restructuring of Japan along low-growth, social welfare

Even more damaging to the British, however, is the role the Japanese are playing toward both China and the Soviet Union. In the recently resumed negotiations for a peace treaty between Japan and China, the Japanese have completely refused to give in to Peking's attempts to make the treaty appear anti-Soviet. Japanese Premier Fukuda, at a recent press conference, declared that after a treaty with Peking was signed Japan would greatly step up attempts to reach a similar understanding with the Soviet Union.

The firing of Kurisu can only aid the improvement of Soviet-Japanese relations. Key to this are the "Grand Design" economic offers of massive trade deals between the two nations that Soviet Vice Foreign Minister Yuri Brezhnev, Leonid Brezhnev's son, offered the Japanese when he visited Tokyo earlier this month.

Under such circumstances, the rapid escalation of both "right" and "left" terrorism against Japanese government and business leaders by British-controlled networks is not improbable. These terrorist groups, including both the "leftist" Japanese Red Army and the "rightist" Nihon Kakushin-To, are controlled by the same British agents in Japan.

The Sasagawa Connection

Many Japanese journalists suspected that the Osakabased Nihon Kakushin-To has ties to leading rightist gangster figure Ryoichi Sasagawa who is a direct protégé of British and groups inside Japan associated with the Zionist Lobby and centered around the key high finance Shibusawa family. Sasagawa, whose stronghold is in Osaka, is also a major organizer for the Unification Church operations of Reverend Moon. In the early 1970s, Sasagawa was dismissed as president of the World Anti-

Communist League for his open support of Henry Kissinger's policy of opening up relations with Communist China as a buffer to the Soviet Union.

Long suspected of having ties with the British wing of the U.S. CIA, Sasagawa in 1975 was personally sponsored by the Zionist Lobby-linked New York investment house Dillon Read on a tour of the United States.

Sasagawa is a functionary for the Shibusawa family. which since the 1870s has served as the leading British agent in Japanese banking and financial circles and is the leading opponent of Japan's dirigist economic leaders Shibusawa protégé Yusuke Tsurumi and his two children were involved in the creation of Japan's agent "new left." Both Shunsuke and Kazuko Tsurumi today function as controllers of the Japanese Red Army.

The pro-Peking "rightists" Sasagawa and Shibusawa are now trying to stir up the hawk elements in Prime Minister Fukuda's own faction inside the ruling Liberal Democratic Party (LDP), who have in the past supported a rearmed Japan. Rearmament is also a favorite theme of General Kurisu.

Unfortunately for the British, the vast majority of Japanese conservatives are directly opposed to the Brzezinski "China card" game. Given the isolation of Britain's synthetic right inside the larger conservative movement, the panicked British may be contemplating direct ways of destabilizing the Fukuda government like murder. It is known that the British and Zionist Lobby in the U.S. supports Fukuda's major rival for power, former Finance Ministery official Masayoshi Ohira, now an LDP leader, as the next Prime Minister of Japan. To the frantic British, the death of Fukuda might appear as the simplest way to make an Ohira presidency possible — an eleventh-hour London effort to sabotage Japan's role in the implementation of the Grand Design.

Kevin Coogan

The Bonn Battle Breaks Into The Press

Undermining and misinforming have become the staple of British international networks of media outlets, being pulled together to destabilize the implementation of the economic agreements reached at the Bremen and Bonn summit meets. Proponents of the new European Monetary Fund have been quick to respond, signaling an all-out press battle internationally.

Press attacks on advocates of the new world economic order reached a new low last week with the slanderous attack against West German Chancellor Helmut Schmidt by Heritage Foundation member and editor for the London Economist, Robert Moss.

Schmidt responded immediately to the attack through Klaus Bölling, head of his Press and Information Office, calling Moss's article "baloney."

Similarly, the press fight over Bremen in Italy was upped with the conduiting of Moss's slander by Italian Socialist Party member Barbara Spinneli, although Premier Andreotti has already rejected last week's La Repubblica call for a "Rome-London axis." Il Fiorino countercharged that Italy's greatest mistakes were allying with Hitler in World War II and siding with London at Bonn.

What follows here is the gloves-off Moss effort to stop U.S. participation in the new European Monetary System and discredit Chancellor Helmut Schmidt - and the official West German reply.

'Schmidt's Self-Finlandization'

Following are excerpts from "Bonn and Moscow, Secret Pressures on Schmidt." by Robert Moss, which appeared in the July 31 London Daily Telegraph:

Herr Schmidt, West Germany's Chancellor, is fed up with Washington.

