

International Intelligence

Mubarak clampdown on free zones

Egypt's Mubarak government is moving to clean up Egypt's "free-enterprise zones."

According to a U.S. Commerce Department source who visited the country recently, "These free zones, I guess you could say, are warehouses full of drugs." He noted that "Mubarak isn't happy with the whole thing," and in November announced that the free zone operators had to show they were producing something or they would be thrown out."

In 1977, after Egypt failed to generate badly needed foreign investment, David Rockefeller, Henry Kissinger, and Edgar Bronfman convinced a desperate Anwar Sadat as part of the Camp David policy to create these zones, which are small tracks of fenced lands with warehouses on them. Many free zones now serve as storage and transshipment points for illegal drugs and other contraband, primarily smuggled from Lebanon.

Taking Gaullism out of the Gaullist party

Jacques Chirac, one of the insiders responsible for French President Giscard's 1981 electoral defeat, was re-elected chairman of the Gaullist party the weekend of Jan. 23 at a congress characterized by the absence of any of the old-time collaborators of General de Gaulle.

Chirac's re-election—he was the only candidate presented—and the proceedings of the congress mark the end of the notion of Gaullism as an institutionalized force. The party is now going through a process reminiscent of the post-Stalin era in the Soviet Union: the huge banner pictures of de Gaulle and the large Lorraine Cross customarily displayed at these events—the symbol de Gaulle chose for his resistance fight—were missing for the first time. De Gaulle's name was not mentioned once by Chirac or any other speaker. Michel

Debré and several other leading Gaullists did not show up.

While Chirac was busy trying to paint his movement as "the spearhead of the opposition to Mitterrand," the reality is quite different. Chirac came out with a scarcely veiled appeal for the creation of a European Defense Community—a proposition always considered anathema to the Gaullists. This is precisely what the leading international spokesman of the Socialist Party, Jacques Hutzinger, called for at a private meeting of the French Institute for International Relations last month, and forms the basis for the entente between Socialists and "Gaullists."

Cuba crisis set up for Reagan?

Henry Kissinger's faction in the intelligence community is still trying to present Reagan with another Cuba missile crisis to force the administration into a strategic confrontation with the Soviet Union. The issue is whether the Soviet Union, which has been rearming Cuba massively during the past year, has delivered to Cuba the parts from which to construct MIG-23 fighter bombers capable of carrying nuclear warheads. If so, the Soviets would be in violation of the 1962 understanding reached between Washington and Moscow after the missile crisis, under which the U.S. government agreed to allow the Castro government to exist—as long as no offensive nuclear weapons were ever based in Cuba. Reminiscent of Kissinger's famous discovery of "soccer fields" in Cuba in 1970 ("proof that the Soviets were building a submarine base there), sections of the CIA, State Department, and Pentagon are now arguing that "big crates" delivered to Cuba in November contained the offensive MIG-23 material, and the United States must take action. According to a report in the Miami press, Pentagon intelligence is officially arguing, however, for "more caution," citing an unnamed Pentagon official saying that for all the evidence the United States has, "we could be dealing

with a bunch of empty boxes."

Secretary of State Haig "brought the issue up" with Gromyko during their talks last month.

Egypt to restore relations with Soviets

Egyptian President Mubarak stressed in an interview last month that Egypt was committed to nonalignment, does not consider itself belonging to the "American bloc," and has no interest in joining Alexander Haig's "strategic consensus" against the Soviet Union.

The interview, published in the Jan. 25 issue of the West German weekly *Der Spiegel*, is another indication that the Mubarak government has stepped up efforts to restore relations with the Soviet Union. Following meetings between Egypt's Foreign Minister and the Soviet chargé d'affaires in Cairo recently, Egyptian officials let it be known that an exchange of ambassadors between the two countries is now inevitable.

The Egyptian government reportedly has also asked the Soviets to provide 66 technical experts to assist on major industrial projects in Egypt.

France indicted for harboring terrorists

France is being condemned by its neighbors in Western Europe for harboring terrorists and for its lack of cooperation with security agencies from other countries.

The Bundeskriminalamt (BKA), West Germany's equivalent of the FBI, was reported in the West German *Bild Zeitung* Jan. 25 to be in a furor at the lack of cooperation it has been getting from France since the Socialists took power under François Mitterrand. The BKA is particularly irritated that its repeated requests for help in extraditing 38 West German terrorists—reported to be living

comfortably in French hotels—have met with no response.

The Spanish government also noted in a recently released annual report on the anti-terrorism fight in Spain that the Spanish government “is receiving no aid from France” in its fight against the terrorist-separatist ETA.

