



New Solidarity
International Press Service

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Weekly Edition

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THIS WEEK'S HEADLINES

ROCKEFELLER-CIA FAIL TO PREVENT CONSOLIDATION OF INDIA-IRAQ-ALGERIA DEVELOPMENT AXIS

NEW YORK TIMES COLUMNIST LIES TO JUSTIFY LIFTING OF ARMS
EMBARGO TO INDIAN SUBCONTINENT

March 5 (IPS)--One week after the U.S. arms embargo to the Indian subcontinent was lifted to enable shipments of arms to Pakistan, Bernard Weinraub wrote in yesterday's New York Times that India was interested in using the same provision to buy A-4 Skyhawk fighter planes, helicopters and air missiles.

Mr. Weinraub gives no sources for such claims, coming at the very time that Prime Minister Indira Gandhi is scheduled to visit Moscow following Marshall Grechko's trip to India last week. State and Defense Department sources reported today that no such requests have been received by the U.S.

SHAH RENOUNCES AGGRESSION AGAINST IRAQ

March 6 (IPS)--According to New York radio reports, Algerian President Houari Boumedienne has arranged a pact between Iraq's vice-President Saddam Hussein and Iran's Shah, ending long-standing territorial disputes.

ISRAELI SOLDIERS BUTCHER 24 PEOPLE IN RETALIATION AGAINST
FATAH COMMANDO ACTION

March 6 (IPS)--The New York Times reports today that immediately after a group of Arab commandos had come ashore in two small boats and held at least 40 guests and employees hostage in a Telaviv Hotel, Israeli soldiers stormed the hotel, killing several of the commandos and butchering 16 others.

CIA-SPONSORED AGITATION INCREASES IN INDIA

March 6 (IPS)--Opponents of the government of Indian Prime Minister Indira Gandhi have stepped up their activities in the wake of moves to strengthen Indo-Soviet relations. Today, UPI reports that J.P. Narayan, who is known to have ties to the U.S. Intelligence agencies and the Ford Foundation reportedly lead a demonstration of tens of thousands of sympathizers in New Delhi yesterday.

The New York Times reports that Mohan Dharia, the Minister of Works and Housing fired by Gandhi for supporting a reconciliation between Gandhi and Narayan, predicted "chaos and anarchy" unless the ruling Congress Party responds to J.P. Narayan's so-called "anti-corruption movement." Dharia is known as an anti-communist "socialist", as is Mr. Narayan. In the past, Mrs. Gandhi has

compared Narayan's movement to the brown shirts of Hitler and Mussolini, using the "corruption" issue as their "big lie."

BOUMEDIENNE ADOPTS IRAQI THRUST FOR DEVELOPMENT AT OPEC CONFERENCE IN ALGIERS

March 8 (IPS)--In a wide-ranging speech March 5 that 'stunned' delegates at the Organization of Petroleum Exporting Countries (OPEC) summit meeting 'by its sweep and ambition', according to the March 5 Journal of Commerce, Algeria's President Houari Boumedienne has proposed a global plan for international cooperation among the industrial and development countries.

Stating that 'if the price of oil must be frozen,' we will freeze it, if it must be lowered, we will lower it,' Boumedienne insisted that 'industrial countries make an equal effort to right the world economy' and that Europe 'must not ally itself with those who intend to use our deposits of petrodollars as a maneuver to extend their hegemony over countries in difficulty, for the purpose of sustaining policies which are directly contradictory to the interests of the Third World.'

Instead, toward serious development of the Third World, Algeria will consider expanding supply of its oil reserves for use by the depression-ridden advanced sector.

IRAQ WINS MAJOR TACTICAL VICTORY, SHAH WON'T SUPPORT KURDS...

March 8 (IPS)--In a major defeat for the CIA's hopes to destabilize the pro-socialist government of Iraq, the official communique of the talks held between Iran's Shahanshah and Iraq's Saddam Hussein, released in Algiers yesterday, calls for a "definitive cessation of all subversive infiltrations" across the Iran-Iraq border, according to today's New York Times.

In effect, in 'extremely frank' talks with Iraq, the Shah of Iran has backed down and agreed to halt Iran's support for the CIA-instigated rebellion of Kurdish tribal nationalists in Northern Iraq. Speaking in Teheran, the humbled Shah stated yesterday that the 'ancient differences between Iran and Iraq are now over.'

FINANCIAL TIMES WEEPS OVER KURDS...