It is an open secret that he has taken a strong personal dislike to President Carter, and Herr Schmidt's suspicion that the White House is in the hands of holy idiots can only have been reinforced

But the immediate danger to the Atlantic Alliance is not only the rift in the special relationship between Bonn and Washington that has grown up since 1945, but the risk that Herr Schmidt — under pressure from the Russians and the Left-wing of his own Social Democrat party (SPD) — will be brought to accept a new accomodation with Moscow.

... Giscard recently confided to a group of intimate advisers that he had discussed Mr. Carter's foreign policy with Herr Schmidt on the eve of the Brezhnev visit to Bonn, and had raised the question of how far Mr. Carter's commitment to NATO could be trusted.

even raised the possibility of giving West Germany a share in France's nuclear deterrent — reviving a proposal originally put by Gen. de Gaulle to the late German Chancellor, Herr Ludwig Erhard.

Test for Nato

Herr Schmidt expressed great interest in Giscard's suggestions. But first, he argued. France and West Germany — bringing in Japan as well — should request world-wide financial and political commitments from the Americans.

If the American response was unsatisfactory, NATO would have to be considered ineffective.

... Mr. Carter was fully briefed on the exchanges between Bonn and Moscow before his own visits to West Germany and Berlin.

Finland Trend

On the eve of his departure, he authorised Dr. Brzezinski, national security adviser, to give a confidential briefing in which he warned against the trend toward "self-Finlandisation" in West Germany—a term that has now gained widespread currency.

Self-Finlandisation would presumably mean, in this context, the effort to ensure that every major West German foreign policy move would have Moscow's prior approval.

At the time Dr. Brzezinski used the term, it seemed grossly alarmist to those who had not been briefed on the secret exchanges between Bonn and Moscow (and also between Bonn and Paris).

Now that the secret record is public, it can be seen that the threat is real. A decisive initiative from Washington is clearly required.

Is Mr. Carter capable of giving it?

"Left" Version of British Smear Campaign

Italian Socialist Party member Barbara Spinelli issued a carbon-copy of the infamous Robert Moss Daily Telegraph slander against Helmut Schmidt and the Bremen-Bonn accords. Writing in La Repubblica July 29 (the day before the Moss article was printed in Britain), she demonstrated the input by British intelligence into the Italian Socialist Party:

Zbigniew Brzezinski once warned of the danger of a "Finlandization" of West Germany, and in a certain sense his analysis was correct. But is it a Finlandization that Washington now disregards, or one in which instead it intends to "reabsorb," planning more positive relations with the development of European integration

— the only way to "keep" Germany? Up until now, Carter's America has not furnished a clear response to the question. But this is the key point in the coming year.

West German Government Refutes Moss Slander

Klaus Bölling, official spokesman of the government of the Federal Republic of Germany, has issued a formal rebuttal of the lies contained in Robert Moss's July 31 article in the London Daily Telegraph. Bölling's letter, printed in the Aug. 3 Daily Telegraph, appears in full below.

The best description of Robert Moss's article "Secret Pressures on Schmidt" (July 31) is the American word "baloney."

No serious observers of the German scene will discover any pressure from the Soviet Union and left-wing groups in the Chancellor's own party towards "self-Finlandization," nor will they detect any rising Gaullist mood.

It is therefore false to speak of secret exchanges between the West German and Soviet governments.

Also from the realm of fantasy is Mr. Moss's report that the French government is considering giving West Germany a share in France's nuclear deterrent.

It is not worth taking the trouble to deal with each paragraph in the article individually (Herbert Wehner, Chairman of the SPD parliamentary party, was not in Moscow at all in May of this year). Everything said in the article about relations between Chancellor Schmidt and President Carter is absurd. Even Western journalists, who are basically skeptical, have meanwhile come to appreciate that the President and the Chancellor have developed a good working and personal relationship.

The whole article, suggesting as it does that efforts are being made to cause the Federal Republic to break with the Atlantic Alliance, is a figment of the imagination—obviously with the purpose of damaging the reputation of the Federal Republic of Germany in the eyes of the people who take umbrage at the fact that the Federal government, which under Chancellor Brandt pursued its Ostpolitik entirely on the basis of the Federal Republic's firm membership in NATO, has, in spite of all the difficulties, managed to develop its relations with the Soviet Union in a businesslike and sensible manner. There is not the slightest variance between Chancellor Schmidt and party leaders over the basic orientation of our foreign policy.

During Mr. Brezhnev's visit to Bonn, agreement was reached on the major economic cooperation agreement, and the two sides held a productive exchange of views on disarmament and arms control policy. Anyone who deduces conspiratorial intentions on the part of the Federal government, from such positive results, which are in the interest of the West as a whole, is either malicious or simply a fool.

Klaus Bölling

State Secretary, Head of Press and Information Office Federal Republic of West Germany