

International Intelligence

Shimoda conference challenges U.S. policy

American attendees returning from the U.S.-Japan "Shimoda" conference held in Japan Sept. 2-4 report unprecedented opposition by Japanese officials and private individuals to Washington's policies. On the China issue, "Several Japanese participants pointed out that some Southeast Asian countries regard China as a more serious long-term security threat than the Soviet Union, and that U.S. efforts to strengthen China's military capabilities would result in increased fears of China throughout Southeast Asia."

When the Americans declared that the Soviet threat was "the paramount issue" in world politics, Japanese attendees "emphasized that many of the sources of instability in the world have little to do with the Soviet Union and, in any case, could not be effectively countered by reliance on military power."

The Japanese were forthrightly skeptical about Reagan's economic program; "their criticism focused on the international impact of what they regard as the administration's overreliance on monetary policy. In this view, the high interest rates being produced by a restrictive monetary policy are causing serious problems in the bilateral relationship by strengthening the value of the dollar and widening the Japanese trade surplus," reported a top-level American.

Afghan-Pakistan war potential mounts

A Washington-based specialist interviewed on Sept. 10 commented that the U.S. package of military aid to Pakistan, which includes speedy deliveries of F-16 fighter-bombers, should be seen as part of the Reagan administration's policy for "defense of Saudi Arabia."

This, he said, entails a Somali-Oman-Kenya-Pakistan military alliance against the U.S.S.R., with Israel's enthusiastic

involvement. This analyst confirmed that unwritten details are being clinched between Washington and Islamabad, including the provision of facilities for the U.S. Rapid Deployment Force at the Karachi port.

Meanwhile, an Afghan army contingent in armored vehicles crossed over into the Baluchistan province of Pakistan, conducted search operations against Muslim fundamentalist guerrilla havens, and returned to the Afghan side rapidly, wire services reported from Pakistan on Sept. 8. The incursion was played up by both Western journalists and Pakistani strongman Gen. Ziaul Haq. Less than 48 hours after the alleged attack, U.S. Undersecretary of State James Buckley unexpectedly arrived in the Pakistani capital.

Buckley declared the incident an "extraordinary coincidence" with his visit and proceeded to discuss the progress of the \$3 billion package, including U.S. supply of F-16 fighter bomber aircraft; Afghan government spokesmen and Radio Moscow denied the Baluchistan incident ever occurred. Radio Moscow asserted that Washington had prompted fabrication of the story to create the right climate for the F-16 sale.

India to investigate foundation center

The lower house of the Indian Parliament resolved Aug. 29 to investigate the Gandhi Peace Foundation, according to the Indian daily *Patriot*, for alleged use of foreign money in "antinational" activities.

According to Edward Faleiro, a member of parliament supporting the resolution, the foundation's library is stocked with literature "repugnant to Mahatma Gandhi's ideals" and receives foreign money laundered through European organizations based in West Germany.

Should the investigation fully open the books of the Gandhi Peace Foundation, observers believe it will uncover destabilization operations against India

conducted by the Society of Jesus and the Ford Foundation. The institution was created with seed money from the Ford Foundation in the 1950s to promote rural development and organization of peasant, tribal, and "ethnic" movements. It has since used profiles made by the top Jesuit command center, the Indian Social Institute, to deploy funds from German Jesuit relief organizations into targeted areas for confrontation with the central government. A high point in its activities was the backing it gave to Jayaprakash Narayan in his 1974 destabilization of Indira Gandhi's government.

More recently, the foundation's operatives have been advisers to the "student movement" in the sensitive north-eastern state of Assam that seriously destabilized the area with its protests against the influx of illegal immigrants from Bangladesh and non-Assamese from other states in India.

Reagan, López Portillo, Trudeau summit?

Mexican President José López Portillo will visit Grand Rapids, Michigan Sept. 17-18 for the dedication ceremony of the Gerald Ford Museum. President Reagan, Vice-President Bush, Secretary of State Haig, Henry Kissinger, along with former French President Valéry Giscard d'Estaing, have confirmed their attendance.

Although White House sources have stated that no "bilateral" or "trilateral" meeting has been scheduled, there is speculation in Washington that a "North American summit" could take place between López Portillo, Reagan and Trudeau during the event. Advocates of the idea of a North American Common Market for energy and trade have pressed for a meeting between the three leaders. López Portillo has stated repeatedly his opposition to the Common Market proposal, on the grounds that it would stunt Mexico's industrial development.