March 8 (IPS)--Reacting in terror to the sharp setback suffered by their pet Shah, the London bankers' daily, the Financial Times headlined their coverage of the Iraq-Iran accord: 'Iran, Iraq Reach Accord As Kurds Are Bombéd.'

SOVIET SUPPORT FOR INDIA-IRAQ PROGRAMMATIC ALLIANCE

March 8 (IPS)--An article in the weekly economic newspaper of the Central Committee of the Communist Party of the Soviet Union,

Ekonomicheskaya Gazeta (No. 10) provides crucial back-ups to the emerging Iraq-India-ICLC initiatives for economic reconstruction. Dr. M. Volkov describes how capitalists have looted the 'Third World countries', and then states the positive programmatic alternative:

'The fact that the contemporary economy requires more raw materials and natural resources than in the past, and that their distribution around the world is uneven, demands the establishment of a system of international economic relations based on new principles. Its fundamental traits have stood the test of time, in various forms of cooperation between the socialist countries and the 'Third World.' As a result, for example, of Soviet-Iraqi cooperation based on equality, it was possible to rapidly develop one of the richest oil deposits in Iraq --the Northern Rumalian fields. They now produce about 20 million tons of oil a year.

DEMONSTRATIONS IN LEBANON PRESAGING ISRAELI OCCUPATION?

March 8 (IPS)--After two weeks of unrest throughout Lebanese coastal cities resulting from suspicious disputes about local fishing rights in the southern town of Sidon, thousands of Lebanese marched in protest against the police shooting of a 'leftist politician' yesterday.

Meanwhile, 'all Palestinian units and militia were placed on maximum alert in case of an Israeli reprisal attack for the commando raid in Tel Aviv on Wednesday,' on orders from Zuher Muhsen, head of the CIA-controlled Palestine Liberation Organization's military wing, reports today's Washington Post.

NEW YORK TIMES REVEALS 'NEW GUERILLA PLAN' AGAINST ISRAEL

March 8 (IPS)--Citing 'a high Palestinian source', today's New York Times claims that 'the guerilla attack in Tel Aviv Wednesday night was the first step in a new plan worked out by the main guerilla group, Al Fatah, for intensifying military action against Israel.'

SHAH SUPPLIES 50 JET FIGHTERS TO PAKISTAN

March 8 (IPS)--With his position at home collapsing as a result of Iraq's programmatic offensive, the deflated Shah of Iran has ordered the supply of 50 F-5 jet fighters to Pakistan, in a last-ditch effort to shore up his Eastern flank, according to today's Washington Post.

MIDDLETON TRIES TO JUSTIFY U.S. MILITARY BUILD UP IN PERSIAN GULF

March 8 (IPS)--Doing his best to counter the growing Iraqi political hegemony in the Persian Gulf region, New York Times military expert Drew Middleton today issues a frantic attempt to

build a red scare around Soviet 'air and naval activities in the Persian Gulf.

Middleton's rationale for an American arms build up in the CIA satrapies of Iran and Saudi Arabia cites 'intelligence sources' on supposed 'steadily expanding' Soviet military presence in the area, specifically mentioning a Soviet 'naval port' in Iraq--despite the fact that even Middleton is forced to note that 'the Iraqi government has denied the construction is intended as a Soviet base.'

BAHRAIN THREATENS U.S. MILITARY POSITION IN PERSIAN GULF

March 9 (IPS)--In a move which further threatens the U.S. military grip on the Persian Gulf, the Prime Minister of Bahrain announced that the continued use of the U.S. naval base in his country would depend on the "American stand toward peace and stability in the Mideast and the just cause of our Arab brothers."

SECOND INTERNATIONAL GEARS UP FOR FASCIST CORPORATIVIST OFFENSIVE

FRENCH GOVERNMENT SEEKS AID AGAINST PCF FROM CIA SECOND INTERNATIONAL

March 4 (IPS)--This week-end French Minister of the Interior Michel Poniatowski enlisted the aid of Portuguese Socialist Party General Secretary and CIA agent Mario Soares in the French government's battle against the French Communist Party (PCF). Invited to speak on the television network run by the government March 2, Soares launched a series of attacks against the Portuguese Communist Party which incorporated an attack on all hardline communist parties, including the PCF.

SOVIETS SCORE SABOTAGE OF FINNISH EAST-WEST COOPERATION PROPOSALS

March 4 (IPS)--A commentary in Izvestia March 1 on the recent Nordic Conference in Iceland praised the proposals of Finnish representatives for the creation of a nuclear-free zone in Northern Europe and for participation by the Soviet Union in Northern economic cooperation.

