

International Intelligence

Europe

Africans back Giscard

Over 20 African nations along with France ended a two-day summit conference in Nice pledging their "active support" for French President Giscard d'Estaing's proposal for a "dialogue" summit of European, Arab and African heads of state.

France has pledged a 225 percent increase in the volume of low-interest loans it grants these nations. The mandate from the Nice conference means Giscard must now reach an agreement with the oil-producing countries to "recycle" petrodollars to finance African development. Giscard received agreements in principle on this issue from many of the Persian Gulf countries he visited during his tour there earlier this year.

British want an oligarchy in America

The British press is beginning to outline in candid terms the "reforms" they have in mind for the American system. American constituency politics have to be ended, substituting the more easily controlled oligarchical system for the presidential system, and in the meantime, while this takes place, Europe must rally around one voice to play a greater role in world affairs.

The most frank comments to this effect were published in the *Daily Telegraph* May 12 in an article by Peregrine Worsthorne who states that "what few are yet prepared to admit is that the world is no longer suited to American leadership; that the problem does not lie in the defect of this or that President but in the nature of American society itself."

Referring to an analysis published in

the 1940s by the former British Ambassador to Washington, he notes that the problem is that the "American political system is so much more populist than those of oligarchical Western Europe."

This is followed by an article in the London *Times* yesterday which states: "Europeans are beginning to doubt whether the American system is any longer capable of producing a really good president and a congress with which he can work."

Middle East

Iran to control OPEC pricing ceiling?

According to Kuwaiti sources an agreement has been reached in principle between Saudi Arabia and the so-called price hawks of the oil cartel, OPEC, whereby the Saudi long range plan to impose small quarterly oil price hikes pegged to inflation will be adopted in exchange for allowing Iran to set the ceiling price for OPEC crude. Oil ministers from the 13-member cartel met earlier this month at Taif, Saudi Arabia to discuss a proposal drawn up by Saudi Arabian Oil Minister Zaki Yamani for pricing and production over the next decade.

This plan was initiated jointly with former British Energy Minister Anthony Wedgewood Benn in 1978. According to the plan not only would the price of OPEC crude rise on a quarterly basis pegged to the value of an international basket of currencies, but it also includes provisions for reductions in oil output to keep OPEC prices firm.

The hardline faction in the cartel, Algeria, Libya and Iran have been opposed to the plan since it takes away their option of imposing arbitrary price rises. It is this faction which prices its oil at the highest levels, going to nearly \$40 a barrel.

Saudi Arabia this week enacted a retroactive \$2 price rise to \$28 a barrel which industry sources see as the first move towards raising its crude price to \$30 at the upcoming June 1 price-setting parley. In so doing, the Saudis hope to get an agreement from the hardliners to set a fixed ceiling on prices with the Saudi price representing the floor. In exchange the cartel would adopt the long range planning perspective.

Congressmen call for dialogue with Iran

On May 7 Congressman George Hansen (R-Id.) and John Rhodes (R-Az.) introduced a resolution calling for "efforts to establish a dialogue with the duly elected representatives," i.e., parliament delegates of Iran and the United States. "The crisis is between the governments and not the people of Iran and the United States," they stated. One main purpose of this dialogue, according to aides to the Congressmen, would be discussion of how to achieve the release of the U.S. hostages, which Ayatollah Khomeini has claimed will now depend on what the Iranian parliament decides. The just concluded election in Iran has brought into office a hard-line parliament dominated by the Islamic Republican Party which has been using the hostage issue to coalesce their power in Iran, so it is unlikely that they will make much of an effort to free the hostages. The resolution is now before the House International Relations Committee awaiting action.

Qadaffi clamps down on growing opposition

The maverick Arab leader Muamar Qadaffi of Libya this week expelled 26 Americans working in Libya as the lat-

est in a series of moves to contain the growing opposition to his regime. According to charges from Tripoli, the Americans were teachers and employees of U.S. oil companies and had been cooperating with restive elements in the country.

