-standing vendetta against the Soviet Union to a new level of intensity last week in an interview with Claude Roussel, chairman and managing director of the French wire service, Agence France-Presse. During the Oct. 21 interview, Teng broke all precedent with a call for a *worldwide* united front against the Soviet Union using economic warfare to destroy the Soviet economy, and attacked those nations which sell technology or food to the Soviets for "appeasement." (A transcript of portions of the interview which discuss the Soviets and other foreign policy issues appear below.)

CHINA

China has stepped up its diplomatic organizing for this "anti-Soviet" united front, as reflected by the spate of foreign dignitaries invited to Peking in the last two weeks. The list is headed by Paul T.K. Lin, professor at the center for East Asian Studies at McGill University in Toronto, Canada. Lin was once a secretary to Chou En-Lai and is a key private liaison between China, western Maoist groups, and western pro-China lobbies who have been using China as a bludgeon against the Soviets. Mr. Lin met Teng on Oct. 15. The day before, politburo member Chi Teng-kuei met with Evelyn de Rothschild, who is chairman of the board of the British magazine, *The Economist* and an important link to the City of London financial circles working with the likes of Mr. Lin to use China for their own purposes.

Other visitors during the last two weeks of October

included General Stig Synnergren, Supreme Commander of the Swedish Armed Forces; Edward Heath, former Prime Minister of Britain; William Scranton, former U.S. ambassador to the UN; Brian Talboys, New Zealand's Minister of Foreign Affairs and Deputy Prime Minister; a delegation from the National Committee on U.S.-China relations, and several prominent private citizens and members of parliament from Australia and Britain. The Chinese aim in these visits is to drum up support for Teng's "united front." China was apparently successful with West Germany's Manfred Wörner, a Christian Socialist parliamentarian who returned from a visit in September sounding much like Teng himself. In a recent speech, "Manchurian candidate" Wörner recited, "We must cease pursuing the policy of bowing step by step to the big powers under the illusion that this will be conducive to transformation and peace. We must stop following the policy of promoting the buildup of Soviet power through financial technological assistance."

* * *

The French wire service, Agence France-Presse, recently released an interview with China's Deputy Premier Teng Hsiao-ping. Here, excerpts from the Oct. 21 interview.

On world struggle against the Soviets: The global war plan cooked up by the Soviet Union must be destroyed. I hope that this effort will be made by the whole world — the Third World, the Second World and even including the First World, the United States. This is one of the ways to delay an inevitable world war. The war is inevitable because of Soviet-American rivalry although the principal danger is from the Soviet Union because of its

social imperialist character... This does not mean that world war will break out in three to five years time... Preparedness is necessary both militarily and ideologically. It the Soviets know that everybody is prepared for war, they will be careful... There are weaknesses in the Soviet global strategic plan since its bases are not consolidated in the Middle East, Africa, especially Somalia, in Latin America and the Indian Ocean. The Soviet Union believes it has a lead in strategic and conventional armaments but it is weak on the agricultural and industrial fronts, and this is a mortal weakness for declaring war. (The United States is making a mistake in) shipping wheat to the Soviet Union to feed its population and build up reserves and for the supply of technology to the Russians by the United States and Japan... We must fight against the policy of appeasement with the Soviet Union not only politically but also economically. What is regrettable is that people are aware of the policy of appeasement in the political field but not yet in the economic field... (Concerning the agreement with the Soviets on river navigation of last month) it will play only a small role in the improvement of Sino-Soviet relations. The frontier negotiations undertaken 8 years ago, have produced no results.

On the "Eurocommunist" parties: (China does not want the coming to power or even participation in government of the French, Italian and Spanish Communist parties.) We do not consider these parties Marxist-Leninist parties... (China) appreciates the independence they have shown vis-a-vis the Soviet Union. But we must wait and see whether the reality confirms the truth. Attention should be paid to the fact that if those people come to power, their arrival will benefit the policy of appeasement of the Soviet Union. It is not so much their coming to power but their participation in power that will be a way of showing their political desire. There are historical examples. For example in France (at the

time of liberation in 1945), Maurice Thorez was French deputy prime minister and other members of the government, including the air minister were communists. At that time France was at war with Algeria and you know who ordered the air force to bomb Algeria. Is that what is called a Marxist? Is that a Communist? What's more, is that what is called a Eurocommunist? That is why one shouldn't make a big deal out of this problem. But maybe this difference in views stems from the geographical distance between France and China. We are waiting to see.

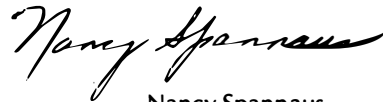
On other foreign policy questions: (On possible mediation by China to resolve the serious border problem between Cambodia and Vietnam) The problem will be resolved by themselves. What we want is for them to carry out good negotiations. We ourselves do not judge what is just or erroneous. (On aid to the two countries) We spent much more money during the Vietnam war, we came up with far greater amounts than those from the USSR. In Cambodia we did not give much aid. (China's aid to Cambodia totalled only 20 percent of that given to Vietnam). China will continue its aid to Vietnam. Cambodia is applying a very firm policy of self-reliance and is not requesting too much assistance. (On Albania) This criticism (Albania's criticism of China's 'three worlds' theory) is of no importance to us. As far as we're concerned, we will continue Chairman Mao's policy of foreign affairs and notably the three world theory which will in the future be the base of our foreign policy. As for the people who don't want to accept this theory, that's their business. The most fanatical opponent of the three worlds theory is the Soviet Union. It was I who put forward this three worlds theory for the first time at the United Nations in (April) 1974, the first person to start applauding was your former foreign minister, Mr. Michel Jobert.

EXECUTIVE INTELLIGENCE REVIEW

G.P.O. Box 1922,
New York, N.Y. 10001
Telephone: (212) 563-8600

Dear Subscriber,

You are subscribing to the Executive Intelligence Review published by the New Solidarity International Press Service. The Executive Intelligence Review is designed to give you a synthesized and complete world picture of the week's most important economic, political and scientific news. It is our expectation that you will find this service not only valuable but indispensable.



Nancy Spannaus
Editor-in Chief

EXECUTIVE INTELLIGENCE REVIEW

I am subscribing to the Executive Intelligence Review for the following:

3 months

6 months

1 year

Rate chart

Areas	3 months	6 months	1 year
U.S. and Canada	\$60.00	\$115.00	\$225.00
Central America, Panama, etc.	\$75.00	\$140.00	\$280.00
Europe	\$80.00	\$155.00	\$310.00
All Other Countries Africa, Asia, etc.	\$85.00	\$170.00	\$335.00

Name

Address

City State Zip

Signature

amount enclosed

Make checks payable to: New Solidarity International Press Service, G.P.O. Box 1922, New York, N.Y. 10001