

PCI To Enter Gov't. But Which PCI? Whose Gov't?

ITALY

That the Communist Party (PCI) will enter the Italian government within the next several weeks, there seems little doubt. The question now uppermost in everyone's mind is who will lead the new government: Prime Minister Giulio Andreotti, who since mid-1976 has headed a minority Christian Democratic cabinet, or former Prime Minister Aldo Moro, and which faction of the PCI will be included, the pro-development allies of Andreotti, or the Rockefeller agents linked to Moro.

The PCI has made it clear that it expects to be in the government in a matter of weeks, according to party leader Chiaromonte, who gave an interview to the Italian daily *La Stampa* last Sunday calling for Communist entry into the government as soon as possible. Even the Italian businessmen's association, Confindustria, has said that it is a foregone conclusion that the PCI will enter the government, but that the question is whether or not it will be in a Moro government or an Andreotti government.

Andreotti, whose current government has enjoyed tacit PCI support, has called for the PCI's entry into the government for months, in the form of PCI-linked "technicians" in the ministerial posts. Moro, a vintage "anti-communist," has suddenly changed his mind about the inclusion of the PCI in just the last two weeks — announcing PCI participation in his planned "majority," consisting of representatives of all the six constitutional (non-fascist) parties. Moro's proposed "emergency" government, whose PCI representatives would be those grouped around faithful Atlanticist Giorgio Amendola, would ensure that the austerity levels that have been imposed on the Italian people would be maintained and

deepened, in order to assure that Italy pays the debts owed to Rockefeller banks.

Andreotti, on the other hand, has engaged in a two-fold operation to consolidate his position and prevent Moro from taking over. On the international side, he has been making a strong push to sign the long delayed transfer ruble agreement with the Soviet Union, which would immediately give Italy \$600 million in credits to be used for financing expanded trade and economic development. Although the April 21 issue of the Rome financial daily *Il Fiorino* reports that no agreement has yet been signed, all indications are that negotiations will be completed at the beginning of May, when an Italian government delegation arrives in Moscow to discuss questions of duration of credits, interest rates, etc. The final agreement is to be signed by the beginning of June, when Foreign Trade Minister Rinaldo Ossola is scheduled to go to Moscow. With a new source of credit for development in Italy lessening her dependence on the IMF, Andreotti would have much more maneuverability in dealing with the economic and political crisis.

Domestically, Andreotti has been trying to clean out the nests of Atlanticist agents who work under the surface in Italy. Yesterday his long-time ally, Socialist Party (PSI) leader Giacomo Mancini, issued a call on Italian national radio for the repeal of the State Secrets Act, which Moro in particular has used, especially when he was Prime Minister, to prevent his associations with terrorist networks from being exposed. Most notably, the details of the 1974 "Sogno affair," the right-wing coup attempt to which Moro's name has been linked, could be brought out into the open. The most likely result of this would be the destruction of Moro's political career. Since Mancini's call is supported by leading members of both the Communist and Liberal parties, according to PSI leader Labriola, it appears that Andreotti and his PCI allies may be getting the upper hand.

Fight On Nuclear Power In SPD

WEST GERMANY

Federal Research and Technology Minister Hans Matthofer has turned the ongoing debate within West Germany's governing Social Democratic Party over whether or not to develop nuclear power resources into an all-out political fight and some observers think, the fight may even provoke splits by "radical" pro-conservationist party factions.

In coordination with the release by President Carter

this week of his program for drastic reductions in U.S. energy consumption, Matthofer has passed out to Social Democratic (SPD) regional offices a special 300 page report on domestic energy perspectives. The report alleges to represent the viewpoints of the Federal SPD executive of which Matthofer is a member. With its strong emphasis on conservation, increased usage of natural fuels like coal, and de-emphasis of nuclear power development, the report glaringly contradicts the Federal Cabinet's and SPD Chancellor Schmidt's often stated commitment to promotion of advanced nuclear power technologies.

It is still unclear under whose authority Matthofer

endorsed conservation, and a wave of confusion has erupted in the SPD's ranks. On April 27-28, party functionaries will be meeting in Cologne for an extraordinary congress on energy policy, and Mattofer has taken a leading role in aiding Carter operatives to turn that congress into a forum for "left-wing" attacks on the federal government. The confusion within the SPD is peaking just as the federal trade union movement has begun to consolidate strongly around a pro-nuclear energy position, and conservative and industrialist-tied newspapers have issued unprecedented attacks on Carter's energy policy.

