reorganization. Bouteflika then emerged to champion the Polisario's rights for "self-determination." By launching virulent attacks against the "neo-capitalist" regime of French President Giscard d'Estaing, which traditionally supplies arms to Morocco, and by calling for French left-wing support for the Polisario, Bouteflika has created a French "right-left" dispute as cover for Carter's "neutral" intervention.

The Atlanticist-controlled French left has rallied to the "cause célèbre" of the Polisario. Recently, French Communist Party (PCF) Politburo member Jean Kanapa, a loyal Atlanticist, travelled to Algeria to meet personally with President Boumedienne. Kanapa promised the PCF's "clear" and "constant" support to the Polisario. Mimicking Bouteflika, he attacked Giscard d'Estaing for his role in the crisis and officially "made his entry into the French-Algerian contention," as the French daily Le Matin de Paris reported.

Kanapa's links to the IPS terrorist network in France were also used to make contact with the Unified Socialist Party (PSU), which received a Polisario delegation in Paris recently. Also complicit in this destabilization is the Gaullist left-opposition, the Federation of Republicans for Progress, headed by Jean Charbonnel. Charbonnel actually paved the way for the gutter French left to be introduced into Algerian politics by first recognizing the Polisario as a "bona fide" liberation movement.

Dollar Dependency

Carter is using Algeria's dependence on the dollar to keep the country in line. Approximately \$8 billion has been invested in the current natural gas liquefaction projects which have been coordinated solely with American companies. Carter is also banking on Algerian natural gas as part of his energy blackmail against the U.S. population.

The Carter connection also surfaced at the North-South Conference during which Bouteflika appeared "satisfied" after discussions with U.S. Secretary of State Cyrus Vance, whom he described as a man "who understands our problems." Carter also sent a personal message to Boumedienne on the importance of the North-South dialogue and as the *New York Times* reported, he invited Boumedienne to the U.S.

Soviet Diplomacy

Cognizant of the imminent war danger, the Soviet Union has intervened gingerly in North Africa. Recently, the Mahgreb desk officer for the Soviet Union, Shevdey, visited Tunisia and Morocco. His Tunisian visit focused on the mediation of the internecine dispute between Libya and Tunisia over oil drilling rights in the Gulf of Gabès. By eliminating the Tunisian-Libyan dispute, the Soviets would help to "smooth out" the Mediterranean in preparation for their zone of peace diplomacy, a major item of discussion at the Belgrade Conference. As reported in the French daily Le Figaro, the stakes in Morocco are higher. The article stated that the Soviets were interested in developing Morocco's enormous phosphates potential in exchange for some hefty political concessions. The Moroccans were asked not only to withdraw their troops from Zaire, but also to disengage from any continued involvement in the destabilization of the African continent at the Carter Administration's behest.

U.S. Threatens Turkey With Coup On Eve Of Elections

Just days before the June 5 Turkish general elections, the Carter Administration has threatened the Turks with a military coup if they continue to balk at adopting the drastic austerity package being pushed by the International Monetary Fund. New York Times columnist C. L. Sulzberger — a known conduit for the Carter Administration and the Trilateral Commission — wrote on June 1 that "it is hard to predict a stable future unless the army — as has so often happened in Turkish politics — moves in and takes over." Sulzberger's prediction was backed up by another Times staffer, Athens-based Steven Roberts, who warned on May 29 that if "the country continues to drift without direction, the chances for a new military move could rise sharply."

The coup threat emanates from the growing fear in Rockefeller financial circles that whatever shape the next government takes — whether it is led by Prime Minister Suleyman Demirel or his electoral opponent, social democratic opposition leader Bulent Ecevit — Turkey will resist the IMF's austerity demands of a 50 to 75 percent devaluation of the Turkish lira and massive cutbacks in imports and consumption. The threat should also alert Turkish political leaders that they will be able

to avert a military takeover only by declaring a moratorium on their dollar debt and expanding current negotiations with Arab and European governments for the establishment of a new international credit institution.

Neither Demirel nor Ecevit has addressed these issues during an electoral campaign marred by daily clashes provoked by right-wing extremists, murders, assassination attempts, and terrorist attacks. Last week, Ecevit survived the fifth assassination attempt against him in the past month when he escaped harm after shots fired at him at Izmir's airport. In Istanbul last weekend, bomb blasts rocked the airport and the railroad station, killing five people and injuring several more. The military and gendarmerie were put on alert amid predictions of an increase of terrorist activities in the final days before Sunday's elections.

Simultaneously Turkey's economic crisis deepened. Employees at more than 30 Turkish embassies are currently unable to cash their paychecks drawn on the Central Bank because of the government's insolvency. Two weeks ago, reserves plunged to an all-time low of \$431 million. Of \$300 million in foreign exchange earnings

or loans obtained between April 13 and May 13, \$240 million went for debt service while only \$60 million went for imports. Drastic cutbacks in imports have already resulted in a pile-up of \$1 billion in import orders. Not surprisingly, stockpiling and black marketeering are rampant.