López Portillo reportedly accepted the invitation, nonetheless, as an oppor-

tunity to meet with Reagan. López Doriga, a political commentator for the Mexican government's television channel, recently stated that the Mexican president is looking forward to discussing topics like interest rates, North-South issues and the El Salvador situation with Reagan before the North-South summit at Cancún, Mexico on Oct. 22-23.

Haig confirms a LaRouche prediction

Four days after *EIR* founder Lyndon H. LaRouche predicted that Alexander Haig would pursue a bloodbath in Central America under the pretext of "taking on the Soviets," in the knowledge that the U.S. is powerless to confront the U.S.S.R. in major theatres, Haig gave an interview to Philip Geyelin of the *Washington Post* doing just that.

In the Sept. 11 interview, Haig mounted new charges of "externally directed Marxist-Leninist insurgency" in Central America, while "freely admitting" that Poland and Iran are areas the U.S. "can do the least about."

British claim on KGB rejected by Vatican

In a short statement reported in a Reuters wire and broadcast on U.S. radio, the Vatican on Sept. 5 denied rumors initiated by the British media, that the Vatican had uncovered evidence of a "KGB plot to kill the Pope." A spokesman added that "the Holy See never made any hypothesis concerning any organization or country as being the instigators behind the assassination attempt."

The Vatican denial came in response to a claim widely reported by the British Thames VI television program and the London *Guardian* that the Vatican believes the May 13 assassination attempt against Pope John Paul II to have been a

Soviet-inspired operation.

According to Thames VI reporter Julian Manyon, the Vatican had uncovered evidence that would-be assassin Ali Acga's training in Tripoli, Libya was initiated by the Soviet KGB. Manyon cited as proof for this theory statements by former Italian Security Minister Francesco Mazzola that the Soviets wanted to eliminate the Pope because of his sympathy with the Polish Solidarity movement and his intention to intervene in that situation.

The basis for the charges by the British press is the claim that Libya is a wholly owned client-state of the Soviet Union. The exposure of the Italian Freemasonic Propaganda 2 Lodge, 10 days after the attempted assassination of the Pope, showed that Libyan dictator Muammar Qaddafi's many connections to Italy run through the lodge, and that it was the Anglo-Italian forces that had established Qaddafi as a deployable asset in the Middle East.

Hapsburg clamors for one-world order

Archduke Otto von Hapsburg, pretender to the throne of the Austro-Hungarian empire, held a Sept. 6 interview with William F. Buckley on the nationally televised "Firing Line" show in which he called for the replacement of Europe's sovereign nations by a supranational "pan-European parliament."

"The national governments of Europe are by their very nature reactionary," said the Archduke, and must be replaced with a European-wide body representing the "communes and regions." As an example of those he would wish to see elected to such a body, the archduke cited "my friend" Mario Pannella, head of the anarchist Radical Party of Italy.

The archduke also complained that developing-sector countries like India "have too much steel, too many industrial projects and development plans," and called instead for the West to invest in "creating tribal unity" in Third World countries.

Briefly

● **THE CTM**, the Mexican labor federation headed by Fidel Velásquez, voted to condemn the U.S. Federal Reserve's high interest rates at its annual convention the first week in September, and called for the Workers' Bank to extend credit at preferential rates to small and medium-sized industries to offset American rates' effects on the Mexican economy. The CTM also advocated investing oil revenue in an ambitious nuclear power program, geared to provide one-fifth of electricity needs by 1990.

● **UGO PECCHIOLI**, shadow interior minister for the Italian Communist Party, called Sept. 9 for a national antidrug offensive in an interview with the Milan daily *Corriere della Sera*. Senator Pecchioli warned of a "danger of seeing large sections of a generation destroyed." He demanded "a war against the big pushers; otherwise it is like pretending to defeat terrorism without arresting the terrorists," and said he had asked the present interior minister, a member of the prodrug Socialist Party, to investigate "where the big, apparently unjustified family fortunes come from. It would be a good way to hit individuals who are part of the drug network." The Communists, who have a largely moderate labor base, are asking all parties to join a national antidrug effort.

● **URUGUAY's** new military government, inaugurated this month, legalized a local chapter of Rev. Sun Myung Moon's Unification Church as its first act in office. Gen. Gregorio Álvarez's government justified the move by announcing that the cult has promised to found a virtual financial empire in Uruguay.

● **CROMOS**, a popular Colombian weekly, reports that the production and export of cocaine has now surpassed the value of Colombia's massive marijuana trade.