

will under no circumstances tolerate the use of the American bases in Spain for an airlift to Israel in the event of another Mideast conflict.

The Suarez regime will likely come under heavy pressure from the U.S. for this foreign policy shift. The Carter Administration has been promoting the immediate entrance of Spain into NATO together with the devaluation of the Spanish currency and subsequent

austerity measures. In this regard, Suarez will have to contend with the Rockefeller family's well-entrenched fascist and "left-covered" European terrorist networks — which for years have been headquartered in Spain. Today's *New York Times*, for example, concludes its "man in the news" analysis on Suarez by speculating on the possibility of his assassination.

## Soviets' Pre-Belgrade Offensive Forces Shift In French Situation

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### FRANCE

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The Soviet Union has intervened in the French political situation, forcing Atlanticist President Giscard to, at least momentarily, break with the policy line of the Carter Administration on such critical issues as the development of nuclear energy. Soviet leader Brezhnev, scheduled to arrive in Paris on June 20th, will be preceded there by West German Chancellor Schmidt, whose government has been engaged in intensive diplomatic initiatives around Belgrade. The Franco-German summit is being heralded by the French press as a "nuclear summit."

Brezhnev's interview in the June 16th issue of *Le Monde* epitomizes the kind of pressure being exerted on France. He called for a tripling of the volume of trade between France and the USSR and added: "We are convinced that the development of international economic relations on the just basis of equality of rights and mutual advantage, and the refusal of discrimination would be in conformity with the interest of all peoples, the interest of the reinforcement of international peace and security, even though this cannot save capitalism from crises." Having offered the French this carrot, he warned that foreign interference in Africa (remember France's intervention in the Zaire crisis — ed.) and not the African people's struggle for economic development and freedom is the reason for dangerous tensions on that continent. On the Middle East, Brezhnev stressed that "we have always attached, and we still do attach, great importance to cooperation with France in this question. We believe that France, considering its international weight and influence can efficiently contribute to a settlement in the Middle East and participate in its guaranties."

Last week a high-ranking French delegation led by the head of the French Atomic Energy Commission (CEA) André Giraud, presented to the Soviet Ambassador in Paris, Chervonenko, a dossier of information on the French fast breeder reactor Phenix and received in exchange a similar dossier on the Soviet BN-360 reactor. Giraud emphasized that "the cooperation and convergence between Paris and Moscow are exemplary. They

underline the importance of fast-breeders and their future all over the world." The financial daily *Les Echos* succinctly noted on June 13, that these words "will not fail to be heard in Washington," where Carter is opposing the development of such programs. According to *Le Monde* "the convergence of analyses between France, West Germany and the USSR is expected to deepen during the meetings of Giscard with Schmidt and Brezhnev."

Underscoring the fact that France's feet are indeed moving, for once, in accordance with its mouth, an agreement was reached this week with Iran for two nuclear power plants worth ten billion Francs whose construction will begin in July. French Foreign Minister de Giringaud stated in a radio interview this week that France will also deliver on its promise to build a uranium recycling plant in Pakistan (which the French have rightfully been accused of sabotaging) and to continue negotiations with Iraq for another nuclear deal. The Shah of Iran is holding out the possibility of a contract for two more plants in an oil-for-technology deal, according to an interview he gave on France Inter radio June 14th.

This is not to say that France's role as an Atlanticist gendarme and provocateur has been fully neutralized. Much to the contrary, the battle is raging. In a recent speech only publicized last weekend, General Mery, the chief of staff of the land army proposed a French weapons buildup, to include the development of a French "cruise missile." (The French defense budget is set to double in the next five years.) Mery also elicited the possibility of "limited tactical nuclear war" being fought outside of the European theater, for example the Indian Ocean. Mery is now in the Soviet Union, on a previously scheduled visit, where he will meet with Soviet defense minister Ustinov. The Soviets will undoubtedly give Mery a tour of their military hardware and then ask him if he still thinks "limited" nuclear war is a possibility.

