

# International Intelligence

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## Asia

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### **Ohira's death reshapes LDP fight**

The sudden death of Japanese Prime Minister Masayoshi Ohira June 11 has opened wider the opportunity for the coalition of former premiers Takeo Miki and Takeo Fukuda to regain control of Japanese policy. Prior to his death, Ohira and his "dirty money" ally, former Prime Minister Kakuei Tanaka, still had the upper hand in determining Ohira's successor. Business leaders who opposed Ohira's toadying to Washington had feared that turmoil within the ruling Liberal Democratic Party (LDP) would wreck the party's thin majority in the June 22 elections.

Following the death of Ohira, Henry Kissinger's "favorite Japanese," the situation has opened up. There is no clear successor for control over Ohira's faction, not even Trilateral Commission-supported Kiichi Miyazawa; and the faction's alliance with Tanaka is also weakened. The business choice for prime minister appears to be Toshio Komoto, candidate of the Miki-Fukuda faction and a strong supporter of fusion power development and industrial growth.

State Department Undersecretary for East Asian and Pacific Affairs Richard Holbrooke commented on the Prime Minister's death: "We may have valued him more than his countrymen." Washington will push hard to install Miyazawa as Ohira's successor.

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## Middle East

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### **New violence threatens West Bank**

Two weeks after assassination attempts against leading Arab mayors and political figures, the West Bank is on the brink of renewed, escalated violence.

During the past days, incidents have occurred presaging such violence, including a sniper-shooting of an Israeli policeman and the discovery of several land mines in densely populated areas. Israeli army units have also made their first incursion into Jordan in almost a decade to the east of the occupied territory, in pursuit of alleged terrorists.

According to the June, 1980 *Le Monde Diplomatique* of France, extremist elements in the Gush Emunim fanatic movement, with covert support from the government of Menachem Begin, are trying to engineer a master scheme in which hundreds of thousands of Arabs would be forcibly expelled from the West Bank.

According to the paper, many Gush leaders "hope to create an atmosphere of unrest that would facilitate the expulsion of the Palestinians from the territories. Appeals for the eviction of the inhabitants of the territories are no longer taboo."

Gush Emunim leader Hanan Porat said: "Riots between Jews and Arabs will no longer be avoided. These riots will prove that Jews and Arabs are not capable of living together and will lead to the expulsion of all the Arabs."

According to *Le Monde Diplomatique*, certain Gush leaders hope that "the Cold War becomes definitively established in the Middle East," since then "it would be possible to provoke chain reactions that would end in the 'departure' of the inhabitants of the occupied territories."

General Aharon Yariv, a former head of Israeli military intelligence, recently revealed the existence of "certain projects on the part of the militant extremists" which involve "utilizing the situation of war to expel 700,000 or 800,000 Arabs from the occupied territories." Yariv has evidence that "certain means that would permit the realization of such projects" have recently been put into effect.

The French paper notes that "it would be erroneous to believe that the Gush Emunim is only a group of dissidents. It enjoys the support of Menachem Begin and of several of his ministers led by General Sharon."

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## Israel economic situation 'ripe for a coup'

Israel's economic situation has entered a phase "which many political analysts would describe as theoretically ripe for a coup," the London *Times* reported June 11.

In an article entitled, "Is Israel's Economy Out of Control?" *Times* reporter Christopher Walker notes that the release of recent economic indicators by Israel's central bank have shown that "the annual inflation rate was now well over 120 percent and that Israel had overtaken Argentina to lead the world inflation league."

The crisis has been exacerbated by the insistence of Israel's annexationist Finance Minister, Yigal Hurwitz, that Israel keep up high levels of spending "devoted to expanding costly Jewish settlements on occupied Arab land." Coupled with hyperinflationary money-printing devices and an astronomical defense budget this has created a situation in which Israeli citizens have been forced to make "moonlighting into a national pastime."

Walker notes that Hurwitz's answer to the just-released inflation statistics has been to "order a further round of budget cuts from ministries which had agreed on their final allocations for 1980 only a few weeks before." He adds: "There is a growing body of responsible economic opinion now convinced that until the average Israeli is made to suffer the effects of the high level of inflation more fully, little result can be expected from the continuing struggle to eliminate it."

