

## Middle East File by Joseph Brewda

### Israelis planning 'Arab' terror wave?

Austrian police and intelligence officials claim that they busted an Iraqi plot to launch terrorist operations against Kuwaitis in Austria, although they presented no evidence substantiating the claim. Police arrested a Yugoslav citizen and seized weapons in an apartment of a Bulgarian-born Austrian in late January. Included in the weapons found, they say, were 2.5 kilograms of Semtex plastic explosive with a time fuse from Czechoslovakia, a British submachine gun, and a Soviet army pistol.

The Yugoslav had been involved in car thefts, and the police traced the network to a suspected control officer, a Lebanese who claims to be Greek. The police said they believe there is cooperation between Arab terrorist groups and European criminals, necessitated by the disappearance of terrorist camps in former communist Europe, notably Hungary, from where the men and explosives reportedly came.

Michael Sika, the director general of Austrian public security, claims an operation against Kuwaiti institutions in Austria was planned and that he is "fairly sure that Iraq is behind it."

### Zionist advance team for Gates

A seven-man delegation of the American Jewish Congress (AJC) traveled to Saudi Arabia, Egypt, Jordan, and Israel in late January, in an unprecedented tour arranged by Saudi Ambassador to the United States Prince Bandar. The group met Egyptian President Hosni Mubarak and Saudi Foreign Minister Prince Saud al Faisal among others. One week after the trip, CIA director Robert Gates visited Egypt, Saudi Arabia, and Israel, re-

portedly to plan new operations against Libya and Iraq.

According to Arab sources, the Edgar Bronfman-led AJC is attempting to solicit billions of dollars from Japan for Israel. Under this reported plan, the Japanese and Saudis will reimburse Israel for establishing a Palestinian entity in the Occupied Territories once the region is pacified.

### Herzog's fears

Israeli President Chaim Herzog told the Council of Europe's parliamentary assembly in Strasbourg on Feb. 5 that western leaders did not understand the Middle East. Herzog claimed that western leaders' "obsession with the Arab-Israeli conflict" distracted them from other major developments in the Middle East, particularly "Islamic fundamentalism which threatens the regimes of most of the Middle East today, which sponsors uprisings from time to time in many countries in our region, and which is spreading rapidly throughout the world."

The statement is ironic, in that Israel is the strongest ally of "fundamentalist" Iran in the region.

### Ex-CIA, KGB officers announce joint firm

Former CIA counter-terror chief Vincent Cannistraro has recruited Oleg Kalugin, the former chief of KGB foreign counter-intelligence, to join Cannistraro Associates, an international security consulting firm based in Mclean, Virginia. Kalugin will head an office in Moscow staffed by former KGB officers. The expanded firm will specialize in terrorism and narcotics, with a special focus on the Mideast, South America, and Europe.

Cannistraro officially retired from the CIA in 1990 and has since been a regular guest on news programs on

such topics as Arab and Islamic terrorism. During the Reagan-Bush administration, Cannistraro had been the CIA representative on the National Security Council where he ran the 208 Committee, the "coup committee" which was deeply involved in Iran-Contra operations, according to testimony to a congressional committee investigating that affair.

On Feb. 11, the *Washington Post* quoted Cannistraro claiming, falsely, that Libya had killed the two Libyans indicted by U.S. and British courts for blowing up Pan Am Flight 103 over Scotland in 1988, in order to hide evidence.

### Egypt wants a 'Hong Kong'

Egypt wants Japan to finance the construction of a Hong Kong-style industrial zone north of the Gulf of Suez. "I will tell the Japanese that Egypt is willing to set up a free industrial zone like Hong Kong. This zone would help transform the economy of the Middle East [and] serve the Egyptian economy and jobs," the chairman of the Egyptian Government Investment Agency, Mohieddin el Gharib, told reporters on his way to Japan at the end of January.

International Monetary Fund-imposed conditionalities have drastically worsened inflation and unemployment, especially among youth. Gharib said Egypt would provide all facilities needed for the multibillion-dollar scheme, which had first been proposed in 1985. He said it would take 15 years to complete.

Arab sources say that serving up the Egyptian work force as a cheap labor pool for European and other advanced sector interests is one of the objectives of the plan, and is linked to the Bush-organized "Mideast peace conference."