The article noted, however, that the Finnish proposals were opposed by "certain circles in Scandinavia and the west" who were trying to use the conference for their own goals, opposed to the interests of the people of the area, and which exclude Soviet participation. The reference is to efforts by Swedish Prime Minister Olaf Palme and others at the conference to squash Finnish organizing for expanded east-west trade.

DGB AND SPD PUSH FOR "FASCISM WITH HUMAN FACE" IN WEST GERMANY

Weisbaden, West Germany, March 4 (IPS)--A Swedish journalist informed IPS here today that leading representatives of the West German Trade Union Federation (DGB) and Social Democratic Party (SPD) are in the process of investigating appropriate means to introduce "fascism with a human face" to the working class in West Germany.

In response to the journalist's inquiry as to whether the DGB knew about UAW President Leonard Woodcock's press conference in New York Feb. 27, where fascism was openly discussed and proposed by the Initiative Committee for National Economic Planning, DGB press spokesman Brecher had the following to say: "The situation in (West) Germany is not the same as in England. That is why we are not pressing this policy so much in the open." At the New York press conference, Woodcock supported a policy statement declaring that England was exemplary as the country where "fascism with a human face," as the statement termed it, is being implemented.

Brecher also stated that corporatist fascist developments in West Germany would move rapidly if the government intensified its propaganda efforts. Because of the political history of the West German working class, he noted, the propaganda would have to go under the code name of "investment controls, monopoly controls and social reform."

SPD International Affairs expert Dingel reported to the journalist that a proposal along the lines laid out by Woodcock is presently being worked on by an SPD body.

IPS INTERVIEW: TRILATERAL COMMISSION MEMBER BLOWS OFF NATO-ROCKEFELLER ORGANIZING AND SUPPORT FOR "HISTORICAL COMPROMISE" AND "DEMOCRATIC JUNTA" COUPS

March 5 (IPS)--Wolfgang Hager, Trilateral Commission member and member of the German Institute for Foreign Policy Studies, confirmed Nato and Trilateral Commission machinations to install "historical compromise" and "democratic junta" regimes in Portugal, Spain and Italy, in an interview with IPS in West Germany yesterday.

SPANISH CABINET RE-SHUFFLE PRETENSE FOR "PROGRESSIVE COUP"

March 5 (IPS)--A UPI dispatch today reports that the Spanish cabinet has been re-shuffled, the right-wing ministers of Justice, Labor, Commerce, Industry and of the National Movement (Falange) have been replaced by so-called "liberal" technocrats with foreign ties. Most significantly, the ultra-right Minister of the Falange, Jose Utrera Molina has been replaced by a member of the Opus Dei, the "progressive" church-associated right-wing

organization, a leading figure of which, C. Serer, has recently formed an opposition alliance with Santiago Carrillo, general secretary of the anti-Soviet Spanish Communist Party.

IL MONDO; PCI MEETS REGULARLY WITH CIA

March 5 (IPS)--The Italian weekly, *Il Mondo*, closely allied with the political faction of Republican Party chief and deputy Prime Minister Ugo LaMalfa, confirmed in a full-page spread today that top leaders of the Italian Communist Party (PCI) are receiving orders from the CIA.

Since the European Labor Committees (ELC) launched its campaign last October to throw CIA infiltrators Amendola and Segre out of the PCI, the party leadership has been ordering members to physically assault the ELC...for saying what *Il Mondo* now makes public.

According to *Il Mondo*, at least once a week, an official from the U.S. State Department calls on Sergio Segre, the head of the PCI Foreign Office, for discussions of "how things are going." "There is nothing mysterious in this relationship," says Segre, "It has been going on for four years."

JUSO CHAIRWOMAN SLANDERS IPS ON ORDERS

Bonn, West Germany, March 5 (IPS)--At a press conference held here today by the Executive Committee of the West German Young Socialists (JUSOS), a reporter from IPS was verbally attacked as being a representative of the Central Intelligence Agency.

Juso Chairwoman, Heidi Weiszorek-Zeul refused to answer questions put forward by the IPS reporter, claiming that he didn't understand the situation in the Juso organization. To this response, she added, "The CIA seems not to be so well informed."

This particular slander -- that the International Caucus of Labor Committees and IPS are CIA creations -- has been adopted by the "socialist" Second International to announce a swelling red scare campaign desperately aimed at cutting off deep-rooted ICLC influence in its own organizations.

