

# International Intelligence

## **Britain plays with 'Baluchistan' card**

There are strong indications, in the midst of the Gulf war between Iraq and Iran, that British strategists are preparing the ground for the coordinated balkanization of Iran and Pakistan. Thus the recent activation of the Baluchi separatist movement, which seeks to create an independent Baluchistan nation covering the Baluch tribal regions of both Iran and Pakistan.

According to Pakistani sources in London, Baluch emigrés there have launched a newspaper called *Azad* (Free) *Baluchistan*. In its premier issue, *Azad* called for the independence of Baluchistan, and carried a map showing its boundaries including the Iran Baluch province and the Baluchistan province in Pakistan.

Meanwhile Muslim Brotherhood sources in London are putting out the false story that the Pakistan People's Party headed by the Bhutto family is talking to Baluch emigrés in London about a deal which would include "autonomy" for Baluchistan. The source linked this to ties with the Soviets—which probably indicates British intentions to draw the Soviets into a deal based on carving up Iran and Pakistan into separate entities.

## **Zail Singh becomes new President of India**

The candidate of the ruling Congress-I party, Zail Singh, won an overwhelming victory in the July elections for the Indian presidency. Singh, a veteran Sikh politician, is former Chief Minister of the Punjab and currently Home Minister of the Gandhi government. He took 73 percent of the vote against the joint opposition candidate, former Supreme Court Judge H. R. Khanna. The Indian president, the

ceremonial head of state and constitutional commander-in-chief of the armed forces, is chosen by an electoral college composed of the members of the state legislatures and the national parliament.

Zail Singh's victory was expected, but his margin was larger than the total Congress strength in the electoral college. Reports from New Delhi say that significant sections of the opposition voted for Singh, including some supporters of the Communist Party of India, the Tamil regional parties, and the Sikh regional party, the Akali Dal. The vote was therefore a victory for Prime Minister Indira Gandhi and a defeat for the opposition, which had tried to use the presidential election as a dry run for establishing a unified anti-Gandhi front of left- and right-wing parties.

The position of the president can be crucial at a time of political crisis or collapse of a parliamentary majority when the President selects the leader of a party to form a new government.

## **Scenes from the SID zero-growth conclave**

The Society for International Development (SID) conference of depopulation advocates in Baltimore which started on July 19 offered the following glimpses:

Dudley Seers, former head of the misnamed SID, made an unscheduled appearance at the panel on East-West relations to announce that "economic expansion" in Western Europe "can't be done without detaching Western Europe's economy from the U.S. economy. Otherwise we can't get interest rates down."

World Bank Vice-President for External Affairs Benjenk begged his audience to "avoid apocalyptic descriptions of the situation in the Third World" because, according to this Turkish monetarist's logic, this would make the situation appear hopeless. Benjenk went on to prescribe Brandt-Commission-type ap-

propriate technology remedies.

First Boston Corporation guru Irving Friedman, formerly of Citibank, maintained that despite the virtual bankruptcy of the less-developed nations, "nothing drastic is about to happen; only six countries have had to reschedule," and that by 1990, LDC debt will reach one trillion dollars.

"We have to be careful when we use the word default," said Friedman, whose other credentials include his former chairmanship of SID, and a stint at the World Bank.

*EIR* will report on the conference in an upcoming issue.

## **Guatemalan Ayatollah launches bloodbath**

In the little more than three months since he was handed power in a bloodless coup, "born-again" Guatemalan fundamentalist strongman Gen. Efraim Rios Montt has displayed the magnanimous statesmanship of Jimmy Carter and the sentimental enthusiasm of Ayatollah Khomeini. When the general announced July 1 that any Guatemalan found with an unauthorized weapon would be shot immediately in the nearest town square, this cemented his friendships in the U.S. State Department and certain Protestant sects.

One Texas missionary working closely with Rios Montt confided July 20, "My friends in the government tell me there is going to be a bloodbath in the next few weeks." Rios Montt himself is merely modestly proclaiming the "last stages" of a "final war" against guerrilla opposition to his government.

The missionary went on to praise Rios Montt as a "true believer" whose government embodies his evangelical beliefs, and argued that people must "submit to the authorities that be and let God handle the rest." He added that the Guatemalan army plans to "use a good bit

more force than that used by the Salvadorans," and "as in any war, a lot of innocent people will be killed."

