

International Intelligence

Schmidt warns of regional wars and economic danger

West German Chancellor Helmut Schmidt told the federal parliament June 24 that world peace is threatened by regional conflicts including those in the Falkland Islands, Lebanon, Iraq-Iran, the Mideast in general, Poland, and Afghanistan. Each of these situations has the potential for a superpower confrontation, he said. The second threat comes from the "economic recession" which, he said, is weakening the West and particularly the developing sector.

U.S. interest rates, he said "are higher than ever since the American civil war" and are "a decisive factor responsible for the world economic recession." Schmidt lashed out at the latest U.S. effort to quash the European-Soviet natural gas pipeline deal, saying that West Germany had agreed at the Versailles summit to restrict loans to the East, "but what should not happen, and what will never find our approval, is a trade war against the Soviet Union. We will never participate in a trade war, because this would mean a revival of the cold war." The Soviet economy is not on the verge of collapse, he said; and if sanctions are imposed against it, it will only step up its own efforts, especially its military efforts.

French again rebuff anti-LaRouche slanderer

The effort by pro-dope Dr. Claude Olievenstein to reverse a libel judgment against him by the European Labor Party (POE) was denied by the Court of Appeals in France on June 23.

Olievenstein had been found guilty by the 17th Correctional Court in Paris on Jan. 11, 1982 for referring on a radio show to the POE, headed by associates of EIR founder Lyndon LaRouche, as a "Nazi grouplet." The POE had attacked the pro-drug stand of Olievenstein, an

adviser to French President Mitterrand, during the Socialist's campaign in the 1981 presidential election.

In coming to its decision, the court noted that the use of the term "Nazi" "... undermines the honor and the consideration of the European Labor Party by making it the heir of the Hitlerian Party." Since a libel charge in France can be countered by an appeal to the truth, the court had considered the writings of the POE, and found that they "contain severe criticisms of Zionism or the policy followed by governments of the state of Israel. But this is different from anti-Semitism and can even less be proof of ideological affiliation with Nazism."

The POE won a similar libel case last year against the *International Herald Tribune*. This is thus the third time that a French court has rejected the slander, known to have originated with the Anti-Defamation League in the U.S., that LaRouche and his associates are "Nazi anti-Semites."

Tokyo: Hitachi sting 'politically motivated'

The FBI's "sting" operation against Japanese industrial giants Hitachi and Mitsubishi—in which employees of those firms are charged with offering to buy technological secrets "stolen" from IBM—is certain to aggravate already tense relations between Japan and the United States.

FBI official Tom Anderson told EIR he was "virtually positive" there had never before been an industrial espionage case against a non-Soviet-bloc country.

The Japanese government has already announced it will not extradite the suspects to the U.S. because the FBI's entrapment tactics—similar to those used in Abscam—are illegal in Japan except for narcotics cases.

Moreover, many of the Japanese newspapers are raising the issue of whether the entrapment was a "politically motivated" attempt to embarrass Ja-

pan at a time when trade relations are already tense, particularly in the high-technology field. An official at the U.S. Trade Representative's Office told EIR, "The incident can't help but adversely affect Congress's thinking about Japan when they consider trade legislation." Japanese sources have speculated that this was the intent of the operation, as well as giving Washington more leverage in direct negotiations. U.S. Attorney Joseph Rusionello insisted to the press that "there was no coordination between the investigation and ongoing trade negotiations," but the suspicion of conspiracy remains widespread in Japan.

The FBI affidavit and an Hitachi spokesman both agree that the alleged offer by Hitachi for more than \$600,000 for IBM technological secrets occurred in response to initiatives to "sell" the secrets by an FBI dummy corporation named Glenmar Associates. The FBI version states that the FBI began the case after it was informed by a former FBI agent working for IBM that IBM materials were known to be at Hitachi offices. There is reason to suspect, however, that this initial incident may also have been the result of a "sting" operation set up by the FBI.

Indonesian Minister: China 'biggest threat'

In an interview published in the June 28 international edition of *Newsweek* magazine, Indonesian Foreign Minister Kusumaatmaja Mochtar criticized U.S. policies in Southeast Asia as "too simple," indicating instead that all the countries of the region "agree that ultimately the biggest threat [to sovereignty] is China." Mochtar's statement was aimed at widespread efforts by the U.S. State Department to project Vietnam as a threat to the region's security.