BRITISH 'RED SCARE' AIMS AT IMPLEMENTING CORPORATIVIST SCHEMES

March 8 (IPS)--The entire bourgeois press of Great Britain is taking advantage of recent 'warm' meetings between British Labourites and Trade Union Council (TUC) leaders on the one hand and Soviet and East bloc Labor leaders on the other, to launch a major 'red scare' campaign against the working class in Britain.

Following talks between TUC General Secretary Len Murray and Soviet Trade Union Chief Alexander Shelepin in Geneva last weekend, as well as between Ron Hayward, general secretary of the Labour Party, and high-ranking East German Communist Party Politburo members in East Berlin last week, the conservative London Press has taken to vehemently denouncing 'communist influence'

on the TUC and the Labour Party's 'left wing,' supposedly led by Minister of Industry Anthony Wedgewood Benn.

In reality, while outwardly committed to the furtherance of cozy relations between Britain and the East bloc, TUC and Labour Party leaders are acclimatizing the Soviet Union and other communist countries to their fascist corporativist alternative as a more "humanistic" solution to the depression than plain mass unemployment and Bonapartist government forms.

EUROPEAN SOCIAL DEMS MEET IN LONDON TO DISCUSS UNITED FASCIST POLICY

March 8 (IPS)--Leading representatives of the Second International 'left' are meeting in London this weekend to coordinate a spring offensive of openly fascist policies.

According to London Times correspondent Michael Hatfield, the meeting will discuss a 'national convergence of strategies' on public ownership of major companies, planning controls over big business, and 'new forms of democratic planning and industrial democracy.'

DANISH PRESS SLANDERS ELC FOR PALME

March 8 (IPS)--An article in the conservative Copenhagen-based paper Berlingske Tidende confirmed on Thursday that the Danish government, acting in concert with social-fascist Swedish Prime Minister Olaf Palme, is preparing a political climate in that country for possible criminal police frame-up and expulsion proceedings against European Labor Committee members organizing in Denmark.

Berlingske Tidende spreads outright lies, attributed by the paper to 'Danish security authorities,' that the Labor Committees' organization in the U.S. is 'suspected of having connections with drug circles, and the American police also link the organization to at least one or two kidnappings.'

BRITISH OFFICIAL TRIES TO PEDDLE "HUMAN FASCISM" TO DDR

March 9 (IPS)--The London Daily Telegraph confirmed yesterday that Ron Hayward, the British Labor Party official who just returned from a visit to the DDR (East Germany) for talks with high ranking East German Communist Party leaders Erich Honecker and Herman Axen, was simply giving them sales pitches for "fascism with a human face."

POLITICAL ECONOMY

Bankers Fiddle While Rockefeller Burns

by Dave Goldman

NEW YORK, March 8 — Public admissions of incompetence and duplicity by the New York Times, the Wall Street Journal, Federal Reserve Chairman Arthur Burns, Treasury Secretary William Simon, German Federal Bank President Karl Klasen, Federal Bank vice-president Otmar Emminger, and a host of lesser officials, exceeded the bounds of public belief last week.

The reason for this rash of confessions is simple. During the past two months, the Rockefeller faction has held off the collapse of Europe, and with it the collapse of the lynch-pin government of West German Chancellor Helmut Schmidt, with a bit of financial trickery that must end in a few weeks. About \$9 billion in Arab oil revenues since January have flown directly to Germany, Italy, England, Sweden, Japan and other near-bankrupts to delay the breakdown of their credit systems. For Second International fascists Helmut Schmidt and Swedish Premier Olof Palme, Saudi Arabia's King Faisal and the Shah of Iran have momentarily accomplished what Thyssen Steel and the Schroeder Bank did for Hitler.

But the bankroll behind these gangsters, the oil cartel, is breaking up, as New York bank economists now freely admit. "My criticism of Simon," one source complained, "is that he is going to sit back and let a depression reduce oil prices!" Schmidt has bought support for the dollar among German capitalists, by giving them a cut from the accounts of the Mideast oil sheikhs. He has bought toleration of his regime by some working-class layers, by delaying the economy's point of no return.

The irony of Schmidt's and Palme's existence on borrowed time is that the oil sheikhs' refinancing operation is the major source of weakness of the dollar. Petrodollars, earmarked for David Rockefeller's "development" fantasies, now buy the shares of German metalworking and Japanese steel firms, chang-

ing into German marks or Japanese yen en route, depressing the market value of the dollar in general. Arab "investors" pump cash to the West in return for any commodity available for shipment, from overpriced military aircraft to deodorized cow dung. The ultimate absurdity of this business, Barron's magazine reported this week, is that every port, railroad and highway in the Mideast is hopelessly clogged with shipments, while freighters wait for two weeks off Persian Gulf ports for a turn to unload.

