

International Intelligence

Iraq loses last oil export pipeline

The only outlet for Iraqi oil exports, a pipeline traversing Turkey to the Mediterranean, was hit with the third explosion in nine months on April 25. Iraq had just expanded the pipeline to move up to 900,000 barrels a day since its normal outlet through the Persian Gulf has been blocked as a result of the 19-month Iran-Iraq war.

The explosion came less than one month after Syria, a close ally of Iran's Ayatollah, shut down Iraq's only other outlet which crossed Syria and Lebanon.

The region of Turkey where the Iraqi pipeline exploded is near the Syrian border at Bakce, a known smuggling area to which Syria has free access. In March, shortly before the Syrians cut off the Lebanese-Syrian pipeline, Syria threatened "guerrilla warfare" against Iraq. Arab sources report that Syria has mobilized several thousand troops on Iraq's border to divert Iraqi forces as Iran prepares for a new offensive.

As Iraq's meager oil exports dropped to zero after the explosion, Iran's exports have soared to an estimated 1.3 million barrels a day, as a result of cut-throat price slashes.

Deng escalates purge against opponents

The Chinese regime of Vice-Chairman Deng Xiaoping has announced plans for a sweeping "restructuring" of the State Council (cabinet) bureaucracy, large-scale personnel reductions and other changes, signaling an escalation of the regime's ongoing purge of officials and institutions opposed to its anti-industry policies.

Deng ally Premier Zhao Ziyang, speaking for the 23rd Session of the Standing Committee of China's National People's Congress, declared that 11 of the current 13 vice-premierships would be abolished and the number of commissions under the State Council would be

reduced from 52 to 41. Thousands of officials will be dropped entirely from the government bureaucracy.

Though the precise nature of the restructuring has yet to be announced, it is expected that the Deng regime will target those institutions and officials who are resisting the regime's industry-wrecking economic program. Rumored to be slated for dissolution or downgrading are those commissions in charge of capital construction, machine-building, energy, and agriculture.

Deng's assault on opponents in the government coincides with a movement to oust large numbers of Maoists and other opponents from the ranks of the Chinese Communist Party and the armed forces. Informed sources note that resistance to both the purge and the current regime's economic policies is mounting and that the political situation in China is likely to become more unstable over the months ahead.

Nationalist landslide in Malaysian vote

In an unprecedented surge of enthusiasm, four out of every five Malaysians voted to bring the ruling National Front party back to power in Malaysia's general elections last month. The National Front, led by Prime Minister Dr. Mahathir bin-Mohammad, captured 131 of 154 parliamentary seats—an overwhelming majority which will enable the premier to achieve his aim of turning Malaysia into a self-reliant nation, with sovereignty over its own economy.

Dr. Mahathir, who called general elections 16 months early, sought a mandate for a program, known as the New Economic Policy, to bring the indigent Malay population into the mainstream of the nation's economy. Dr. Mahathir had also injured Britain by taking over large plantations and mineral holdings through legal means. He criticized the economically powerful overseas Chinese in Malaysia for working in tandem with the former colonial rulers to keep the Malays at the bottom of the economic ladder.

With a massive mandate behind him, Prime Minister Mahathir is expected to drop some old political faces from his new cabinet, which is scheduled to be announced in early May.

Bush-league treatment for George in China

Though the Reagan administration's announcement suggested otherwise, inside sources note that in fact it was China's mandarins who kept a genuflective George Bush waiting on his request to visit Peking, before allowing the Vice-President entry into the Middle Kingdom.

Contrary to reports, Chinese officials are not likely to discuss with Bush the controversial U.S. decision to sell \$60 million in military spare parts to Taiwan or any other significant issue. Instead, in time-honored fashion, the Chinese are expected to treat the Bush delegation as a tributary advance party for a possible visit to China later this year by President Reagan.

The sources note that Bush will not even be allowed to fly directly to Peking, but will be routed through Shanghai or Hangzhou for sightseeing before finally being granted an audience in Peking.

Neo-feudalists drool over Balkan devolution

The Siemens Foundation, whose director, Armin Mohler, is a spokesman for the fascist "Conservative Revolution" in West Germany, brought together a spy-manual's assortment of academic specialists and secret service operatives in Wiesbaden, West Germany on April 23-24 to discuss the dismemberment of the Balkan East bloc states, and the restoration of the Austro-Hungarian Empire in southeastern Europe.

Typical of the participants were Fred Singleton, a former British intelligence agent in Yugoslavia, and Paul Lendvai, who is producing a program on Serbia

and Croatia (two Yugoslav federal states) for Austrian TV. Lendvai's program, he told a journalist, cannot be shown on West German TV because it would be "too provocative" (of precisely the kind of ethnic strife promoted by the gathering).

