

altered the odds against Rockefeller's rigged game, causing him to back down.

Peru's foreign minister Angel de la Flor reflected the impact of these briefings when, according to today's Washington Post, he told the press that the rumors of war all seemed to originate from newspaper stories in Washington which cited U.S. intelligence sources. "There were clear intentions at work there," he said, adding that the tensions were instigated "from the outside."

The Washington Post notes: "The tensions have eased." Peruvian officials returning to their offices after vacation report that the yellow-journalism war hysteria "suddenly" died down after mid-December, which was precisely the period the Labor Committees began the propaganda barrage as well as a flood of calls to top Rockefeller operatives themselves to let them know that the working class is not about to be fooled by a War of the Pacific hoax.

Rocky needs the cover of a war to make necessary internal and regional political and military shufflings to facilitate petrodollar recycling into labor-intensive "development" projects in the Southern Cone of South America.

SHAH BOLSTERS SADAT TO SAVE CIA'S MIDEAST ALLIANCE

NEW YORK, N.Y., Jan. 11 (IPS)--The CIA's Shah of Iran today completed a salvage mission to the beleaguered regime of Egypt's President Sadat. Amid much press fanfare the Shah offered \$850 million in economic contracts to bolster the devastated Egyptian economy. Following his transfer of 20 American-made warplanes to Jordan earlier this week, the Shah reportedly discussed large-scale arms aid to Egypt and enhanced military coordination between the two countries.

This advancement of the CIA's rapidly progressing rightward turn in the Middle East represents a frantic attempt to recoup the losses incurred by the cancellation of the Brezhnev visit to Cairo. According to the NATO-connected West German newspaper Die Welt, the Shah's intention of constructing a Mideast-wide, anti-Soviet "federation of moderates" based on Saudi Arabia, Jordan, and Egypt, and also involving Lebanon, Kuwait, and Israel, is totally dependent upon the situation in Cairo. Curtly emphasizing this point, Die Welt continued: "If Sadat makes the breakthrough to a peace solution [in bilateral peace negotiations with Israel--ed.], then the path is free; if he fails, and thereby is toppled, a wave of radicalization would flood the Arabian world, before which Iran also would not be secure."

Extending his generosity into other quarters, the Shah suddenly announced an offer to supply Israel with all its oil needs if it returns the disputed Abu Rodeis oil fields in Sinai to Egypt,

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as part of an overall "peace settlement" in the Middle East. This offer was made through U.S. Secretary of State Kissinger, according to the Beirut newspaper, Al-Hawadess. Hailing the Shah's Middle East organizing initiatives, the Israeli newspaper Al Hamishmar commented hopefully that they "should have a moderating effect on Soviet influence and strengthen the political option in the region."

What particularly agitates the CIA's scribes is that offensive rumblings within the Soviet bloc presage a complete upset of the carefully prepared Middle East controlled environment. The growing possibility of the integration of pro-socialist Iraq into the Warsaw Pact military alliance by itself throws a chink into the CIA's bold-faced extension of NATO and CENTO into the Arab Middle East. Two contending military blocs represent a stand-off, opening up the whole area for socialist political organizing. The CIA has thus reduced the strategy to timing and bluff: a rapid military consolidation is intended to intimidate the Soviets into tactically disastrous hesitation.

East Bloc Hits Iran, Kurds

The international Communist press has shown signs that Moscow may be ready to call the CIA's bluff in the Middle East. The West German Communist daily, *Unsere Zeit*, today issued a scathing attack on the CIA-backed revolt of Kurdish tribesmen in Soviet-allied, pro-socialist Iraq. At the same time, the Danish Communist Party's newspaper, *Land Og Folk*, published an expose of the Shah's political police, SAVAK, linking them to the Kurdish rebellion and to the CIA and the Mossad, Israel's foreign intelligence operation.

In a lame attempt to counterorganize against a possible Soviet Middle East political offensive based from Iraq, the CIA's regional stooges are soft peddling their usually strong anti-Iraq propaganda from Cairo and Teheran. Before leaving for Cairo, the Shah magnanimously renounced any intention to set up a Kurdish state, a meaningless gesture that was hailed in the bourgeois press as a conciliatory move toward Iraq. And Sadat, for his part, is rumored to be visiting Baghdad at the end of the month to "mediate" the Iran-Iraq dispute! Such hypocritical friendliness by the agent regimes in Iran and Egypt toward Iraq can be seen only as an attempt to drive a wedge between Baghdad and Moscow.

Sadat's Insecurity to Spread?

From this standpoint, the wobbly Sadat regime is a major liability for the Rockefeller forces. Temporarily stripped of its left cover and increasingly the target of internal unrest as the Egyptian economy deteriorates, Egypt hardly makes a strong "moderate" ally of the Shah. For now, Rockefeller strategists hope that simple transfusions of money will bolster the situation. The alternative is to replace Sadat with a "liberal" regime, a plan whose shockwaves would extend throughout the CIA regimes of the Middle East, not excluding the Shahanshah's domain itself.

As emphasized in recent issues of IPS, the Shah's bastion is by no means secure. There is growing internal restlessness as Middle East development projects stall. And the firmed-up Soviet alliance with Iraq has helped intensify international working-class perception of the Shah as a brutal fascist tyrant. By saving Sadat, the Shah is really protecting his own hide.

Arms Deals, Fighting Escalates

While the Shah met with Sadat, his armies significantly increased the level of fighting against the pro-Iraq rebel forces in the medieval kingdom of Oman. A communique from the Popular Liberation Front of Oman reported that 10,000 Iranian troops have launched a "wide-scale offensive," a "brutal operation of vengeance that surpassed all previous operations in ferocity."

The Shah's prestige as an anti-Soviet policeman is intimately tied up with this savage war, itself largely a combat training operation for the Iranian army. To underscore this morale-boosting effort, Nelson Rockefeller and Defense madman James Schlesinger personally entertained the Sultan of Oman at a Jan. 10 Washington dinner.

To underscore the CIA's Middle East NATO/CENTO consolidation, the United States completed earlier this week a \$750 million arms deal for "several squadrons" of F-5E warplanes with the violently anti-communist King Faisal of Saudi Arabia. London's Daily Express reported Jan. 8 that Cairo and London are soon to announce a huge arms deal involving offensive weapons and assistance for Egypt to substitute for the Soviet refusal to arm the Egyptians. The deal will be financed by Faisal. In addition, the Swedish firm Saab-Scania, manufacturers of the Viggen supersonic fighter plane, were forced to deny reports circulated in a Middle East monthly magazine that a major deal had been arranged with the Saudis.

FASCIST STEP-UP IN MEXICO: ECHEVERRIA TRIES TO CLEAR HIMSELF

NEW YORK, N.Y., Jan. 11 (IPS)--In an escalation of right-wing terror, gangs of fascist thugs, commonly known as "porras," assaulted and robbed students and leftists this week at the National Autonomous University of Mexico (UNAM) and a nearby high school. An environment of terror is beginning to be created at the UNAM which has already driven most of the organized left into temporary hiding--with the exception of the Latin American Labor Committees. The Labor Committees are organizing to expose the Mexican President Luis Echeverria, who effectively controls the porras.

In mid-December, a leftist university professor was shot by unidentified "porristas," for no apparent reason. Two days ago a