Every parameter of this game — in which the Rockefeller faction bought time in exchange for a rapid contraction of world trade, depression levels of unemployment and a 40 per cent annual rate of production losses — is breaking down. On their balance sheet, the Rockefellers have "gained" a credit system on the verge of simultaneous explosion, and an arrogant, over-extended, and universally-hated political front in Europe, in the form of the Second International. They are about to lose everything. Their own words and actions prove it.

From the Wall Street Journal's editors yesterday: "While Mr. Simon has properly resisted the Kissinger ideas (on energy policy — DG), he's advanced no foreign economic policy of his own. The plain fact is that the United States now has no discernible foreign economic policy. Foreign economic problems are blocked out of Washington's mind, while attention is focused solely on our economic problems at home."

As New Solidarity reported last issue, the capitalists pose the problem in the following terms: if we pump money into the system in the U.S., then the dollar goes down, and if we hold off on credit in the U.S., the dollar goes up, but the U.S. goes down. The New York Times knows which side it is on, as in this morning's editorial: "Monetary policy is hampered by an excessive concern over inflation and over bringing down interest rates too rapidly, lest the dollar be hurt

internationally. These are the same fears that hampered monetary policy over forty years ago when the United States economy was sliding into its worst depression in history." That is, the Times' editors propose that the U.S. engage in international currency war — 1930s-style — to back up emergency inflationary spending at home!

Caught in the middle of this is Federal Reserve Chairman Arthur Burns. Earlier this week, we reported, Burns removed funds from the U.S. banking system to halt the slide in interest rates. Privately, Burns and other Federal Reserve officials told newsmen, including IPS reporters, that Burns will "tighten up on money and worry about the dollar." As a result, the dollar rebounded Friday afternoon gaining more than 1 per cent against most European currencies.

But after the foreign exchange markets closed Friday afternoon, Burns announced that the Federal Reserve would lower its discount rate — the rate at which it lends to banks — to 6.25 from 6.75. This was done to prevent a further collapse of the domestic bond market Monday morning, the corporations' and cities' last refuge in a period of tight bank credit. "Without some sign such as this by the Fed," sighed one relieved bond dealer, "I think the market would have gone lower at the Monday opening."

Monday will also tell what this bit of financial dupery by central banker Burns will do to the dollar. Any European capitalist turning in disgust from Burns and looking instead to Treasury Secretary Simon for a policy would find the Administration's top monetary official, "fat, dumb, and happy," as Simon's chief deputy told IPS two weeks ago. In an exclusive IPS interview, Simon raved, "Our dollar's been in the same range it's been in since the second devaluation (in 1972)...We have intervened significantly in the past several months to maintain orderly markets, but we are not going to

peg the dollar."

The plain fact is that the U.S. credit system is too rotten to permit "support" for the dollar. Burns himself estimates that the U.S. Treasury will be forced to borrow \$100 billion through mid-1976, or one-third of all the money it spends. A survey of New York bank economists shows that they agree with the New York Times' call for wild inflation rather than wild deflation. "We cannot allow the tail to wag the dog," said Irwin Kellner of Manufacturers' Hanover, meaning, the dollar can't be supported at the expense of the U.S. bond market. "After all, a fall in the dollar wouldn't be so bad..."

Should Burns cut the flow of credit, "one sees a sharp increase in defaults in loans and a slew of major bankruptcies that may engulf the banking system," according to Business Week. It added, "The squeeze on the banks may come sooner than most expect." Such a chain reaction would provoke a worse collapse of the dollar than any amount of pump-priming by the Fed!

Backed to the wall, the Rockefeller faction can do no more than discredit itself in the eyes of its uneasy European allies. What else can they do? Former Kissinger staffer C. Fred Bergsten, a "product of the New York Times business page," according to his associates, has another idea: use the International Monetary Fund to exchange all the mountains of foreign-held dollars for the IMF's Special Drawing Rights. Special Drawing Rights are a form of would-be capitalist paper that bear the same relation to an international currency as Esperanto does to an international language. IPS told Bergsten in a recent interview that most New York bankers would believe that the IMF would go bankrupt if it became a large-scale international lender, since it has no political muscle to collect on its debts. "What makes these banks think they're going to collect?," Bergsten snapped. End of discussion.

