

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE



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SPECIAL INFORMATIONAL BULLETIN:

NEW YORK, June 9 (NSIPS) — The following is a full translation of a statement by the Soviet government on the Middle East situation released today by TASS, the Soviet news agency.

TASS has been authorized to release the following statement in the name of the Soviet government:

In the course of the latest developments, the events in Lebanon have become more and more tragic. The fratricidal war in which Arabs are fighting against Arabs is becoming ever more bloody. The number of victims from amongst the peaceful population — women, elderly people, and children — is increasing. The events in Lebanon extend beyond the borders of this country; this is proven by, among other things, France's statement in relation to the possibility of sending a contingent of French troops into Lebanon. The United States' naval forces continue to be held in the vicinity of the Lebanese coast. The Soviet Union considers that the situation in Lebanon and the Mideast as a whole could become still more complicated if no end is put to the attempted foreign interventions into Lebanese affairs.

The Syrian Arab Republic on its part has repeatedly issued statements that the mission of the Syrian troops sent to Lebanon consists in aiding in the termination of the blood-letting war. The fact is remarkable, nonetheless, that up to this day blood is still being spilled in Lebanon, and indeed the flow is still greater. At this time, when the Lebanese events threaten to grow into a still greater international conflict, the Soviet Union calls upon all countries to disregard any action which runs contrary to the principles of respect for independence, sovereignty and territorial integrity, so that these internationally recognized principles can also be applied fully to Lebanon.

The crucial prerequisite for this is an end to the blood-letting. It is necessary for all sides who, in one way or another, are involved in the Lebanese events to immediately stop the shooting. As for the powers who are threatening a direct military intervention into Lebanese affairs under the pretense of their interest in the Lebanese situation, in this connection the Soviet Union sees itself compelled to make the following statement:

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The Mideast region is situated much more closely to the Soviet Union than to those who are voicing such threats, and at all events it is no less interested in how the situation in and around Lebanon is developing, and how it will develop in the future. No one should disregard this. In the leading Soviet circles it is considered necessary to point out one further aspect of the events in Lebanon. As everybody knows, there are hundreds of thousands of Palestinians on Lebanese territory, who have now found accommodation in this country and who are now in the ranks of the Palestinian resistance movement, continuing their courageous fight for their legitimate, maximum rights, for the Arabs' common interests in eliminating the consequences of Israeli aggression. And what is happening to them now? They have likewise been sucked into the bloody fratricidal war. The Soviet Union expects the sides immediately involved in the events in Lebanon, as well as all other sides who are conscious of the danger of a further peaking of the situation, to immediately display proper responsibility.

NSC DECLARES THAT SOVIET GOVERNMENT DOES NOT BELIEVE ITS OWN WARNING ON THE MIDDLE EAST CRISIS

WASHINGTON, D.C. June 9 (NSIPS) -- When asked for comment on today's TASS statement warning the U.S. and French that the Soviets viewed the Lebanese crisis as serious and a threat to their security, Arthur Houten, the National Security Council staffer for the Middle East, declared that "The Soviets don't believe what they are saying." Confronted with recent Soviet attacks against Secretary of State Henry Kissinger, Vice President Nelson Rockefeller and his brother, Chase Manhattan Bank Chairman of the Board David Rockefeller for their war-mongering, he lost his composure: "They (the Soviets) know what you are saying is rubbish; that Kissinger and Rockefeller are linked to an American plan. It is incorrect linkage, illogical syllogism. I know the Soviets, they are rational and logical individuals and that is only what they are saying, not what they are thinking." When asked what he thought the Soviets were thinking, he replied, "Aha, that is an interesting question, but I have to go."

NO THREAT OF SOVIET INTERVENTION IN LEBANON: MIDEAST "EXPERT"

WASHINGTON, D.C. June 9 (NSIPS) -- Dale Tahtenan of the Washington-based American Enterprise Institute claimed that there is no threat of a Soviet intervention into Lebanon which would trigger a full-scale Middle East war: "The Israelis will react (to a Syrian invasion of Lebanon) depending on how far the Syrians will go... that's the greater possibility, Tahtenan continued. "I'm not saying it's likely, but it's possible."

Tahtenan, who has written for AEI on various scenarios for a limited nuclear war in the Middle East, claimed that the Syrians were meeting great resistance. He also stated that the "red-line" trip-wire that would trigger an Israeli invasion of southern Lebanon depended on how much more men and materials the Syrians were willing to pour into Lebanon and for how long they will retain hold of the situation once they have taken the country.

