International Intelligence

Pol Pot 'united front' still lacks solidity

Representatives of three separate Kampuchean opposition movements met in Singapore Sept. 1-3 for talks on the formation of a coalition opposing the Heng Samrin government, which assumed power following the ouster of Khmer Rouge mass murderer Pol Pot.

The meeting brought together three sworn enemies: Khmer Rouge President Khieu Samphan, former Kampuchean head of state Prince Sihanouk, and former Prime Minister Son Sann, who attempted to agree on some kind of program for the establishment of a "united front." The meeting merely produced a "joint statement" condemning Vietnamese troops on Kampuchean soil.

The talks were a product of recent visits to Southeast Asia by Chinese Premier Zhao Ziyang and U.S. Assistant Secretary of State James Buckley.

Peking, which openly sustained and directed the Pol Pot regime from the start, and Washington are attempting to jerry-rig some "alliance" before the mid-September U.N. General Assembly vote on who will occupy Kampuchea's seat, which is currently held by the Khmer Rouge.

Soviets reiterate their disarmament position

In its Sept. 2 report on the Crimean meeting between Leonid Brezhnev and other Warsaw Pact leaders, *Pravda* resummarized the diplomatic proposals first stated at the February 1981 party congress. A "step-by-step disarmament" process would involve the following elements, according to *Pravda*:

• Expansion of the military confidence-building measures (cross-observation of East and Western military maneuvers, etc., under the Helsinki accords) to the western parts of the Soviet Union, if the West agrees to a corresponding expansion.

- A moratorium on further deployment in Europe of new medium-range nuclear missiles by both sides;
- Creation of a nuclear-free zone in Europe, to include the Baltic and the northern part of the continent;
- An international conference on the Middle East:
- "Confidence-building measures" in the Far East;
- A nonaggression pact among the Asian and South Pacific nations.

Colombian business leader attacks high interest rates

Ivan Marulanda Gómez, prominent Colombian business leader, recently issued a denunciation of his government's Volcker-style interest-rate policy as responsible for the wave of bankruptcies, soaring unemployment and collapsed production.

Marulanda, stock market president of the highly industrialized city of Medellín, warned that savings no longer function in Colombia as "raw material to feed production," but rather "end up in the complacent market of usury....

"Dividends are now less attractive than interest, and so resources that were channeled into the stock market, are being reoriented toward the capital markets, markets of expensive money often hidden from the eyes of the tax collectors." He also stressed that as a result of financial manipulation of the economy, "bankruptcies and decapitalization of companies are a daily occurrence."

Qaddafi mobilizes anti-U.S. terror

Libyan dictator Muammar Qaddafi called for an intensified wave of terror against the U.S. during the Sept. 2 celebration in Tripoli of the 12th anniversary of the Libyan Revolution. The annual celebration brings together leaders from

terrorist and liberation movements from around the world along with Third World heads of state.

Qaddafi ranted that he is prepared to bomb U.S. nuclear depots in the Mediterranean and cause "an international catastrophe" should the U.S. engage Libya in another air battle such as occurred on Aug. 19. Qaddafi also prophetically warned that U.S. military bases in Europe would come under attack.

In his anniversary day speech, Qaddafi proclaimed, "We are warning the peoples of Sicily, Turkey, and all the states of the Mediterranean that if America continues its attacks against the Gulf of Sidra, then we will intentionally attack the nuclear depots in their countries and cause an international catastrophe."

This threatened terror wave plays into the design of Qaddafi's longtime friend, Italian Socialist Party boss Bettino Craxi. Craxi, who is preparing to take power in Italy, advocates extending Italian naval power throughout the Eastern Mediterranean on behalf of NATO; a Qaddafi-led terror wave creates the pretext for such a plan.

Ray Cline on the Craxi plan

Ray Cline, the strategic studies director of Georgetown University's CSIS, announced the support of the United States for making Italian Socialist Party head Bettino Craxi the next prime minister of Italy.

The former deputy director of the CIA, in an article titled "Young Comer to Form New Pro-American Coalition in Italy," details how Alexander Haig et al. plan to install Craxi as the next Italian prime minister. Cline states that a "new center coalition" is now taking form to replace the "revolving door of Italian governments" and "make Italy a strong pro-American ally." The formulation "pro-American" is intended to signal that the Reagan administration has accepted the Craxi coalition as the next Italian government.

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Cline points out that "every party which was tempted to join with the Communists" is now willing to renounce and isolate the Italian Communist Party and ally with Craxi. The center coalition, according to Cline, will be comprised of the Christian Democrats, Italian Socialists, and Social Democrats with critical support from the "tiny Republican Party, the [neofascist] Italian Social Movement (MSI), and the Liberal Party." The deal for the Christian Democrats will be the willingness of the Italian Socialists to shift their support from PCI local governments to the Christian Democrats.