The Real OPEC Story: Iraq Proposals Thwart Rocky

by Bob Dreyfuss

March 8 (IPS) — Decisively taking advantage of the weak and dissension-ridden states of the Rockefeller-OPEC petroleum cartel, the pro-socialist Iraqi delegation led by Saddam Hussein won a series of major victories this week at the Algiers summit meeting of the Organization of Petroleum Exporting Countries. Intervening into the timorous and crumbling collection of CIA-backed sheikhs and military dictators with a socialist programmatic alternative to the capitalist collapse now spilling over into the OPEC countries, Iraq succeeded in polarizing OPEC around the only real choice that faced the delegates: will OPEC commit itself to using its oil to revive European industry around real development of the Third World and expanded East-West trade, or will OPEC continue to prop up the worthless U.S. dollar and slavishly accept Rockefeller-ordered production cuts. That is the real story of the Algiers OPEC meeting.

This reality was nowhere evident in the controlled Anglo-American press. Led by the New York Times, Rockefeller's dailies managed to exclude any reference to Iraq beyond minimal necessary coverage, edited out salient features of the important Algerian contributions, and either hid or actually inverted the factional differences now tearing OPEC apart.

Immediately, three important victories stand out clearly as a result of Iraq's determined intervention in Algiers. First, the Iraqis succeeded for the most part in swinging Algeria's opportunistic President Houari Boumedienne behind a credible version of Iraq's programmatic strategy.

Second, the Imperial Shahanshah of Iran was humbled and forced to back down on the issue of the CIA-instigated border war between Iraq and Iran, and signed a comprehensive truce with Iraqi leader Hussein.

Finally, by polarizing the delegates Iraq managed to neutralize OPEC as a vehicle for advancing Rockefeller's "fascism with a human face" strategy. In effect, the Iraqis prevented OPEC from pushing the Zero Growth austerity

rhetoric usually associated with the CIA fiefdoms of Iran and Saudi Arabia — a stalemate reflected in the OPEC final communique issued March 6.

The coordinated blackout of the pro-development sentiment at the OPEC conference was most evident in the treatment of the speeches by the Algerian Foreign Minister Bouteflika and Pres. Boumedienne. In particular, the Bouteflika statement, which contained a perceptive and essentially correct analysis of the joint U.S.-French "hard cop/soft cop" role and a strong attack on the April 7 producer-consumer conference called by French President Giscard, was purged of all content by the New York Times and American wire services.

The Boumedienne statement received similar treatment. In his remarks, as reported in the French press and the Italian Communist daily *L'Unita*, the Algerian president offered to lower the price of oil in exchange for real development, and urged Europe to "affirm its own political identity" against "those who intend to use our deposits of petrodollars as a maneuver to extend their hegemony over countries in difficulty." Naturally, these remarks — which are obvious reflections of the influence of Iraq's conference organizing — were omitted in New York, London, and Washington press!

Instead, only glimpses of reality could be gleaned from the hysterical Anglo-American press. Whether from Washington Post reports of OPEC ministerial sessions running as late as 4 a.m., to New York Times hints about Saddam Hussein's "extremely frank and pragmatic" behavior during the closed-door OPEC sessions, to reports in the staid *Journal of Commerce* that several OPEC delegations were "stunned" by the sweep and ambition of Boumedienne's speech, subtle evidence of the powerful Iraqi presence could be discerned.

The Boumedienne Shift

Perhaps the most important result of the conference was the surprising shift by Algeria's Boumedienne away from purely CIA-Hudson Institute fascist rhetoric and toward a real approximation of the Iraqi position.

The change in the Boumedienne-Bouteflika position reflects accurately the current pressures on OPEC — with the radical-nationalist regime in Algeria simply being the most sensitive weather-vane to those currents.

The OPEC member states have been hard hit, since the fall of 1974, by the abrupt decline of the U.S. dollar, the collapse in Western industrial production, and a brutal series of Rockefeller-imposed production cuts. Each of these interrelated factors has drastically affected both the revenues and, more importantly, the development plans and budgets of the OPEC countries. Increasingly, the various OPEC regimes — outside of independent Iraq — have found themselves squeezed ever more tightly between their ties to the crumbling Western economy and the political-economic "promises" of development made to their pitifully deprived populations.

For a variety of reasons, the Boumedienne-Bouteflika leadership is most vulnerable to Iraq's powerful arguments for exchanging oil — itself fast running out — in return for Western technology and capital imports. The Algerian volatile, working-class base that supports Boumedienne's ruling Front de Liberation Nationale, combined with Algeria's position as an Arab radical bastion, makes Algiers particularly susceptible to pro-development thrusts by the Ba'ath in Iraq — especially since Rockefeller has nothing left to offer. This tendency is reinforced by the Algerian FLN's connections to the French Communist Party and "traditional" French policies of independence.

