Politburo decision to override waverings from Brezhnev and reject Vance's package out of hand was not lightly taken and will not be reversed. That issue settled, the faction fight continues on a new footing: what political course to take in the wake of the SALT fiasco.

On the one hand, Carter is provoking the Soviets toward a military hard line, indicating war preparations and a growing conviction in the USSR that a nuclear conflict is likely. On the other, the Soviet faction favoring a political solution to the Carter problem is doing the legwork for a decisive move into transfer-ruble financing of world trade in the coming months. Deputy Foreign Trade Minister Komarov is in Italy, reportedly to discuss this matter with the Andreotti government.

Intersecting this debate is Rockefeller's inside man in Moscow, Georgii Arbatov, the director of the USA and Canada Institute, who is exerting every effort to disorient the Soviet leadership as to the real situation in the United States, and thereby blunt Moscow's political effectiveness.

Since the collapse of Vance's trip and what the Soviet party daily *Pravda* called Carter's "alarming obstinacy" in sticking to his rejected package, the Soviet press has lambasted Administration tactics in increasingly harsh language. A leading commentator of the government's newsdaily *Izvestia* declared that Soviet-American relations are at "a critical crossroads" and could deteriorate further with consequences for "the entire international situation." The Soviet military daily *Red Star*, repeating a formulation of Defense Minister Ustinov's, vowed that the Soviet economy, science, and technology are now at a level that they can create "in the shortest period of time, any type of weapon that the

enemies of peace would like to place their stakes on."

The precise opposite was trumpeted by Arbatov to a Massachusetts Institute of Technology audience April 11. Arbatov said what he could never say in public in the Soviet Union: "the hazards of too rapid scientific development" have brought the world close to the danger of thermonuclear war.

Speaking on the "question of a new economic order," Arbatov made no mention of the real basis for such an order — a break with the dollar — instead he called for "new international agencies" to "deal with resource problems." This category includes the "Common Fund" proposal for bailing out the New York banks. This resource cartel plan was put forward by the Brookings Institution, a Rockefeller think tank that Arbatov has praised in recent press articles.

Arbatov retailed the line that has become the hallmark of his long-standing efforts to confuse Soviet leaders on the true state of affairs in the U.S.: "vested interests," "the military industrial complex," have created a huge war machine, and it is their thirst for profits that is creating the war danger. The interests to which Arbatov referred are primarily those conservative U.S. industrialists who are a leading source of opposition to the Rockefeller-Carter push for war.

Arbatov is actively engaged in spreading this nonsense throughout the Soviet press. A member of Arbatov's USA and Canada Institute, writing a guest feature in *Red Star* April 10, lied that the U.S. Joint Chiefs of Staff were "pleased" with the Carter proposals. Actually, as the Washington Post has reported, the Joint Chiefs opposed the Administration's strategy as too provocative.

Czechs Endorse New Swedish Communist Formation

April 13 (NSIPS) — On March 5 the leadership of the powerful Norskensflamman faction of the Swedish Communist Party, the VPK, announced that it was forming a new party, the Arbetarpartiet Kommunist (APK, Communist Workers' Party). At issue in the break is the VPK's NATO-inspired anti-Sovietism and "zero growth" and anti-nuclear-energy policies, which the APK's preliminary program counters with the demand for rapid development of fission and fusion power. On April 8, the Czechoslovak daily Rude Pravo became the first Eastern European Communist Party paper to endorse the APK. Rude Pravo's article signals that some Eastern European leaders intend to make the APK's principled defection from the agent-ridden Swedish Communist Party an international issue, and use it as leverage against other anti-Soviet "Eurocommunists" still plaguing the Western communist parties.

The Rude Pravo article read in full:

Stockholm, April 7 (CTK) — The main tasks of the new Swedish Arbetarpartiet Kommunist, founded in

March in Sweden, are defense of the vital interests of the Swedish working class, the struggle for peace, democracy and social progress, and the struggle against imperialism. This was stated in the document of the conference of this party, which took place March 26 and 27. The documents also stressed, that the party will consistently adhere to the principles of Marxism-Leninism and proletarian internationalism.

The formation of this party was the result of the aggravation of differences within Sweden's Left Party-communist (VPK, the Swedish Communist Party — ed.). According to the Swedish press, the leadership of that party took action against certain communists and excluded them from the party. These were people who criticized the policy of the leadership, because it departed from the basic ideological principles of the party. Their views diverged from the leadership's on the principles of proletarian internationalism and the evaluation of the significance of real socialism for international developments.