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# West Europe Report

(FOUO 13/81)

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WEST EUROPE REPORT

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CONTENTS

THEATER FORCES

FEDERAL REPUBLIC OF GERMANY

'STERN' Reports on Nuclear Arms on FRG Territory (Wolf Perdelwitz; STERN, 19 Feb 81).....	1
--	---

FRANCE

Nuclear Deterrence, Hostage Population Policy Reviewed (Serge Weinberg; STRATEGIQUE, Oct-Dec 1980).....	8
--	---

ENERGY ECONOMICS

ITALY

Milan To Convert to District Heating Within 2 Years (Marco Garzonio; CORRIERE DELLA SERA, 10 Jan 81).....	19
--	----

COUNTRY SECTION

FRANCE

PS, UDF Officials on Mitterrand, Giscard Election Strategy (L'EXPRESS, 17 Jan 81).....	22
PCF Seen Disturbed by Mitterrand's Strength (LA LETTRE DE L'EXPANSION, 2 Feb 81).....	29
PCF Election Strategy Seen Failing To Win Voters (Jacques Roure; L'EXPRESS, 31 Jan 81).....	31

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PCF Letting Intellectuals Leave Party (Jean-Francois Gautier; VALEURS ACTUELLES, 26 Jan 81).....	33
'AFRIQUE-ASIE' Hits Giscard Stances on Afghanistan, Chad (Editorial, Simon Malley; AFRIQUE-ASIE, 16 Feb-Mar 81).....	36
PCF Dissident Daix Talks on Party Intellectuals (Pierre Daix Interview; PARIS MATCH, 2 Jan 81).....	40
Polish 'Goof' Seen Costing CGT Dearly (Claude-Francois Jullien; LE NOUVEL OBSERVATEUR, 2 Feb 81).....	42
Briefs Delpey Book Coming Out	44
ITALY	
Demoskopea Poll on Attitudes Toward Politicians (PANORAMA, 26 Jan 81).....	45
PSDI Leader Urges Government Action on Domestic Issues (Pietro Longo Interview; CORRIERE DELLA SERA, 2 Jan 81).....	50
'IL MONDO' Poll on Institutional Reform (Roberto Ippolito, Paolo Passarini; IL MONDO, 9 Jan 81).....	54
Craxi Interviewed About PSI Program for 1981 (Craxi Interview; IL MONDO, 9 Jan 81).....	64
Budget Minister on Medium-Term Economic Plan (Giorgio La Malfa Interview; CORRIERE DELLA SERA, 2 Jan 81)....	70
Finance Minister on Crackdown on Tax Evaders (Franco Reviglio Interview; CORRIERE DELLA SERA, 6 Jan 81).....	74
Temporary Halt to Wage Indexation Suggested (Paole Onofri; CORRIERE DELLA SERA, 20 Jan 81).....	79
Briefs ISTAT Data on Employment	82

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THEATER FORCES

FEDERAL REPUBLIC OF GERMANY

'STERN' REPORTS ON NUCLEAR ARMS ON FRG TERRITORY

DW191309 Hamburg STERN in German 19 Feb 81 pp 30-34, 218

[Report by Wolf Perdelwitz]

[Text] Sergeant Fuch is actually not a man to be afraid of. However, he has a submachine gun in his hand and four soldiers around him with guns ready to fire. And in addition, he has "arrested me temporarily." Unknown to me I drove my car right into a secret Bundeswehr maneuver and its equally secret headquarters on a sports field in the woods. The five soldiers placed some barbed wire around the car to prevent me from fleeing or discovering even more secrets. A policeman freed me 1 hour later.

One cannot miss the fact that the forests north of Ravensburg are full of "Pershing 1-A" nuclear missiles of the Bundeswehr's missile squadron stationed in Landsberg on Lech. The medium-range missiles have a range deep into Poland or Hungary, and an explosive strength up to 20 times that of the Hiroshima bomb. Between the Eifel Mountains and the Niederrhein there are also lots of German "Pershings" whenever the other of the two missile squadrons moves from Geilenkirchen into maneuvers--without nuclear warheads, because they are under American supervision in peacetime.

Another 108 "Pershing 1-A" missiles are held by the U.S. 56th Field Artillery Brigade with headquarters in Schwaebisch Gmuend. Part of these missiles is in a state of "immediate readiness" and continuously ready to be fired from open spaces in the woods in southern Germany: they are on launch sites that change almost daily in an area that is 160 kilometers long and 80 kilometers wide, reaching from the southern Palatinate to northern Swabia.

Captain Joe McGraw, the commander of such a battery, said to STERN: "We can change our firing position several times a day, and after 15 minutes we will be ready for action again."

The Bundeswehr and the U.S. Army together within a few minutes can fire the "Pershing" missiles concentrated in the Niederrhein and southern Germany at the programmed targets in the GDR and the states of Eastern Europe. These missiles have a nuclear explosive strength of about 36,000 kilotons. Thereafter the launchers can be reloaded. In the target areas no human being would be alive anyway--in 1945 less than 20 kilotons sufficed for the Hiroshima catastrophe.

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In addition, there are 512 nuclear warheads which can be fired deep into the Soviet Union from the four nuclear-powered submarines subordinated to the NATO commander in chief.