And the Shah Backs Down

Another victim of the Iraqi drive around international socialist development, announced at the OPEC meeting in Algiers, is the Iranian-CIA conspiracy against Iraq. In a major diplomatic victory, Iraq's Saddam Hussein, in a face-to-face meeting with the cowardly Shah, reached an agreement which explicitly calls for "definitive cessation of all subversive infiltrations" across the Iraq-Iran border — a reference to Iranian support for the CIA-backed revolt of Kurdish tribalists in northern Iraq.

Above all else, the Shah's retreat underscores the relative strengths of Iran and Iraq. Under the same pressures as Algeria

and the rest of OPEC, the Shah has much less room to maneuver as the puppet head of the tightly CIA-run regime in Teheran under CIA Ambassador Richard Helms. In the last month, he has been forced to reduce his sights from dominating Asia to shoring up his international position. Iraq, on the other hand, is currently riding the crest of the organizing wave that, with Soviet support, has propelled the Iraqis into a leadership position of the rapidly coalescing Eurasia bloc.

Breaking out over the Iraq-Iran accord, the fanatically pro-Iran London *Financial Times* headlined its article: "Iran, Iraq Reach Accord as Kurds Are Bombed." The entire article, reflecting the FT's hysteria, is a rabidly anti-Soviet fantasy which speaks of a "major new offensive" by the Iraqis against the (nonexistent) Kurdish movement, complete with "the heaviest bombing raid since last spring."

"The fiercer the fighting," scribbles FT reporter David Housego, "the greater the danger of confrontation with Iran" — despite the Iran-Iraq truce signed that very day!

OPEC Chaos

The political stalemate in OPEC between the Iraqi-led group and the preponderant Rockefeller-Saudi faction is best seen in its "final communique" issued March 6. Filled with contradictions, the communique is a mass of vague generalities with no practical political implications, meaning that the Rockefeller thugs from Iran and Saudi Arabia did not succeed in ramming their fascist proposals through the body.

While attacking the "general tendency of the developed countries to consume excessively and to waste scarce resources" — Zero Growth talk — the communique also stated: "The future of mankind ultimately depends solely on man's capacity to mobilize imagination and will-power in the service and interest of all." Such a statement reflects Iraq's position.

In this manner, the Iraqis effectively prevented the Rockefeller-CIA forces from using OPEC and the rigged "oil crisis" as a ramrod for enforcing fascist austerity in the West. By neutralizing the Rockefeller-OPEC cartel, the Iraqis have helped gain valuable time for working class organizing in North America and Western Europe.

ICLC Moves to Institutionalize European United Front

FLASH! March 9 — The European Labor Committees (ELC) and the European-wide faction Unity for Socialism are now deploying throughout Europe to immediately galvanize all Communist Party and left Social Democratic cadre in support of the Unity for Socialism drive to kick traitor Amendola out of the Italian Communist Party and reclaim that party as a working class force in the battle for Europe. The Unity for Socialism is issuing the following call:

Since yesterday, key elements among the secondary leadership layers in the Partito Comunista Italiano, with the support of approximately 50 per cent of the hard industrial workers base of the party are conducting a courageous struggle to save the party from the treacherous clutches of CIA agent Amendola, Pajetta, Segre and Co.

Our comrades, your comrades in Italy who have announced the formation of the organizing committee to build an actual communist leadership faction inside the PCI are at the forefront of this struggle. It is therefore absolutely incumbent that massive support is shown to their struggle. The issue is not Italian but of the fate of the entire European proletariat.

NEW YORK, March 9 (IPS) — This week the executive committee of the International Caucus of Labor Committees (ICLC) launched a three-pronged offensive throughout Western Europe to turn the idea of the Unity for Socialism/European Labor Parties into institutional form. The two major thrusts of the drive are designed specifically to win communists within the renegade Italian Communist Party (PCI) to active collaboration with the emerging European movement; and simultaneously to force social democratic and young socialist layers in West Germany (BRD) and Scandinavia to break with the social fascist policies of Leonard Woodcock and the Rockefeller family presently being pushed by the leadership of

the Second International. The third prong of the offensive will be pushed into France as Labor Committee and Unity for Socialism organizers demand that communists and pro-working-class social democrats mobilize in support of factional efforts on their behalf throughout the rest of Europe.