The conference, organized by the South-East Europe Society, advocated, in one of its publications, the formation of a "Danube Federation" in place of the nations of Hungary, Romania, Bulgaria, and Yugoslavia, formerly considered the "backyard" of the European nobility. These countries only became semi-industrialized under Soviet influence after World War II. With the nosedive of the Western economies starting in the 1970s, that process came to a halt.

The strategists want the introduction of decentralizing "market reforms" throughout the East bloc. Such reforms were introduced, in Hungary 10 years ago. Since then Hungary has the slowest economic growth in the East bloc, turning negative since 1980.

Begin moves toward annexing settlements

Israeli Prime Minister Menachem Begin has announced that he will seek a parliamentary law to prevent the dismantling of Israeli settlements in the West Bank, Gaza, and the Golan Heights in the event of any future peace treaties with Israel's Arab neighbors. The move is generally viewed as the first step toward formal annexation of the remaining occupied territories. Israeli Interior Minister Yosef Burg said flatly that the West Bank is "ours, and there is no discussion about it."

Begin is seeking the support of opposition Labour Party leader Shimon Peres. The Labour Party has opposed the bill as a vehicle for the "grandiose tendencies" of the ruling Likud bloc. Begin is also offering to join with Peres in a government of national unity, something that Peres has so far resisted. According to sources, Peres will only join Begin's coalition if Ariel Sharon, Begin's wild-eyed defense minister, is ousted.

Vietnamese to Bonn: Help us stabilize Asia

Visiting Vietnamese Foreign Minister Nguyen Co Thach held a press conference in Bonn April 27 as part of a diplomatic campaign that took him to France, Belgium, Sweden, and East Germany. With the weakening of the "China card" forces both in China and the United States, the Vietnamese see an opening for peace and stability in Southeast Asia, and the long-hampered economic development of Vietnam. They want an end to EC sanctions against Vietnam as a first step.

"Germany contributed an important part to détente in Europe," Thach noted, "and could play a very helpful role in Southeast Asia. They could help countries to talk, and not to play the game of China: to push one country against another."

The European Community position, following the Sinophile insanity of the U.S. State Department, is that no trade with Vietnam is possible while Vietnamese troops remain in Kampuchea. The Vietnamese have been there since 1978, when they threw out the regime of Pol Pot, which had butchered about 3 million Kampucheans under the direction of the Chinese. Thach said Vietnamese troops would leave Kampuchea "one day after" the Chinese threat to that country was removed.

Thach bluntly told the Europeans that they had been "tricked" by China: "they are very happy to keep up that threat [to Kampuchea] for that means we receive no aid from the EC." And in answer to a question about German aid to Kampuchean refugees, he declared: "The West is proud to give aid to the Kampuchean people. That is all right, but we rescued them from genocide. The West is proud to give food to the Kampuchean people—that's good. But the West criticizes us for saving them from death! We have helped them to get out of Hell."

Thach's trip continued to Moscow, and then to India, where he held talks with Prime Minister Indira Gandhi and other officials.

Briefly

● **PIERRE MAUROY**, French Premier, met with Canadian Prime Minister Pierre Trudeau to plan a joint strategy *against the United States* at the NATO summit in Bonn this month and at the Versailles summit in June. Their "global negotiation" idea includes mobilizing the threat of Canada's "immense reservoir of resources" to force humiliating new trade relationships on the United States and Japan, under the guise of improved "North-South" dialogue.

● **MARIVILIA CARRASCO**, General Secretary of the Mexican Labor Party (PLM), announced April 28 that she was running for a seat in the National Congress for the First District of Mexico City. She said she would concentrate her efforts on defeating the "fascism" of her opponent, PAN party head José Angel Conchello. The PLM is Lyndon LaRouche's co-thinker organization in Mexico.

● **JAPAN**, the United States and Western Europe have agreed to raise interest rates on governmental credits to be supplied to the Soviet Union by 0.25-0.5 percent to 11.0-11.25 percent per annum in a move to step up their sanctions against the Soviets, the *Nihon Keizai* reported April 27.

● **SUMNER WELLES**, Secretary of State under FDR, wrote in the *Washington Post* in March 1948: "The dangers in the dispute between Great Britain, and Argentina and Chile over the sovereignty of the South Atlantic islands should not be minimized. The British government has dispatched warships to the Falklands. . . . If this controversy . . . grows still more serious, not only will the security of both Argentina and Chile be prejudiced, but the peace of the entire hemisphere may be endangered. . . . An immediate initiative on the part of the inter-American system is demanded."