

# International Intelligence

## ***U.S.S.R., Syria to sign security treaty***

Syrian Information Minister Ahmed Iskandar told the Paris-based magazine *Al Mustakbal* that Syria and the Soviet Union will sign a military security treaty "very soon." Syrian sources quoted by the magazine said the signing would take place Oct. 8 at a meeting in Moscow between Presidents Hafez Assad and Leonid Brezhnev.

According to Iskandar, Moscow under the new agreement "will supply Syria with a large amount of military aid and, if necessary, will have a heavy military presence there." He characterized the planned treaty as "the adequate response to the plans of the Camp David signatories" Egypt, Israel and the United States.

Saying that the agreement would be "totally different from those concluded between the Soviet Union and other Arab nations," Iskandar compared it to the close military cooperation defined between the U.S.S.R. and Egypt under Nasser.

## ***Drug war linked to Somoza's death?***

According to Paraguayan officials, the Sept. 16 assassination of former Nicaraguan dictator Anastasio Somoza was carried out by a squad of the leftist Argentine People's Revolutionary Army (ERP). The Paraguayan officer in charge of the murder investigation charged this week that the Sandinista Liberation Front of Nicaragua worked with the ERP to carry out the murder.

Oddly, less than 20 minutes after the killings, police arrived on the scene with prepared dossiers identifying the assassins and handed them to the press. A few hours later, police drove up to the house of the alleged leader of the hit squad and killed him as he "attempted to escape." Observers are also asking how it was that a foreign band of known terrorists armed

with machine guns and 10-foot Chinese bazookas was able to enter Paraguay undetected.

The Brazilian daily *O Globo* reported Sept. 20 that Somoza may have been involved in drug traffic as well as the arms trade, and that his death "might have been a settling of underworld accounts." Paraguayan dictator Alfredo Stroessner had maintained a virtual monopoly on all contraband in his country and has ties into the "French connection" of the cocaine business.

## ***U.S. offers deal if Japan backs China***

Sources in Washington suggested this week that the Carter administration has agreed to hold off on protectionist pressures against Japan in exchange for Japanese support of Carter's "China card" foreign policy. The deal reportedly includes administration acceptance of visiting foreign minister Masayoshi Ito's pledge to cut Japanese auto exports during the U.S. election period by 10 percent below October-December 1979 levels. If confirmed, the deal parallels the one worked out in May 1979 during former Premier Masayoshi Ohira's trip to the United States.

It gave a press conference in Washington strongly critical of France's Creusot-Loire for selling a \$300 million steel plant to the Soviet Union, the same plant order Japan's Nippon Steel lost because of Tokyo's adherence to Washington's embargo against the U.S.S.R. Although Japanese businessmen estimate they have lost \$4 to \$5 billion in sales now earned by French and West German firms, aides traveling with Ito report that Ito did not even ask Secretary of State Muskie to ease U.S. proscriptions on Japanese sales to the U.S.S.R.; instead, he dutifully echoed Muskie's protest to the French government over the Creusot-Loire sale.

A related development was the astonishingly pro-Japanese testimony on trade matters Sept. 18 by Deputy Assistant Secretary of State Harry Kopp before the House Asian Affairs Subcommittee.

Kopp stressed: "It is not self-evident that [auto] import restrictions would provide significant stimulus to sales or production of additional U.S.-built cars." This was a turnaround from Carter's electioneering statements.

## ***Italian government toppled finally***

The Christian Democracy-Socialist Party coalition government of Francesco Cossiga was brought down Sept. 24 when a secret ballot parliamentary vote failed to approve the premier's reworked austerity decree by a single vote, 298 to 297. Earlier the same day, in a roll call vote, Cossiga had won a vote of confidence by a 30-vote margin. Four days earlier a vote on a similar decree had been deadlocked 267-all, and the Cossiga government survived only due to a technicality which tips the scales to the government side in the event of a tie.

The 30-vote shift which ensured Cossiga's failure was partially attributed to a bloc of parliamentarians within his own DC party dissatisfied with Cossiga's program, which called for cuts in consumption through reduced government subsidies for certain commodities. A second factor was the upcoming general strike to protest announced layoffs of Fiat auto workers presently being organized by trade unions.

The international strategic situation may have influenced the vote due to grave concern within the Andreotti wing of the DC that Cossiga might allow Italy to become involved in NATO deployments into the Persian Gulf. Cossiga and his Socialist defense minister Lelio Lagorio, had been criticized for their shift in Italian foreign policy, which had been described recently as making Italy "the bulwark of the southern flank of NATO."

