

International Intelligence

Socialists hit again by Italy's P-2 scandal

Leading members of the Italian Socialist Party have used their positions at the Italian state holding company, ENI, to channel funds of at least \$50 million to the Banco Andino di Lima of Peru, a front operation for the Banco Ambrosiano of Milan, which was heavily implicated in the Propaganda-2 Freemason lodge scandal which broke in Italy in May 1980. The outlawed P-2 is a command center for coup attempts, terrorism, narcotics traffic, and dirty money.

On March 5, the magazine *Europa* published tapes of a conversation between ENI Director Grandi and his Vice-President, Leonardo di Donna. Di Donna, a PSI member and a close associate of PSI leader Bettino Craxi, warned Grandi that he should "put aside" all papers that might incriminate the ENI in the Banco Andino affair, because the Guardia di Finanze, the Italian equivalent of the Internal Revenue Service, was about to stage a raid on the ENI offices. The tapes were released to the press by authorities of the city of Milan, who are determined to clean up the Propaganda-2 scandal.

It was also revealed that the Banco Andino office is nothing but a shell operation: it consists of one telex and one secretary. Italian Communist Party members of parliament are calling for a full investigation of the entire financial operation.

State Department coup planned for Pakistan?

Pakistani sources believe that the U.S. State Department is planning a coup d'état against Pakistan's dictator, General Ziaul Haq, in the event that Zia refuses to allow two U.S. military bases to be established there. His rumored replacement would be the extreme right-wing General Fazle Muqem, a man whose connections to drug traffic are

notorious.

Were the bases close to being built, with or without Zia, it is widely believed that the Soviet Union would act preemptively against such a U.S. effort to re-establish positions on the Soviets' southern tier, formerly held by the United States in Iran. Therefore, even the prospect of a U.S. coup in Pakistan would be sufficient cause for superpower confrontation in the region.

Meanwhile, Zia's troubled regime faces opponents both within and without. The Pakistani military Feb. 25 arrested 500 "subversive elements" of the Pakistani People's Party in Sind province, home of the party's founder, former Premier Ali Bhutto. Bhutto was judicially murdered by Zia in a 1978 coup organized by former U.S. Secretary of State Henry Kissinger.

Also opposing Zia and full alignment with the United States is a faction of the foreign service. Foreign Minister Agha Shahi recently resigned.

Famine threatened in Bangladesh

"There is no doubt that Bangladesh is headed for very difficult times," reported *EIR* New Delhi correspondent Paul Zykofsky upon return from a nine-day tour of that country. In extensive discussions with government officials and political leaders, Zykofsky found great concern for the possibility of another famine in Bangladesh, with 90 million people the world's eighth most populated nation.

It is typical of nations in which the high interest rates of the U.S. Federal Reserve and related depopulation policies of the World Bank, for example, mean genocide. Agricultural officials affirmed to Zykofsky that with proper irrigation and fertilizer, Bangladesh could produce 60 million tons of food grains—even becoming a food exporter. But at present, it produces only 15 million tons. A 2-million-ton shortfall is expected this year; stocks are believed to be far below official estimates, and the present climate

of credit and aid cutbacks makes international help unlikely.

French right-to-life leader hits Club of Rome

Dr. Emanuel Tremblay, founder of Laissez-les-Vivre, the French right-to-life movement, told the organization's Paris conference Feb. 27 that "the first effort demanded of a right to life member is to understand the reality of our enemies, to make the intellectual effort enabling him or her to believe in the reality of the enemy." He singled out the Carter administration's *Global 2000 Report*, British intelligence's Tavistock Institute, and the Club of Rome, as agents of genocide in "the tradition of H. G. Wells, George Orwell, and Aldous Huxley."

Dr. Tremblay demanded that his membership not focus narrowly on a single issue—for example, abortion—to realize that genocide takes many forms. "Don't be lazy. There are psycho-political laboratories working on the manipulation of human beings, of the masses. They push lies through the sensitivity and weaknesses of their audiences. You are members of the right to life, you have no right to be weak. . . . To win, you have to see things from above, no more smallness."

Tremblay introduced Jacques Cheminade, General Secretary of the European Labor Party in France, and a leading opponent of the Club of Rome and its leader Aurelio Peccei. Cheminade, in an address interrupted repeatedly by applause, counterposed the notion of a "divine spark" in each human being, expressed in scientific and technological progress, as embodied in the recent Papal encyclical *Laborem Exercens*, to the notion of human beings as the equivalent of cattle consuming too much grass, advanced by the Club of Rome.