The campaign will be given its major kickoff in Rome on Wednesday, March 12 by Marcello Zoccali, a Labor Committee organizer whose factional efforts within his former organization — the Italian Socialist Party — on behalf of the Unity for Socialism programmatic effort are known internationally. In company with communists from the PCI, Zoccali will announce in a press conference the formation of a provisional organizing committee to catalyze present massive levels of passive support for ELC and Unity for Socialism reconstruction programs into active political expression. That press conference will be given the widest possible international airing to demonstrate to the world that there is a communist movement in Italy which knows what has to be done now, and is prepared to do it.

Already a call for support of such efforts is being circulated within the PCI. Several Communists from Turin and Milan, infuriated by the Amendola faction's open organizing for corporatism and its international challenge to the French Communist Party (PCF), have already signed up. The call will circulate through every section, district and regional organization that organizers can reach to demonstrate to workers the depth of social support for a line of action which all, as individuals, know to be necessary. It will also be circulated in France and Scandinavia, where communists must take up active support for the PCIers who have dared to break free of Amendola's grip.

Such developments are replicated throughout Europe, as workers step forward in search of leadership for their flailing organizations. Following a ruthless course on behalf of our programmatic initiatives, we will consolidate present motion towards us from all layers of the

European working class into the kind of fighting force that has only so far been dreamt about.

In the BRD and Scandinavia our principal factional efforts will be directed to ensure young socialist support for our international drive against the social fascism of Rockefeller's Woodcock-led agents in the Second International. A resolution is being circulated to that effect throughout those northern regions:

"...Woodcock and his corporatist 'final solution' to the depression are actively supported in Europe by the Rockefeller agents of the Second International and its associated trade unions. There is no difference between Woodcock's Fascism with a Human Face and the pact sealed in Great Britain by the Labour Party and the Trades Union Congress (T.U.C.), the Swedish corporate state of Olof Palme, and the 'cogestion of the depression' being organized in Italy by CIA Second International admirer Giorgio Amendola and Benvenuto of the PSI (Italian Socialist Party). Besides Helmut Schmidt, Woodcock's BRD allies include his fellow Rockefeller Trilateral Commission members Vetter of the DGB (German Trade Union Federation), Loderer of IG Metall, and Hauen-schild of IG Chemie, who are setting up German workers' slave labor...."

"Anyone who refuses to denounce Leonard Woodcock and his Second International and Trilateral Commission partners worldwide is a renegade to the working class movement. Unity for Socialism, the European United Front of Communists, Social Democrats and trade unionists and the European Labor Committees demand that all working class organizations join their campaign to extirpate Woodcock and Co. as a force within the labor movement, a campaign being led in the U.S.A. by the autoworkers of the U.S. Labor Party."

The ferment generated by such activities will be channelled into Europeanwide support for the European Labor Party's campaign in the elections to be held this May in the North Rhein Westphalian region of the BRD. That is the electoral region which cir-

cumscribes the Ruhr, the industrial heartland of Western Europe, and in such a fashion programmatic political discussion will be opened up through every layer of the European working class. Such discussion will intersect with presently expanding waves of mass-strike ferment, while channelling such ferment behind a political leadership with a program for East-West trade and expanded production, the only competent program to combat Rockefeller sabotage of the European economy. Developments during the past few days demonstrate that workers are more than ready for such decisive political initiatives.

There are two principal features to present expanding levels of mass ferment. First, workers are beginning to mobilize against austerity; and secondly, the organic leaders of such layers are beginning to move towards the ELC and Unity for Socialism to seek out the "communists" who understand the international programmatic strategy necessary to win strike battles in this political period.

Strike activity this past week in both Copenhagen, Denmark, and the Renault auto plant at Billancourt in Paris show both patterns. In Denmark, workers were called out on strike by the CP-led dockers to protest social democratic plans to set up tripartite institutions along the lines demanded by the Leonard Woodcock-espoused "fascism with a human face." Approximately 5-7000 responded to the overnight call to gather at the Folketing (parliament). Once there, however, such workers besieged Labor Committee organizers with questions about the current situation and how they can move beyond the obvious limitations of such forms of protest activity.

In France, a similar situation prevailed as Renault workers gathered to discuss what they were going to do about the latest round of government-sponsored provocations. "Those are the people who say we should be producing tractors, not tanks. It's good but it's not possible." "You haven't read the paper properly," replied others. "We sell them to the Soviets with transferable Ruble, that's how we're going to do it."