

leaving both sides open, for and against nuclear energy. The Chancellor obviously has not said he will accept this... 'You resolve what you want to, I do what I have to...'

Schmidt told an SPD party presidium meeting Nov. 8:

"The Constitution says that the government is not subject to the parties... Although the Chancellor has to consider his own party membership... there can be differing positions on several issues, and one of these is the energy issue where the government will not bend down to a probable opposing SPD party decision."

The West German Trade Union Federation (DGB),

after a meeting with Brandt, Chancellor Schmidt, SPD parliamentarian faction chairman Herbert Wehner, and leaders of various trade unions in the DGB on Nov. 8 decided to modify its previous emphasis on the dangers of nuclear energy. According to the financial daily *Handelsblatt* on Nov. 10:

"The DGB will now say that construction permits for nuclear power may be issued in firmly established cases... The DGB is against a long-term moratorium on nuclear power because it is not in the interests of the workers."

Counterterror Policy Guidelines Recommended To W. German Gov't

A set of policy recommendations on how to end the intimidation of governments and industry by terrorists was presented Nov. 7 by the Executive Committee of the European Labor Party. The statement, which will circulate among West German government agencies and other private circles, is aimed at elaborating on effective approaches to counterterror and providing crucial evidence of the British-centered chain of command for advanced sector and so-called "Palestinian" urban terrorists.

This statement, reprinted below, comes at a decisive point in the development of an institutionalized Bonn-Paris command against terror and drugs. French and West German officials met in Munich Nov. 3 and 4 to discuss expanded exchange of intelligence on terrorist activities and related areas of collaboration. In West Germany, a number of plans to restructure police and intelligence agencies are under discussion, most of them aimed at providing more flexibility in apprehending individual terrorists. In an interview Nov. 9 with French television, Chancellor Helmut Schmidt expressed confidence that it is "only a matter of time" before all the major West German terrorists and their collaborators are apprehended. Since then, two leading suspects have been arrested by Dutch police in Amsterdam, and a number of others in Kaiserslautern, West Germany.

Here are excerpts from the ELP executive statement:

Although the Federal Criminal Office (BKA) has an essential included role to perform in the fight against international terrorism, weaknesses of the past five years will only tend to be continued until antiterrorism is treated primarily as a counter-intelligence problem.

It appears to be the case that so far the Bundesamt für Verfassungsschutz, (Federal Office for the Protection of the Constitution —West German "FBI") the constitutional first choice of counter-intelligence agency, has not yet developed the capabilities in-depth for performing the principal role in antiterrorist counter-intelligence. To the extent this appearance is correct, the solution to such a problem is to develop programs for quickly enlarging the BfV's capabilities in the required dimensions.

The principal operating agencies behind international terrorism are elements of British Intelligence working in close collaboration with unofficial and other official networks inclusive of the neo-Fabian networks based in the U.S. This British Intelligence involvement is both direct and through "cut-out" conduits, involving complicit elements of other governments including those duped Arab governments. There is a significant contamination of agencies and networks of the Warsaw Pact nations and Cuba, but that involvement is primarily directly associated with networks operating under varying degrees of control and influence of British centered and U.S. neo-Fabian centered international networks...

The common mistake in judgment encountered in the antiterror evaluations of police agencies is that those agencies analyze the terrorist networks from the bottom up rather than from the top down. They start with the criminal act, usually after the fact of the criminal act and work their way upwards to the inductively provable immediate criminal association of the individual perpetrators...

The key to understanding terrorism is the fact that the political infrastructure of the terrorist deployments is funded, aided and directed principally by the same combination of agencies which also fund and direct the international environmentalist deployment...

The starting point for political intelligence work is directly opposite to the bottom-up approach characteristic of ordinary criminal-police work...Competent political intelligence works from the top down...It begins by asking who benefits? Which of our policies and vital interests is under attack and who will benefit from the success of such attacks? It then sets out to determine which of our adversaries is actually engaged in directing the attack...

The job of counter-intelligence is to uncover the specific links through which the forces behind terrorism and environmentalism are actually connected to creating the operating political infrastructure for terrorism and environmentalism...

The remedial actions to be taken fall under two operational headings: criminal-police work for the law

enforcement side, and counter-intelligence covert operations against the enemy's own covert operations forces.