After 40 peasants were found decapitated, the Mexican press reported on July 21 denunciations made by the EGP (Guerrilla Army of the Poor) charging Rios Montt with waging "bacteriological warfare" against the civilian population. According to the EGP, Rios Montt is using such warfare against three towns in the northern part of the country. Fundamentalist missions representing 22-plus sects have pumped dozens of missionaries and upwards of several hundred thousand dollars into Guatemala since March. Most prominent among these is the Pasadena, California-based World Vision, which funds Rios Montt and a very large international network of missionaries. *EIR* is preparing a Special Report on this topic.

## Argentina turns heat on economic saboteurs

In recognition of the fact that British-allied monetarists in Argentina are determined to wreck any efforts to stabilize the economy, government officials have taken a series of initiatives to keep creatures like former Finance Ministers José Martínez de Hoz and Roberto Alemann in line.

According to the Buenos Aires daily *Clarín*, when Martínez de Hoz met privately in mid-July with Interior Minister Llamil Reston, he reported that he and other members of his economic "team" were being "persecuted" by banking investigations. Martínez de Hoz and many of the collaborators who helped him destroy the economy during his tenure as finance minister (1976-81) are in fact the objects of an investigation that dates back to April 1980.

At that time, former President Lanusse told then-Army Commander Galteri to investigate reports that the government's economic team included indi-

viduals who "served the interests of national or foreign sectors and companies, rather than the nation." The Army has reportedly decided to continue with the investigation and has informed the Bignone government's economic team of this fact. Although nothing is being said about this publicly, the situation has apparently gotten hot enough to have obliged the ex-Vice-President of the Central Bank and a former economics official under both de Hoz and Alemann to leave the country.

*Busqueda*, an Argentine, monthly linked to anti-monetarist circles, published a lengthy interview with *EIR*'s Latin America editor, Dennis Small, in its July issue. Detailing the work of the National Democratic Policy Committee and Lyndon LaRouche, *Busqueda* calls LaRouche "the anti-monetarist voice in the United States."

## Aspen questions if Palme can win

Putting Socialist International leader Olof Palme back into power in Sweden may not be an easy task, judging from discussions made available to *EIR* from the Aspen Institute's annual trustees meeting, held in June in a secluded castle in Saltsjöbaden outside of Stockholm. The Aspen Institute is one of the controlling agencies for the European oligarchy's environmentalist movement.

Zygmunt Nagorski, a friend of Palme's and a prominent executive of the Council on Foreign Relations, noted that he expected Palme to win easily "before I got to Sweden [in June], but I am not so sure after my discussions. . . ."

The same perspective was echoed by another attendee who has ties into Sweden's current government, who noted that Palme's "early and close identification with the wage-earners fund"—a proposal for taxing profits to give worker's equity—"is now being backed off from by the Socialists."

## Briefly

● **THE BRITISH SPY** scandal shows that while the British government was demanding U.S. military support in its war against American hemispheric ally Argentina on the basis of "the special relationship," the British were simultaneously allowing (at best) gross amounts of American-gained information to be leaked to the Soviet Union. The Cheltenham center operates in close collaboration with the U.S. National Security Agency, the supersecret agency set up by British spymaster William Stephenson.

● **ALEXANDER HAIG** is a member of the so-called fourth order of the Knights of Malta, the organization that has threatened by letter the life of Lyndon LaRouche, according to sources in Rome, who say that shortly before his resignation from the State Department, Haig tried suddenly to withdraw his membership from the order. Investigations are continuing.

● **VITALII Korionov**, *Pravda* political commentator, revealed unsurpassed but not unprecedented lack of understanding in a July 14 article where he cites Cold War founders Averell Harriman and George Kennan as two sane voices in opposition to President Reagan. Harriman's reputation among his employers is as a "Moscow-handler," and among *EIR* readers as a thoroughgoing racist and genocidalist.

● **QUEEN ELIZABETH** should step down from her throne in favor of Prince Charles, said the July 21 issue of the Swiss newspaper *Weltwoche*. Elizabeth is to blame for the recent violation of her bedroom, according to the paper, because she refused to have a modern security system installed. But "the magic can be restored by Prince Charles and Diana," says *Weltwoche*.