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## Europe

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### **Schmidt: Europe key to peace**

Europe, and particularly the two German states, have an important contri-

tribution to make toward ensuring world peace, said West German Chancellor Helmut Schmidt in a speech in Essen June 9. Schmidt was addressing a congress of the Social Democratic Party, kicking off the election campaigns.

Schmidt declared that especially since the Soviet invasion of Afghanistan, tensions in the Third World could create a superpower conflict that would quickly spread to Europe. Therefore, Europe must work to bring about a "new world security system" to prevent war. The Chancellor praised the role played by his East German counterpart Erich Honecker, who made a speech last fall that was similar to what Schmidt himself was saying: that never again should war be launched from German soil. Relations between the two German states are by no means confined to mere legal or economic matters, said Schmidt, since there is also a cultural affinity that has not been lost despite the division of Germany.

The Chancellor said that when he goes to Moscow June 30, he will discuss his proposal for a freeze on the deployment of medium-range nuclear missiles in Europe, even though so far the idea has been rejected by both the Soviet Union and the United States.

### ***N-Bomb research leads to civilian breakthrough***

French scientists working on neutron bomb experiments and testing in the Pacific island of Muroroa have achieved an important scientific breakthrough applicable to civilian nuclear power, according to exclusive reports in *Le Quotidien de Paris* June 7-8. The report comes in the context of a debate over whether to produce tactical neutron bombs, a proposal opposed by the traditionalist military thinkers as completely inappropriate given Soviet military doctrine.

The reported advance would remove all limitations on the scale at which pure neutron bombs can be generated. While the impact of this development on stra-

tegic thermonuclear war fighting is still debated, most relevant for France is that this breakthrough can be used to generate fissile fuel for ordinary nuclear fission reactors, very cheaply and in unlimited quantities.

The neutron technology would permit France to use its known uranium reserves—which will be rapidly used up in the country's extremely ambitious program for the production of nuclear electricity—with maximum efficiency. While ordinarily less than 1 percent of uranium ore is converted into fissionable fuel with existing technology, bombardment with neutrons makes possible near 100 percent conversion at much lower costs.

### ***French general ridicules N-bomb***

Entering the debate over whether to begin production of the neutron bomb in France, General Pierre Gallois, who contributed to France's military strategy under Charles de Gaulle, warned recently: "The neutron bomb is a form of Maginot Line . . . It is a typical idea of generals who want to fight the 1940 war over again in 1980."

General Gallois argued Soviet military doctrine rendered a neutron bomb, designed as an antitank weapon for use in a conventional war or "limited" nuclear conflict with the U.S.S.R., totally ineffective. The *Washington Post* reported June 7, "He pointed out that Soviet military doctrine does not involve the massing of tanks for breakthroughs as in the German blitzkrieg tank tactics of World War II. Soviet doctrine involves the use of tanks to control already conquered terrain after the surrender or the collapse of the adversary following a strategic nuclear strike."

General Gallois's remarks followed the proposals of various military figures and an official report from President Giscard's electoral coalition, the UDF, calling for increased reliance on tactical nuclear weapons, in particular the neutron bomb.

## **Briefly**

● **THE SIBERIAN** division of the Soviet Academy of Science outlined in the June 8 issue of *Izvestia* the Siberian "think big" approach to Soviet economic development, emphasizing large-scale integrated industrial projects. The article was written by Academician V. Koptug, whose predecessor G. Marshuk now heads the U.S.S.R.'s State Committee on Science and Technology.

● **A FRENCHMAN**, internationally known as a commentator and veteran Atlanticist remarked June 12 to *EIR*: "Americans are so inferior to the Russians that they have nothing in their pants." The number-one discussion throughout Europe, he said, is "whether the U.S. empire is dying."

● **MEXICO** has signed a trade protocol with East Germany envisaging a four-fold expansion of trade by 1982 period. The agreement includes establishment of joint ventures in third countries.

● **DR. V.K. ROHATGI** of India's Babha Atomic Research Center (BARC) has reported that in May, an Indian-manufactured magnetohydrodynamic device was successfully tested at Soviet facilities, paving the way for efficient use of India's abundant coal reserves. The next MHD test phase is establishment of a pilot plant similar to the Soviets' U-25, followed by a commercial plant at Tiruchi in the state of Tamil Nadu.

● **WORLD BANK** sources close to Robert McNamara, the bank's outgoing president, refused to confirm or deny reports that the former Defense Secretary announced his early retirement June 9 because he intends to enter the private sector, specifically the guano industry.