Above all, as in warfare, the war cannot be won unless one exacts penalties from the real enemy, the enemy who

stands behind his terrorist and environmentalist foot-soldiers. One must strike at the enemy himself with sufficient effectiveness to force him to withdraw. Any alternatives to this approach are strategies of defeat.

Labor Strife Masks Opposition To Healey

Callaghan Fails To Consolidate Counterpole

The British Government of Prime Minister James Callaghan is currently being battered by a wave of industrial unrest which certain City of London financier forces hope will lead to Callaghan's premature fall from power and his replacement by a coalition more amenable to their designs.

BRITAIN

When a strike by electricity workers blacked out television coverage of the traditional ceremonies which mark the opening of Parliament after summer recess, the *Daily Telegraph* could not help but savor the irony of the situation. Its lead editorial gloated: "With perfect symbolism and exquisite timing, the lights are going out all over Jim Callaghan." The Rothschild-linked *Times of London*, more to the point, recommended that Callaghan hand over the leadership of the Labour Party to the City of London's puppet Chancellor of the Exchequer Denis Healey, lest Healey lose his bid for power in the aftermath of a snap General Election.

What these monetarists have failed to estimate is the tremendous opposition from within Britain to a Healey takeover, reinforced by international censure of recent Healey-Bank of England connivances. Analysis of the current political line-up and especially events surrounding the Cabinet decision to "float" the pound indicate that Callaghan — responding to unmistakable trade union and industrialist pressure — made strenuous efforts to oppose Healey's "deal" with the City of London to wreak havoc on the domestic British economy as a by-product of the City's financial warfare against the dollar.

According to press accounts, Callaghan was strong-armed into allowing the pound to float upward (leaving the dollar in its wake) after the City's first preference — the lifting of exchange controls to permit channeling of "hot" money into profit-making overseas investment — was ruled out by the Cabinet as "politically impossible." The Trades Union Congress (TUC), Britain's labor confederation, had argued that permitting funds to flow out of the country would interfere with the availability of investment capital for British industry and the TUC's political clout prevented Healey from getting his way.

Although Healey was able to make good on at least half his bargain with the City's bankers — since the unofficial pound revaluation did not require Cabinet or Labour Party sanction — even this plan to insure the

"demise of the dollar" (as one commentator matter-of-factly put it) has backfired, due to combined action in defense of the dollar by the world's central banks.

The Confederation of British Industry, Britain's leading organization of industrialists, has protested the unmooring of the pound in no uncertain terms, claiming that a stable pound is essential to promote export growth. Within the government, a Cabinet faction appears to be taking shape which is adamantly opposed to Healey's reflationary demands. The debate over what to do with North Sea oil revenues has split government ministers into two camps. One, around Energy Secretary Benn Trade Minister Dell, and Industry Minister Varley, favors the use of such revenues for improved social services and industrial investment. The other, led by Healey and taking its instructions from Bank of England Governor Gordon Richardson, would channel such revenues into a short-term consumer boom via tax cuts and other reflationary devices. According to last week's *Sunday Times of London*, Callaghan is leaning towards the former position, which bears the hallmarks of trade union influence; while Healey's ephemeral solution is being attacked from all sides. At least one financial commentator, Anthony Harris of the *Financial Times*, has warned that "monetarist policies have impressed markets which themselves tend to be monetarist; but if the real world does not prove to be at least partly monetarist too, the Chancellor (Healey — ed.) could be in trouble."

Callaghan Tested

While Healey has been forced to concede on a number of issues due to trade union and industrial pressure, Callaghan is also being put to the test by these same forces. With British workers refusing to tolerate another year of collapsing living standards, a winter of industrial strife in support of higher wages is inevitable. Indeed, it has already begun, with the power workers, railway workers, miners, and now firemen lodging demands for 30-90 percent wage increases, well in excess of Healey's suggested pay "ceiling."

The Callaghan Government is still taking an extremely tough line with the unions, vowing not to let spiralling wage demands undermine its counterinflation strategy. Home Secretary Merlyn Rees, a Callaghan ally, has announced that troops will be used to maintain firefighting capability if the Firemen's Brigade Union goes ahead with its threatened strike set for Nov. 14 — an extremely provocative stance. Callaghan has also vowed that the miners will not be allowed to breach the unof-