Following reports that the government had imposed a moratorium on all import payments except for oil and defense supplies, Central Bank officials issued a denial despite pledges from West Germany that Bonn would continue exporting to Turkey. The West Germans also attacked fanatical Deputy Prime Minister Necmettin Erbakan — a coalition partner of Demirel and a likely partner of Ecevit should the latter win the election — for blocking foreign investment in Turkey.

Soviets, Italians Organize Mediterranean Peace Zone

While the Carter Administration is busy planning scenarios for regional chaos - ranging from a war in the Aegean to a new Cyprus flare-up — the Soviet Union and Italy have intensified their efforts to defuse these hot spots. According to the Greek press, spokesmen for Turkish Cypriot leader Rauf Denktas, were forced under direct "pressure from Moscow," to officially announce this week that "no independent Turkish state will be declared in Cyprus." The announcement follows weeks of rumors that the Turkish Cypriots were planning to declare independence in the days just preceding the Turkish elections, a move sure to throw the region into chaos. Just two days before the Turkish Cypriot announcement, Soviet ambassador to Cyprus Astavin met with Denktas and with Cypriot President Archbishop Makarios, and clarified "his country's opposition to the declaration of an independent Turkish state... and any Western interference in Cypriot affairs," according to the Greek daily Eleftherotypia.

Paralleling the Soviet efforts, the Communist Parties of Greece, Turkey and Cyprus issued a joint communique last week declaring their efforts toward a "just Cyprus settlement" and calling for the removal of Turkey's occupation forces from the island. *Haravghi*, the newspaper of the Cypriot Communist Party AKEL, charged that last week's collapse of negotiations between Greek and Turkish Cypriots in Nicosia is part of a

"NATO conspiracy" setting the stage for another lound of Cyprus hostilities. Last week the Greek Communist daily *Rizospastis* revealed that the coordinated strategy of the three parties follows an historic meeting in late April of their leaders.

The renewed Cyprus crisis would serve to militarize the region, in the face of a possible declaration of debt moratorium by Turkey. A Cyprus flare-up is also aimed at removing Makarios from power and destroying his powerful alliance with the Cypriot Communist and Socialist parties. According to the Lebanese magazine Events, Socialist leader Lysarrides has mobilized his militia to counter an expected coup attempt by Makarios rival Glafkos Clerides.

Following talks with a high-powered Soviet delegation in Cyprus last month, Makarios declared that "the Cypriot government will not tolerate Cyprus talks being carried out in 'secret rooms' " and closed sessions — a sharp rebuff to Carter's efforts to prevent settlement of the Cyprus issue by keeping it an "internal NATO squabble" subject to the personal mediation of Clark Clifford, Carter's personal emissary to the region.

Significantly, the Turks are also resisting the attempts to heat up the region by indefinitely delaying the sailing of the controversial oil survey ship Sismik I into the disputed Aegean waters.

Italian Prime Minister Giulio Andreotti's recent visit to Greece is crucial to defusing the region. While in Greece, Andreotti continually emphasized the importance of establishing a zone of peace and security in the Mediterranean and stressed that Italy's support of Greece's rapid entry into the European Economic Community is based on the interest of expanding "democratic cooperation" in the area around economic development. Andreotti also addressed himself to Turkey's catastrophic debt situation and worked out an agreement with Greek Prime Minister Constantine Karamanlis over continental shelf rights of Greek islands in the Ionian Sea. The agreement was explicitly designed to set precedent for settling the Greek-Turkish dispute over Greek islands in the Aegean, preventing continued manipulations of the area. The Greek daily Kathimerini, the mouthpiece of Karamanlis, praised the "spectacular results" of the Andreotti trip.

Red Sea Crisis Looms As Sadat, NSC Isolate Ethiopia

Right-wing Arab nationalists under the control of the U.S. National Security Council are blundering into a crisis over the strategic Horn of Africa and the Red Sea that could provide a trigger for a Middle East war.

The key to the NSC scenario involves the isolation of the increasingly pro-Soviet regime in Ethiopia by Arab countries who support a sputtering rebellion of separatists in the Ethiopian province of the Eritrea, which — together with a single railroad through the French colony of Djibouti — provides Ethiopia with its only access to the sea. The eruption of a war between Ethiopia and its Arab neighbors, according to informed sources, could touch off an Arab move to close the Straits of Bab el-Mandeb at the mouth of the Red Sea,

thus threatening Israeli shipping and oil supplies.

West Germany's daily *Die Welt* reported this week that NATO officials are concerned over the threat that the closing of Bab el-Mandeb — like the closing of the Straits of Tiran by President Nasser of Egypt in 1967 — could provide Israel with an excuse for launching a preemptive strike.

According to the Financial Times of London, Egyptian President Anwar Sadat has called for a meeting of states along the Red Sea, but excluding Ethiopia (and, of course, Israel). The conference, which reportedly will include representatives of the Eritrean guerrilla movement, is designed to give support to the Eritrean Moslem rebels and their allies in Djibouti.