On April 16, Trade Union Federation chairman Heinz Oscar Vetter endorsed nuclear power development at a meeting of factory councilors in the industrial city of Mulheim. The terms of his endorsement made clear that Vetter — who as a "former member" of the Trilateral Commission has withheld support for nuclear power until now — is under tremendous pressure from the trade union's ranks to support the official government policy. Vetter announced that the trade unions will be opposing the environmentalist movement which in West Germany goes under the name "Citizen's Initiatives," and has documented financial links to the Ford Foundation and National Resources Defense Council in the U.S.

Industrial layers are organizing hastily on an international scale to find means for bypassing and eventually defeating Carter's announced ban on plutonium processing and exports of enriched uranium. On April 21, nuclear producing corporations founded a formal "Industrial Association for the Nuclear Fuel Cycle". The industrial daily *Handelsblatt* has provided consistent coverage to calls issued by Yugoslavia for guaranteed nuclear development in the Third World and new international agreements governing non-proliferation. A chief commentator of the conservative daily *Die Welt* moreover emphasized that Carter and West Germany's conservationist movement had the same exact policy, and noted "the response of the West German government and the U.S. Congress" will determine whether or not

Carter's policy actually goes through.

Thus in industry and trade union layers, backing for an energy expansion policy is so strong that the environmentalists have little chance of awakening genuine support. Carter's operatives are aiming at creating a climate of chaos, a development which meshes with numerous predictions that a wave of "terrorist" attacks, possibly including "nuclear terrorism," is about to erupt in West Germany. Last week, Karl Herold, chief of the Federal Criminal Office, the domestic branch of Rockefeller's private intelligence agency Interpol, reported to Federal Parliament that terrorist attacks on leading politicians are expected in the near future. The terrorist groups are directly connected with the "environmentalists" who have been organizing violent demonstrations at nuclear power plant sites to disrupt the government's energy program.

The regional *Stuttgarter Zeitung* accused Mattofer on April 21 of "being responsible" for a "split between critically minded intellectuals and the trade union organized base" in the SPD. In the latest issue of the trade union weekly, *Welt Der Arbeit*, SPD Business Manager Egon Bahr voiced his "fear" that a split in the party may be unavoidable. Bahr is an intimate associate of party chairman Willy Brandt, the chief linchpin of Rockefeller run networks in West Germany, and presently a close collaborator with Ford Foundation whiz-kid McGeorge Bundy.

The internal destabilization around energy questions is also being fed by disorienting publicity maneuvers further aimed at demoralizing the party ranks. Volker Hauff, Mattofer's state secretary, has just publicly invited Klaus Traube, a nuclear engineer around whom a major watergate scandal erupted earlier this year, to attend the April 27 conference. Government intelligence agencies were accused of unconstitutional activities during the scandal for surveilling Traube who was suspected of maintaining contacts with terrorists. The controversial Traube's appearance will give the "ultra-left" wing of the APD an avenue to attack the government around illegal surveillance activities.

New Series Of East-West Overtures

A number of public diplomatic feelers are now being exchanged between West European governments and the CMEA countries, indicating the likelihood of upcoming firm agreements in at least some areas of East-West cooperation. Although much of this discussion is flowing through well-traveled channels, the simultaneous negotiations over the expansion of the transfer ruble for use in non-CMEA countries gives the current round a much greater significance than in the recent past.

Helmut Schmidt, West Germany's Federal Chancellor, gave the dialogue its latest push at last week's meeting of the Socialist International in Amsterdam. Referring to the Soviet Union's proposals for establishing pan-European conferences on energy, environment, and transportation questions, Schmidt warned against Western tendencies to "just react to Soviet proposals." He identified

economic policy as the most urgent international issue, and in that light called for the "extension of detente" to third-country sectors. Schmidt's explicit support of the pan-European conferences has been prominently covered in the East German Communist Party newspaper, *Neues Deutschland*.

Schmidt's speech came three weeks after the West's first positive response to the Soviet conference proposal. Herbert Wehner, the influential parliamentary leader of West Germany's Social Democratic Party, had directly connected the question with the necessity for a rapid agreement at the Mutual and Balanced Force Reduction talks in Vienna. Wehner's statement — made just as the Soviet Union was rejecting the Carter Administration's SALT proposals — also included a positive view of the Warsaw Pact's standing proposal to outlaw "first strike"