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MAPAM RENEWS GENEVA CALL; IDENTIFIES SOVIETS, FORD AS
SEEKING GENEVA PEACE SETTLEMENT

June 9 (NSIPS) — "Israel should renew its political initiatives" conference, says the left-wing Israeli Mapam party in the latest issue of their newspaper Al Hamishar. "On the eve of the presidential elections, President Ford would like to be able to show that peace moves are underway," the paper continues. "The Russians, too, worried about losing their position in the region, would also support an initiative that would allow them to improve it. Since both powers are necessary for securing a settlement in the region, the best path for all would be a reconvening of the Geneva conference, but without the Palestine Liberation Organization, which will only prove an obstacle to peace talks."

ASSAD GIVEN NINE DAYS FOR LEBANESE INVASION SUCCESS

June 9 (NSIPS) — The June 17 scheduled visit of Syrian dictator Hafez Assad to Paris sets "a time frame" for his moves in Lebanon, New York Times reporter James Markham writes today from Beirut. Markham notes that Assad cancelled a previous visit to Paris, scheduled in March, because of the Lebanese events and that another cancellation would be a "catastrophe."

According to Markham, "This gives Assad nine days to bring the chaotic situation in Beirut under control, but the resistance his troops have been meeting may compel him to order the use of considerable force." To further this objective, the "state-run Damascus press and broadcasting have been stressing that Syria will go to the 'final extreme' in bringing peace to Lebanon," Markham writes.

YUGOSLAV FOREIGN MINISTER FLIES TO DAMASCUS

June 9 (NSIPS) — Yugoslav Foreign Minister Milos Minic flew to Damascus, Syria from Ankara, Turkey this afternoon, bearing an urgent message from Yugoslav President Tito to Syrian President Hafez Assad. Minic had been with Tito at a Yugoslav-Turkish summit meeting, and left those negotiations because of the crisis in Lebanon. Yugoslav news media have been sharply critical of the Syrian invasion of Lebanon. There have been several high-level party and military contacts between Yugoslavia and members of the Warsaw Pact countries, including the Soviet Union, during the past week.

TIMES CALLS LEBANON CRISIS TRIGGER FOR ALL-OUT WAR;
REPORTS NATO WORRIES ABOUT SOVIET STANCE

June 9 (NSIPS) — A front-page article in today's New York Times warned that Syria's inability "to bring order to Lebanon" might "touch off a wider war." Quoting unnamed State Department sources, the Times article, written by Bernard Gwertzman, warned that the resistance of the Palestinian left might force Syria to introduce more forces, "Thereby increasing the risk of intervention, either from Israel or from other Arab countries."

In a second article, New York Times' European correspondent Flora

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Lewis writes today that NATO officials are concerned because they have gotten "no reading about Moscow's stand" on the Lebanese war. "There have not been any special Soviet statements "on the Middle East," Lewis writes, ignoring Premier Kosygin's speech last week in Iraq. "According to high NATO sources," the Times correspondent says, "the substantial reinforcement of the Soviet fleet in the Mediterranean (is viewed) as merely a precautionary measure..." NATO sources are said to be generally unconcerned about the possibility of Soviet intervention.

STEVENSON CONDEMNS SYRIAN INTERVENTION

WASHINGTON, D.C., June 9 (NSIPS) -- Sen. Adlai Stevenson (D-Ill) today condemned the Syrian invasion of Lebanon and warned that the situation is "moving toward confrontation." Stevenson urged that the Palestine Liberation Organization and PLO head Yassir Arafat had to be negotiated with to assure an overall peace settlement.

Sen. Stevenson told this news service to call his office later in the afternoon for a statement. When reached, a Stevenson aide here, former State Department official, William Buell, said, "He made no commitment, there is no statement."

SYRIANS DELIVERED SETBACKS BY LEBANESE LEFTISTS; SAIQA COMMAND DESTROYED IN BEIRUT

June 9 (NSIPS) -- Lebanese and Palestinian leftist forces scored a major victory today defeating Syrian-backed forces for control of the Beirut International Airport. Earlier, leftist forces issued a release stating that the Syrian-backed guerrilla outfit, Saiqa, had been destroyed in Beirut. The routing of the Syrian-backed troops in Beirut is viewed as a major setback for Syrian President Hafez Assad, whose invasion of Lebanon last week was explicitly designed to destroy the left and their Palestinian allies.