Elements in the French Communist Party have also begun to respond to the combined pressures resulting from the Soviet's offensive and that of its own working class base. Since the beginning of this month there have been several demonstrations, first by researchers of the Atomic Energy Commission and then by technicians and engineers belonging to the Communist union CGT, in protest against the cutbacks in fundamental research and development in science. This movement is developing

into a powerful machine to wreck the French "ecology" movement, one of whose primary assignments is to coopt the PCF and CGT into supporting zero-growth anti-nuclear demands. In a speech addressed to an audience of 2000 intellectuals this week, PCF General Secretary Georges Marchais affirmed his party's absolute commitment to the "continued development of technology... research and development... and fundamental and applied sciences" as the source of mankind's progress. He deplored the ecologists attacks on "the consumption soc-

iety," as nothing less than an attack on the working class's aspiration for a higher standard of living and asserted the PCF's endorsement of the "peaceful use of nuclear energy." He reaffirmed this in a speech several days later in Lorraine.

Marchais' speech underscores the resurgence in the party of the "economic section," in which are represented some of the party's most competent cadre. The PCF also announced programs this week for the development of the French machine tool and aerospace industries.

## New Parliamentary Coalition Ahead?

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### BRITAIN

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Under increasing pressure from the so-called Left faction of the Labour Party — grouped around the Tribune group and Energy Minister Tony Benn — and sections of the non-Thatcher-controlled wing of the Tory Party, the Callaghan government has suffered a wave of tactical defeats over the past two weeks which has raised the very real possibility of a fundamental political realignment by the fall. While the usual hints of early elections are being floated by the press and Liberal and Conservative party leaders, more interesting are the rumors that Callaghan may be "looking for some device even bolder than the Lib-Lab pact," in the words of the London *Spectator*, hinting at the possibility of a Parliamentary grand coalition between Labour and at least a portion of the Conservatives.

As distinct from a straightforward attempt by Tory leader Margaret Thatcher to bring down the government, paving the way for her pro-Rockefeller faction in the Conservative party to take control of Britain, the thrust of the campaign led by Benn is to break the Liberal Party-IMF control over the Callaghan government's policies.

Internationally, Benn has been vigorously pushing increased energy and related trade and cooperation with the Soviet bloc, calling for a joint East-West European energy grid and setting up vital talks for supply of western drilling technology for the critical Soviet oil and gas projects. In Britain, the three pillars of the Lib-Lab deal — direct elections to the European Parliament, the social contract, and national assemblies for Scotland and Wales (devolution) — have been singled out by Benn and the Tribune group for special assault. As a result, Callaghan has been forced to make major concessions on these issues with the result that Liberal leader David Steele warned last week that his party's pact with the Callaghan government would have to be reviewed. While announcing that no legislation on devolution would be introduced in this session due to lack of consensus within the various parties, the government has also taken the unusual step of allowing a "free vote" to all Labour Party MPs, including Cabinet ministers, on the highly volatile European elections issue after six ministers,

including Benn, and 80-90 MPs threatened to vote against their government's stated policy.

Even more damning was the report released last week by the Labour Party National Executive Committee, a body elected by the party conference each year and dominated by the Tribune left, which charged that "capitalism has failed the nation," and called for a revitalized public sector, a national economic plan to expand industrial investment and the restoration of public spending cuts made under the IMF loan dictates. Directly attacking the austerity measures the government has undertaken in the last six months, the report states: "we must emphasize that with the right economic policies, there would be room for restoration of public spending cuts and for selected increases in public spending." The reports adds, "neither the arrangement made with the Liberals, nor those with the IMF need deflect the government from its basic strategy of investment and industrial growth."

While the resurgence of the Tribune left — especially in the person of Tony Benn, the "bogey man" of the Tory party — would normally raise calls for Callaghan to take strict measures against his party rebels, in fact a curious alliance has emerged to back up the Tribune initiative against the government from members of the Tory party, a move which simultaneously destroys Thatcher's credibility as "opposition" leader.

The combined Tory, left-wing Labour Party opposition to the government's Finance Bill in Committee last week made a shambles of the government's carefully plotted budget measures by voting to simultaneously raise tax returns and social security benefits outside the government's imposed cash limits on public spending. At the same time, the Commons Committee on Overseas Development released their report this week, which received vigorous support from left-wing Overseas Development Minister Judith Hart as well as top Commonwealth affairs spokesman for the Tory party Bernard Braine. While Hart pressed the united interest of industrialized and developing countries for strong economic growth in both sectors, Braine warned that the current gap between rich and poor was widening "and that frustration in many parts of the world was giving way to despair." Therefore, he said, "it is imperative for the survival of those in the industrialized West that that despair should be understood and an international strategy be devised to overcome it..."