Meanwhile, the IMF stopped funding a three-year \$913 million loan in July—Bangladesh had received only \$270 million—because the government did not reduce food subsidies.

Briefly

The threatened genocide is compounded, reports Zykofsky, by a nominally elected president who is controlled by an extreme right-wing army faction and Muslim Brotherhood fundamentalists as much opposed to economic development as the World Bank.

Qaddafi warns Saudis: lower oil output

The radical producers in OPEC are threatening to launch terrorism and potential military operations against Saudi Arabia to force it to reduce its oil output. OPEC is expected to hold an extraordinary meeting by the end of March, where Saudi Arabia is expected to come under heavy pressure to cut its exports. The Saudis have refused to heed such a bid, in part to preserve political stability between the princes of the royal family. A large production cut would mean a drop in oil revenues, a drop calculated by British Mideast analysts to spark rivalries and political instability in Saudi Arabia.

Libyan dictator Muammar Qaddafi, echoing warnings from Iran's Ayatollah Khomeini, delivered a raving attack March 2 on Saudi Arabia's commitment to maintain its high level of oil exports. Qaddafi warned that Saudi Arabia is "depriving the Libyan people of national income" by refusing to lower its oil production when world oil markets are shrinking and oil producers—especially Libya and Iran—are finding it difficult to sell oil.

Qaddafi ranted that unless Saudi Arabia changes its policy, its leadership will "end up like the Shah," and called upon "the people of the Gulf" to overthrow the conservative regimes of the region. Qaddafi boasted that he has already established contacts with revolutionary groups in Saudi Arabia.

The continued collapse of oil prices, which now threatens to spark an all out pricing war between OPEC and leading non-OPEC oil producers, is a byproduct of the depression worldwide. Over the

last two weeks in February the price of Saudi light crude on the international spot market has slipped from \$31 to \$28 a barrel and many oil exporters, including Britain, are now shaving their prices by as much as \$4.00 a barrel.

Pope talks sternly to Jesuit conference

Pope John Paul II concluded a week-long extraordinary conference of Jesuit leaders from around the world with a personal statement informing them that he would permit a general congregation of the order before the end of the year to elect a successor to the retired Father General of the order, Pedro Arrupe. The conference was called "to inform the Jesuits of the Pope's wishes," and occurred in an atmosphere in which the order, under the temporary leadership of a Papal intervenor, had come under severe Vatican criticism and suppression of its questionable political activities.

Prior to the conference, an official Jesuit statement said that the Pope would demand that each Jesuit follow his dictates to the letter, or face ejection from the Society of Jesus. In his speech Feb. 27, John Paul pointedly reminded them that they swear an oath of personal fealty to the Pope upon becoming members of the order. He also emphasized that the decisions of the Vatican II Council are to be carried out by the Jesuit order as intended, "not according to personal criteria or psycho-sociological theories"—a scarcely disguised reference to "liberation theology" by which the Jesuits have been organizing guerrilla population-reduction wars in Latin America, terrorist organizations in Spain, and so forth.

"There is no more room for deviations certainly harmful to the vitality of the religious communities and the Church as a whole," declared the Pontiff.

Until now, the Vatican had pointedly prevented the convening of a Jesuit council to elect a Jesuit leader.

● **DOUGLAS HURD**, Britain's Minister for Foreign and Commonwealth Affairs, has called for the U.K. to begin talks with Washington on how to stem Israeli aggression, and stated that he sees no imminent Soviet threat in the Persian Gulf. The speech, made in Qatar, seems to be part of London's attempt to act as a diplomatic intermediary in the region.

● **THE BRITISH** press on the whole praised French President Mitterand's trip to Israel this month as proof that it is possible to befriend both Israel and the Arabs. The Saudi Arabian press commented that the visit was welcome if it means the French can convince the Israelis of the need for a comprehensive peace settlement.

● **ARRIGO LEVI**, a Trilateral Commission member and former editor of *La Stampa*, published an article in the March 4 London *Times* outlining a plan for "a new phase" in U.S.-European relations based on "rethinking" Western approaches to the Soviet bloc; otherwise, "the alliance may split wide open."

● **THEO SOMMER**, editor of the West German weekly *Die Zeit*, an outlet for the views of the International Institute for Strategic Studies in London, published an attack the first week in March on the United States as disrespectful of "German national interests."

● **KARL KAISER**, who heads the German Foreign Policy Institute, says that "Americans are going through an hysterical phase and you can quote me on that." He denied that Germany is turning toward Finlandization, and said that German voters alone, not the U.S., should decide whether Schmidt leaves office. "A German Chancellor cannot help but keep tensions under control in Central Europe," Kaiser said.