As a result of these victories, Syria's planned advance on Beirut today was stymied. In the mountains near Beirut, however, heavy fighting was reported and the Syrians were said to be meeting stiff resistance from the leftist forces. Fighting was most intense around leftist leader Kamal Jumblatt's headquarters near Beirut, in the leftist-controlled Nabatiyeh region in the south, the country's second largest city of Tripoli and in the port city of Sidon. At least 300 residents were killed by Syrian tanks and troops in the fighting in Sidon, which also caused casualties.

Adding to Syrian President Hafez Assad's problems, Syrian and pro-Syrian troops and officers are deserting in increased numbers, according to today's French daily, Le Monde, and are balking at orders to liquidate Palestinian and leftist forces. Several brigades of the previously Syrian-controlled Palestine Liberation Army forces have deserted. Vice-General Secretary Bodeiry of the pro-Syrian Baath Party in Beirut announced that from now on, he is going to fight on the Palestinian-Lebanese side, and not the Syrian side, also according to Le Monde.

IRAQ DEPLOYS TROOPS TO SYRIAN BORDER

June 9 (NSIPS) -- Iraqi leader Saddam Hussein led a mass rally in Baghdad today to protest Syria's intervention into Lebanon

and massacre of the left there. Hussein resolved to send "popular forces to the front to defend our national honor."

According to United Press International, Iraq is now massing troops in an effort to pressure Syria into desisting from further provocation in Lebanon and to back up the Soviet warning to the United States today to refrain from heating up provocations in the region.

ASSAD'S FALL WILL LEAD TO "GENERAL WAR"

NEW YORK, June 9 (NSIPS)--A highly reliable diplomatic source said today that if Syrian President Hafez Assad falls from power in Syria, the Israeli's will launch a "general war" in the Middle East.

ARAB LEAGUE OK'S PAN-ARAB INTERVENTION FORCE INTO LEBANON

June 9 (NSIPS) -- Foreign ministers at the Arab League meeting in Cairo today approved sending Algerian and Libyan troops to Lebanon as a peace-keeping force subject to Syrian approval, according to CBS radio. The proposal is being widely interpreted as a "face-saving" means to facilitate a Syrian withdrawal from Lebanon.

WEST GERMAN GOVERNMENT CONFIRMS DISCUSSION OF SOVIET DECLARATION AND EUROPEAN SECURITY PACT

BONN, W. GERMANY, June 9 (NSIPS) -- The Federal Press Office of the West German government confirmed today that the recent Soviet Declaration to the West German government, and a European Security Pact were definitely discussed in talks yesterday between West German Chancellor Helmut Schmidt and Polish Communist Party leader Edward Gierek in Hamburg, West Germany. West German Foreign Minister Hans-Dietrich Genscher, Social Democratic party (SPD) chairman Willy Brandt, and SPD parliamentary chairman Herbert Wehner, also attended the meeting. Wolfgang Mischnik, Free Democratic Party parliamentary chairman, entered the talks immediately following his return from a meeting with West German Democratic Republic leader Herman Axen, in East Berlin. West German newspapers today noted that the talks lasted late into the night, and that the West German Ambassador to Moscow today had a 40 minute unscheduled talk with Soviet Foreign Minister Andre Gromyko.

PRAVDA PROPOSES EUROPEAN-USSR COOPERATION; LAMBASTS FRENCH ATLANTICISTS

June 9 (NSIPS) -- Today's Soviet party daily Pravda said that "The security of France lies not in NATO and war plans, but in European security and cooperation with the Soviet Union."

Pravda counterposed this collective security proposal to French Chief of Staff, Gen. Guy Mery's recent statement of commitment of French troops to NATO front line defense, in combat against the Warsaw Pact forces. Pravda charged that this pro-Atlanticist move was "a revision of the actual basis of the French pol-

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itical conception developed by General Charles DeGaulle."

The Pravda commentary was reported in today's German Democratic republic radio broadcasts.

FRENCH, SOVIET COMMANDERS MEET

June 9 (NSIPS) — The Chief Commander of Soviet troops in Germany, Gen. E. Ivanovskii, met with his French counterpart General Jean Richard in Wuensdorf, German Democratic Republic, the June 6 Soviet military daily, Red Star reported.