Mitterrand’s first official act in office last summer was to release dozens of terrorists from the Action Directe and other terrorist groups.

Ruhr mobilizes in support of industry

Ten thousand workers and their families demonstrated Jan. 26 in the West German steel city of Gelsenkirchen, promoting a program of industrial expansion for the Ruhr industrial heartland of Germany, and also demanding that the city’s last blast furnace not be shut down by its owner, the Thyssen-Schalker Verein. Gelsenkirchen has the highest unemployment figure among West German cities—10 percent, against the national average of 7.3 percent. The closing of the blast furnace will mean, as speakers at the demonstration stressed: “Gelsenkirchen will die.”

The trade union factory council chairman declared: “Interest rates have to come down, exports have to be increased again, investment infrastructure and nuclear power have to be carried out. We need new financing instruments so that we expand and modernize the outmoded parts of the steel plant.”

The demonstration was addressed by the city mayor, the factory council chairman, and the head of the metalworkers union, IG Metall. In their speeches they underlined that a shutdown of the plant would mean unemployment would hit 13 percent, and 1,500 skilled steel workers would be fired, particularly those over 55. The speakers said that an “overall solution” for the whole Ruhr region had to be found, to raise production and finance productive investment.

Gelsenkirchen workers are furious at the role played by the Thyssen concern,

which has repeatedly promised to modernize steel production and then gone back on its word. “Thyssen wants to pursue a new Morgenthau plan, shutting down all industry here,” said one worker. Others reported that Thyssen has kept trade-union delegations waiting for two hours in sub-zero temperatures only to tell them they had nothing to discuss.

France signs 25-year Soviet gas deal

Gaz de France signed an agreement with the Soviet Union to purchase approximately 282 million cubic feet of natural gas annually for the next 25 years. This was the first major contract signed with the Soviet Union since the declaration of martial law in Poland on Dec. 13 (see *International*).

The French-Soviet gas deal is part of the Soviet project to exploit the vast natural gas fields of the Yamal area of Siberia. The gas will be delivered to Western Europe by the 3600-mile Yamburg-Urengoi pipeline now under construction. European banks and business have enthusiastically joined in the \$15 billion pipeline project that is projected to supply about 30 percent of the natural gas needs of up to 12 countries in Europe by 1990.

Up to the last minute French President Mitterrand was reportedly considering a U.S. proposal to reduce the package by 25 percent, substituting Algerian natural gas, as a “protest” over Poland and a sign of solidarity with U.S. sanctions. The French decision to proceed with the full deal, as originally conceived, came just days after the West German chemical giant Hoechst agreed to build a \$300 million polyester-filament plant in the U.S.S.R.

In October Italy signed a similar agreement for gas deliveries, and Germany’s Ruhrgas, which together with a group of banks led by Deutschebank has spearheaded Western participation in the project, concluded its agreement in November.

Briefly

● **GEN. V. I. VARENIKOV**, First Deputy Chief of the U.S.S.R.’s General Staff, gave a press conference in Moscow Jan. 25, breaking the usual pattern of a low profile for the Soviet military. Varenikov presented the Soviet Defense Ministry’s new pamphlet, “Whence the Threat to Peace?” framed as a rebuttal to the Pentagon’s glossy brochure on Moscow’s arms buildup.

● **GEN. VLADIMIR Tolubko**, Commander of the Soviet Strategic Rocket Corps, has emphasized the danger of miscalculation created by the cruise missile, since it is impossible to distinguish whether an incoming cruise is nuclear-armed. In a Jan. 16 interview published in the East German daily newspaper *Neues Deutschland*, Tolubko said that U.S. programs resting on the cruise “lower the threshold for use of nuclear weapons and create the illusion that it is possible to incapacitate the enemy’s strategic means and avoid retaliation.”

● **KING HUSSEIN** of Jordan announced Jan. 27 after a visit to Baghdad that his nation will mobilize its entire forces to support the Iraqis against the Ayatollah Khomeini’s army. The statement, coming after 18 months of more restricted Jordanian support for Iraq, is tantamount to a declaration of war against Iran, and coincides with growing tensions between Jordan and Syria after Syrian intelligence agents were caught working with the Muslim Brotherhood in acts of terrorism within Jordan.

● **FRANK PEREZ**, the U.S. State Department’s Acting Director of the Office for Combatting Terrorism, stated at a press conference Jan. 28 that “we have discovered incidents where terrorists work with drug traffickers.” His acknowledgement came in reply to *EIR* correspondent Stanley Ezrol’s comments on the recent Italian revelations.