"Bettino Craxi is a young and energetic leader likely to become the next prime minister" with a platform of strong support for NATO and the Reagan administration, and opposition to "Eurocommunism," concludes Cline.

Soviets tighten ranks in 'arc of crisis'

The Soviet Union has increased its efforts to consolidate allies in the region, corral the waverers, and warn U.S.-allied states that Moscow is prepared to move militarily in the region if need be. According to intelligence sources, 100,000 Soviet troops have been put on alert in the Soviet-Iran border area in the wake of the Aug. 30 assassination of Iran's president and prime minister.

On the diplomatic front, Soviet and Soviet-backed emissaries have been dispatched throughout the Middle East to consolidate the Soviet network in the region. Following a visit by the North Korean prime minister to Moscow and Syria, Syrian President Hafez Assad denounced the Iran bombing incident as "a sin and criminal act," signaling Soviet unwillingness to tolerate Anglo-American attempts to exploit the chaos in Iran to its own ends.

The Palestine Liberation Organization echoed Assad by denouncing the bombings, charging the situation "is allowing our enemies to gain ground." The PLO issued this statement following a meeting between PLO leader Yasser Arafat and Soviet ambassador to Lebanon Soldatov. Soldatov met with Arafat a day after the latter's meeting with French Foreign Minister Cheysson, who on behalf of the British is trying to lure the PLO into a "Phase Two" of the Camp David peace process.

The Soviets have also deployed their Afghan allies to help consolidate their position in the region. A special delegation of the Afghan Revolutionary Command Council arrived unexpectedly in Libya Aug. 31, signaling a possible "reconciliation" between Libya and the Soviets on the Afghan issue. At the same time, the Afghan foreign minister is on a trip to Libya, Syria, and Algeria.

In Pakistan, Zia is feeling the heat, as well as angling for fast delivery of the U.S. F-16s. On Aug. 31, Zia visited a Soviet-built and managed steel plant in Karachi that symbolizes the accomplishments of the deposed Bhutto regime, and expressed his desire to stay on good terms with Moscow.

Japanese send a message to Washington

Japanese participants at a bilateral U.S.-Japan conference "expressed their fear about a policy of using China as part of the U.S. strategy against the Soviet Union," reports Japan's JIJI Press.

At the fifth annual Japanese-American Assembly meeting, held this year in Japan, the Japanese participants said, "Although China's economic development is of significance both to Japan and the U.S., China's strategic aspects should not be stressed too much." American participants replied that the U.S. regards China "as a friendly power from a viewpoint of the balance of power," according to JIJI.

Speaking to the conference on the broader defense issues, Columbia University Prof. Gerald Curtis warned that differences between Japan and the U.S. on Japan's defense role could develop into a major political breach, akin to past and present trade frictions.

Briefly

- ADMIRAL HABIBOLLAHI. exposed by EIR's Middle East Editor Robert Dreyfuss as a collaborator with the Ayatollah Khomeini, attacks Dreyfuss in an interview published at the end of August in the Iran Press Service, from its Paris bureau. Habibollahi headed the exile force that recently led a takeover of a French-built warship en route to Iran. The interviewer quotes at length from Dreyfuss's book Hostage to Khomeini and from EIR reports; Habibollahi very defensively denies the charges, saying that he never met or even heard of such persons as Cyrus Hashemi. Hashemi, a gobetween for Jimmy Carter and Khomeini, is currently suing New Benjamin Franklin House, publisher of Hostage to Khomeini.
- HAS AGHA SHAHI, Pakistan's foreign minister, established a second residence in Washington? This question circulated following his second visit in less than 10 days for meetings with Alexander Haig. Shahi, lobbying hard for early delivery of F-16 fighter-bombers, wants to ensure that the \$3 billion U.S. aid package is not bogged down in the House.
- BIBLIS, a Ruhr town near the site of one of West Germany's besieged nuclear plants, was the site of a large rally Aug. 27 by the pronuclear European Labor Party.
- DACCA is not the capital of Pakistan, EIR is aware, despite the editorial equivalent of a printer's devil that crept twice into an item in our Sept. 8 International section
- ALBERT SPEER, who oversaw slave-labor deployments for the Third Reich during World War II, received a reverent obituary by sportswriter Paul Montgomery in the Sept. 2 New York Times. The Times supported Adolf Hitler's rise to power, and endorsed his regime as late as October 1939.