European sources report that several hundred arrests have been made in Libya of those challenging Qadaffi. As well there have been 6 assassinations abroad of Libyans who were allegedly involved in operations to oust Qadaffi. Last week 4 Libyans were expelled from the U.S. for harassing exiled Libyan nationals who are thought in Tripoli to be involved in anti-government activities.

According to European sources, the British are running their own anti-Qadaffi movement out of London with remnants of the Idrissi clan which ruled Libya prior to Qadaffi's takeover. Linked to this London operation is a powerful Muslim Brotherhood movement in Libya which professes mystical Sufism and charges Qadaffi with running too secular a government. same European sources indicate that there have been hundreds of political executions by the Qadaffi regime since the anti-government upsurge began earlier this year.

Israeli 'martyr' a hitman

Eli Hazeev, one of the extremists killed in the Israeli-occupied West Bank two weeks ago, was an American-born Vietnam veteran with a record of 11 arrests including one for a shotgun slaying, the *New York Times* reported May 12.

According to the *Times'* front-page story, Hazeev who was born at Mitchell Air Force Base on Long Island as James Eli Mahon, son of an Air Force intelligence officer, was formerly employed by the Federal Bureau of Investigation which paid him to infiltrate "radical" groups. Under his FBI cover, the *Times* notes, Hazeev-Mahon piled up a record

of at least 11 arrests, including one for a shotgun slaying. He had been trained as a sharpshooter in a special Airborne Brigade unit.

During the Arab-Israeli war of 1973, Hazeev (which means "wolf" in Hebrew) emigrated to Israel to fight in the Israeli army, and joined the Golani Brigade. Soon thereafter he attached himself to Rabbi Meir Kahane's paramilitary "Kach" Party on the West Bank. According to an American rabbi who knew him, Hazeev was "trained to kill and committed to war."

Just over a year ago Hazeev-Mahon was detained at Ben-Gurion International Airport in Tel Aviv as he was on his way to the United States on what was described as a mission to murder someone.

Asia

Callaghan hails Chinese 'comrades'

Former British Prime Minister James Callaghan, currently on a 12-day visit to China, has characterized Britain's relations with the Chinese as the "cornerstone" of its foreign policy. Speaking at a dinner in his honor chaired by Chinese Deputy Foreign Minister Nan Nianlong, Callaghan said, "It is a great pleasure to come to a country and say, 'Comrades and friends!'"

Callaghan added that his Peking trip "clearly demonstrates the importance which we, in the Labor Party, attach to relations with China ... it shows that in Britain there is broad consensus that the maintenance and development of good relations with China must be one of the cornerstones of British foreign policy."

Callaghan will hold meetings with Chairman Hua Kuofeng and Deputy Premier Deng Hsiao-peng and will conduct discussions on the situation in Afghanistan and Kampuchea.

Briefly

● **MASAYOSHI OHIRA**, premier of Japan, lost a parliamentary no-confidence motion, according to late reports. Ohira has decided to call new elections. The parliamentary vote went against the premier when Liberal Democratic faction leaders Miki and Takeo Fukuda, both former premiers, absented themselves from the Diet. This gave the opposition parties a majority. Ohira, considered a firm ally if not outright puppet of the Carter administration displeased some Japanese when he returned from last week's visit to Washington and Mexico City having committed Japan to increased arms spending, and having been denied any increased Mexican oil supplies.

● **INDIAN SOURCES** report that U.S. Ambassador to India Robert Goheen has been denied permission to take an inspection tour of the Assam region that has been the scene of anti-government activity. The Ambassador, former president of Princeton University, the Indian government charged, had recently been to Assam. The official statement alluded to his possible intention to "influence" the situation.

● **MOSHE DAYAN**, the dean of Israeli statesman, has gone on record stating that the homes of West Bank residents whose children throw stones at Israelis should be blown up. In a May 7 interview on Israeli television, Dayan said: "Blowing up a house, in my opinion, is not only for someone who, let us say, had explosive material found in his house; even children who throw stones once or twice, and if it is known that it is the same child and the parents are located and the parents do nothing, they just call the child when he comes home, they pat him, they call him 'good boy.' That house should be blown up."