SWISS, W. GERMAN CENTRAL BANKS FORM NEW CURRENCY BLOC TO EXTRICATE EUROPE FROM BANKRUPT DOLLAR

NEW YORK, June 9 (NSIPS) — Swiss national Bank president Fritz Leutwiler and Bundesbank vice-president Ottmar Emminger have arranged a Swiss Franc-Deutschemerk axis geared toward an early gold-backed European currency snake, according to the chief foreign exchange trader at a leading Swiss bank here. The trader met with Mr. Leutwiler in Washington, D.C. last week at the International Foreign Exchange Association-organized conference.

"This," said the source, "doesn't bode well at all for the dollar or the British pound...The pound is headed for the 1.60 dollar level and the dollar can't be far behind. You think the 5.3 billion dollars bailout package they put together is going to stop the decline of the pound. Heh, Heh, who's kidding who?"

Foreign exchange market developments this week corroborate this analysis. Both the U.S. Federal Reserve and the Bank of England have been defending the pound — and indirectly the U.S. dollar — massively despite the 5.3 billion bailout package. On the other hand the Swiss have taken strong and unprecedented measures to stop the speculation in gold-backed Swiss Francs. In addition, the Swiss central bank under arrangement with the Bundesbank, is no longer buying dollars to protect the Swiss Franc from becoming too strong and is instead doing so with West German marks.

SOVIETS PUSHING GOLD-BACKED EUROPEAN CURRENCIES

NEW YORK, June 9 (NSIPS) — The current issue of the prestigious Wall Street weekly, the Money Manager, pointed out that the Soviet Union is moving forcefully to establish gold-backed European currencies and have been putting pressure on the Swiss, Germans and the French to move in that direction.

5.3 BILLION DOLLAR BAILOUT CANNOT STOP STERLING CONFIDENCE CRISIS

NEW YORK, June 9 (NSIPS) — The 5.3 billion dollar bailout 3-6 month loan to Britain by the Group of 10 completely failed to stop the crisis of confidence in Sterling and the Euromarkets generally as the pound fell to 1.7680 dollars at one point today despite heavy Bank of England intervention. The pound opened trading down 1.771, opening with the "Old Lady" the only sterling buyer in the market.

NEW YORK, June 9 (NSIPS) — A top executive at the British bank Morgan Grenfell reported today that "The Group of 10 are happy to put their money in (to the British bailout) but it doesn't change the basics. In the last 24 hours, the pound has required massive bank of England support. There is absolutely no change in the lack of confidence....After 3 or 6 months, the IMF will demand strings — a political crisis... A policy? Ha-ha, no one has any idea."

BANKERS SAY CREDITS FOR BRITAIN ARE ONLY TO BUY TIME FOR BUDGET CUTS

June 9 (NSIPS) — "It's terribly important to look at the actual understanding we have reached with the British," said U.S. Treasury Undersecretary Edwin H. Yeo yesterday. "We have given them a swap-type credit for six months — but only six months."

The New York times, which reported Yeo's remarks, added that if Britain borrowed so much of the 5.3 billion dollar credit that it was unable to repay at the end of six months, then the British Treasury would have to apply to the International Monetary Fund for another loan. the conditions for such an IMF loan would be very stringent, the Times observed.

"The loan means that other things will have to happen before the loan runs out," said an economist at Barclay's, England's largest bank. He suggested cutting government subsidies for housing and food. "You shouldn't do it to people who have an income below a certain level; but right now you're subsidizing the food of rich people and the housing of rich people who can afford their own."

The Wall Street Journal said in an editorial today: "We ourselves would be more jubilant if we could see some clearer signs that (British Prime Minister) Mr. Callaghan's government perceives the fundamental ailments and has serious intent to do something about them."

ITALY'S PRIME RATE GOES UP TO 20 PER CENT

June 9 (NSIPS)--The Italian prime rate has gone up to 20 per cent, up from 13 per cent. Following the implementation of the Bank of Italy ruling forcing the banking system to increase their mandatory deposit ratio with the central bank from 30 to 42 per cent. At the same time, non-prime rate interest levels have soared as high as 25 per cent. The news is reported by today's Il Fiorino, Italy's leading financial newspapers.

FRENCH DAILY CALLS MONETARY SYSTEM "A HOUSE OF CARDS"

June 9 (NSIPS)--In an editorial in today's issue of the French daily "L'Est Republicain," Pierre Meutey characterized the dollar-based international monetary system as "a house of cards," premised on the increasing impossibility of collecting Third World and municipal debts in the advanced sector. Citing the reported 150 bil-

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