While Mochtar's warnings did not make the pages of U.S. papers, what did make news was the coming into existence of the "Kampuchean government in ex-

Briefly

ile," bringing the three rebel groupings operating outside Kampuchea under one umbrella under Chinese sponsorship. While onetime Kampuchean head of state Prince Norodom Sihanouk was declared President, the Khmer Rouge rebels who under Pol Pot's direction conducted genocide against the Kampuchean people in the 1975-79 were awarded responsibility for foreign affairs. The remaining rebel group, headed by Son San, was given the Prime Ministership.

One of the reasons the rebel coalition was put together by the Chinese is that the Pol Pot group is losing international support quickly. Several European governments have indicated in recent weeks that when the vote for recognition of Pol Pot as the legitimate government of Kampuchea comes up this September at the United Nations, this time they may not vote for it. However, the U.S. State Department promptly greeted the formation of the coalition-in-exile as a "positive step."

Lebanon: Israel's 'Vietnam War'

Predicting "a deep-seated eruption of the Jewish conscience," Lyndon LaRouche issued a statement on June 21 on the Israeli invasion of Lebanon. It examines how Germany was ruined in the 1930s and 1940s and America was ruined with Vietnam, to pose the question: "Shall Israel continue to be essentially a mere British-Hapsburg puppet, a present-day tool of the same oligarchical forces which deployed Adolf Hitler's Nazis?"

Excerpts follow:

Unless a truly Jewish solution for the Israeli crisis of the Middle East can be found, a solution consistent with the morality of Jewish humanist culture over centuries, every Jew in the world dies a bit when he or she thinks of a cellar in Tyre piled six feet high with lime-sprinkled masses of Palestinian men, women and children, all in such a mass grave. . . . German republican nationalism

was virtually destroyed (down to the present day) by means of the substitution of "German blood" for "German culture." To argue that the German Jew, the epitome of German culture, was not German on grounds of [Averell] Harriman's favorite eugenics-doctrine, was to repudiate German culture (and German republican nationalism) just as much as substituting "Jewish blood" for Jewish culture obliterates the real existence of the Jew. . . .

Is not the Arab human? . . . You wish to say Arafat is some sort of criminal; to his people, he is a patriot. . . .

Let Israel recommit itself to the Jewish heritage of the [12th-century] Iberian renaissance, by becoming a leading and faithful spokesman for those conditions of rationality and material security most desirable in a neighbor. . . .

Then, Judaism may walk with restored honor among the peoples of the world.

The full text of the document, titled "Lebanon: Israel's 'Vietnam War,'" is available from *EIR*.

U.S.-Israeli relations: a little allegory

At a recent gathering of sages, one pondered aloud at the chutzpah (gall) of an Israeli who claimed that his country is now the only friend of United States. "It's simple," the elder said. "It's like the friendless, unmarried woman who never had any suitors because she emitted a stench so rank no one could bear come near her. Her luck seemed to change, however, when she met a man with no olfactory sense. They married.

"Within a week, the neighbors on the new couple's block departed; the man's faithful dog left home; the garbage man refused them service, and the groom's mother renounced her only son. Perplexed, the husband turned to his wife in despair.

"'See,' she said, 'I'm the only friend you have left.'"

● **ADEEB DAWISHA**, The chief Middle East expert at the Royal Institute for International Affairs, told *EIR* June 25 that "America needs a good jolt" and that this should be accomplished by a total break of the Arabs from both superpowers, but particularly from the U.S., while Britain picks up all the pieces left in the wake of the American collapse. "The mood in the Arab world is that the Soviets are letting the Arabs down, while the Americans are totally with Israel," Dawisha asserted. "The British and the French will now try to move in to fill the vacuum, although the British have the inside track. The oil-rich Gulf countries cannot for much longer keep their dependency on the U.S., given the present situation, and the Soviet option is untenable. So, Europe is the best compromise."

● **THE GREEN PARTY** in West Germany is not left-wing but right-wing in its ideology, and believes in "blood and soil" like the Nazis. This is the conclusion of a study produced for the Social Democratic Party's parliamentary caucus, due to be published soon. It was based on an analysis of more than 300 speeches given by Green deputies in various state and local parliaments.

● **FRANÇOIS MITTERRAND** signed a petition, published in the Montreal paper *Le Devoir*, in support of terrorist Francesco Pireno, who the Italian government has unsuccessfully sought to have extradited from Canada for participation in the kidnaping and murder of former Italian Prime Minister Aldo Moro in 1978.

● **A WINDOW** in the press office of the Navy Ministry building in Buenos Aires, Argentina, we are told, has sported a sticker that reads: "Honk if You Hate Haig."