Cossiga had recently also been denounced by Communist Party military strategist Arrigo Boldrini for "planning to get Italy involved in a limited nuclear war."

## Briefly

President Sandro Pertini will now designate the outgoing government to govern in a caretaker status until the various parties meet and a new government is put together. Vying with Andreotti for the premiership is Socialist leader Bettino Craxi, who is purported to wish to head up a five-way coalition excluding the Communists from power. If arranged, such a coalition is not expected to last very long.

### ***Franco-British summit dodges EC budget***

French President Valéry Giscard d'Estaing and Prime Minister Margaret Thatcher met in Paris Sept. 19 for the annual summit between the two countries, in what were reportedly "cordial and confidential" talks. Most observers noted, however, that Giscard had forewarned Mrs. Thatcher that he would not discuss the chief issue between the two, British contributions to the European Community budget. The Prime Minister was told that if she insisted on raising the matter, Giscard would listen, but not reply.

At the same time, French Premier Raymond Barre addressed the Franco-British Council in Bordeaux, warning 150 businessmen and government officials that France will remain "intransigent" on the "fundamental principles" of EC membership. Barre went on to evoke the possibility of a "two-tiered" Europe, which, from a Frenchman, always connotes that Great Britain would be on the lower tier.

### ***Soviets, Swedes chart energy projects and trade***

Yurii Brezhnev, son of the Soviet president and himself a deputy foreign trade minister of the U.S.S.R., told the Swedish newspaper *Dagens Nyheter* Sept. 10 that he wanted to double bilateral trade this decade. The expansion, said Brezhnev, should be centered on industrial

trade, particularly in the energy area: drilling equipment, for example, could be bought from Sweden by the U.S.S.R., which could sell the Swedes power station equipment as well as raw materials such as natural gas.

This week, the largest Swedish trade delegation to the Soviet Union in nearly 30 years, 60 top businessmen, is attending a meeting of the Swedish-Soviet Joint Commission on economic, technical and scientific cooperation to concretize this perspective. According to Swedish press reports, Swedish participation in developing a huge Siberian region just East of the Ural mountains is at the top of the agenda. A natural gas, wide-diameter pipeline deal is also under discussion, and will be pursued during a visit to Sweden by the Soviet oil minister next month.

Swedish sources also note that the two countries are set to agree on "joint projects in third countries," and the newspaper *Sydsvenska Dagbladet* writes, "it has been hinted that this may be a reference to cooperation in building nuclear power plants."

### ***Iraq negotiates to build French jet fighters***

Iraqi and French government officials are currently negotiating a purchase by Baghdad of 150 Alphajet fighters, which will be partly manufactured in Iraq. The discussions reflect the growing cooperation that has developed between the two countries in aeronautics and other areas. In November, the first of 60 French-made Mirage F-1 air defense interceptors will be delivered to Iraq. Now, it appears that Iraq has decided to set up its own aircraft industry with France's assistance. After the Soviet Union, France is the number-two supplier of arms to Iraq.

Initially, the Alphajet will be produced in French plants. Later, Iraq would assemble the most important Alphajet parts with French assistance. Eventually, most of the components of the Alphajet, including the jet engines, would be built in Iraq.

● **IRAQ** has announced that it will resume the pumping of crude oil through its Mediterranean pipeline that runs from Kirkuk, Iraq, through Syria, and into the port city of Tripoli, Lebanon. It will be the first time that the pipeline has been opened since March, 1976, when Syria-Iraq tensions were at a high point.

● **WARREN CHRISTOPHER**, Assistant Secretary of State, is out to get the South Korean government of strongman Chun Do Wan. According to our congressional sources, Christopher leads the pack at the State Department that wants to threaten tough measures, including aid cutoffs, if the Koreans go ahead and carry out the death sentence given Korean dissident Kim Dae Jung.

● **INDIAN COMMUNISTS**, the pro-Moscow wing, have somewhat amended their previously hostile stand toward Mrs. Gandhi's ruling Congress Party after a recent party executive meeting. The CPI will "join hands" with the Congress on certain issues, they say, shift from a policy that emphasized unity with the Maoist Communist Party/Marxist-Leninist against Gandhi's "authoritarianism."

● **HARVARD** University recently conducted a seminar for Wall Street bankers on political opposition to the Philippine government and the Philippine terrorist movement. The object of the seminar was apparently to direct the bankers to maintain contact with leaders of opposition groups. One prominent U.S. bank, following the seminar, ordered its Manila representatives to talk to "friends" of Cardinal Sin, a Jesuit who coordinates a support network for terrorists whose bombs just killed more than 10 people in Manila, including some Americans.