But that was not enough for NATO, because every week the Soviet Union replaces two of its almost 20-year-old medium-range missiles, aimed against Western Europe, with the modern SS-20 missiles. Western politicians and the military report almost miraculous things about the new weapons: their launching installations are highly mobile and therefore hard to fight, the projectile carries up to three warheads with 600 kilotons destructive power each over a distance up to 4,500 [as printed] kilometers. Intelligence experts, however, cannot confirm that. They mention just one warhead with probably 50 kilotons, adding that the missile can be launched only from positions which have been specially prepared with concrete in advance.

Referring to these SS-20, which were spotted long ago by satellites, NATO decided on 12 December 1979 to equip Western Europe with new medium-range arms. Their range of 2,500 kilometers will be great enough to threaten for the first time from Western Europe not just the allies of the USSR, but the Western Soviet Union itself. NATO decided in favor of 108 missiles of the "Pershing 2" type and 464 "cruise missiles."

This "counterarming decision" simultaneously contained the offer to the Soviet Union to negotiate on the mutual limitation of medium-range missiles as soon as the limitation of intercontinental missiles, negotiated with Moscow at that time in the "SALT II" agreement, had gone into effect. Were these negotiations to produce an agreement during the development and construction of the new arms, NATO would be prepared to renounce the stationing of the new missiles and cruise missiles.

This seemed to be a clear deal for most government chiefs of European NATO states. Federal Chancellor Helmut Schmidt, the discoverer of the "missile gap" and spiritual father of the counterarming idea, achieved agreement a few days after the NATO decision at the SPD congress. But the figuring of the Europeans did not work, the signed SALT II treaty was discarded by the United States.

The Soviets felt cheated. In addition, they saw the threatening NATO counterarming decision developing into a second nuclear front in Western Europe--and a most dangerous one. The counterarming is part of a new nuclear strategy of the United States which became possible due to the progress the Americans achieved in missile construction: the big cities of the Soviet Union will no longer be the first targets of a U.S. attack, but rather military installations and political headquarters--in "surgical strikes." The new projectiles are so accurate that they can hit one single building thousands of kilometers away.

Militarily this means that it would be possible to launch a first surprise strike, the feared "disarmament strike," which the Soviet Union could not follow up with a retaliatory attack on the United States. The "balance of horror," the basis of 35 years of peace, would thus be lifted. Nuclear war would become more possible. According to the logic of the military, this can only mean for the Soviets their continuing their armament in the future even faster and in greater quantity.

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So the screw is turning and counterarming is becoming a fact. The first 160 "cruise missiles" will come to Europe as of the fall of 1984, the remaining 304 by the summer of 1988.

'Counterarming Makes Nuclear War in Europe More Likely'

The largest part will be supplied by the U.S. troops in Germany: some 160 cruise missiles. Some 112 more will be deployed on two U.S. bases in Great Britain, 96 in northern Italy and 48 each in Belgium and The Netherlands.

The 108 "Pershing 2" missiles will be stationed exclusively with U.S. troops in the Federal Republic. The Bundeswehr will also be equipped with "Pershing 2," but the projectiles will have a limited range.

The deployment places for the medium-range missiles on German territory have been picked long ago. But the Federal Government refuses to tell about them. It probably wants to avoid having individual names or places become emotionally loaded "trademarks" in the increasing discussion about nuclear armament in Germany--such as Brokdorf and Gorleben in the dispute about nuclear energy.

The Americans, whose soldiers will be at the trigger of the new nuclear arms, are less reserved with regard to naming places. The "Pershing 2" will be delivered to the three brigades of the 56th Field Artillery Brigade in Neckarsulm, Schwaebisch Gmuend and Neu-ulm, where they will replace the old missiles by the summer of 1985. Part of these cruise missiles will move around again on clearings in the woods south of Heidelberg--ready to be launched in 5 minutes.

The "cruise missiles" are supposed to be stationed in five to not more than seven U.S. camps in Germany and on airports not belonging to the Bundeswehr, where nuclear arms are already deployed. Three positions are thus known already: the U.S. air fields at Ramstein, Hahn and Spangdahlem. For the remaining positions other than the U.S. camp in Bremen, the two British airports in Brueggen and Laarbusch are suitable.

With these new missiles the deadly record of the Federal Republic will be increased even more: It is already the area with the highest density of nuclear arms in the world.

The Americans would like to refine this arsenal still further: the new U.S. President, Ronald Reagan, had barely been inaugurated when his secretary of defense, Casper Weinberger, announced that the neutron weapons would be transported to Germany as well. Their "advantage" is that their radiation kills as many people as conventional nuclear weapons while not causing the devastating destruction which the latter does.

The protests against nuclear armament are increasing again even if the political debate over nuclear missiles and neutron bombs is only in the beginning stage in the Federal Republic. Peace researcher and ex-general of the air force Alfred Mechttersheime of the Starnberg Max-Planck Institute says,

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"Counterarmament makes nuclear war in Europe more probable." And Dieter Lutz of the Institute for Peace Research and Security Policy at Hamburg University proved that even now enough nuclear weapons on long-range missiles are stockpiled in Europe to "bomb" the Soviet Union back "into the stone age."

The antinuclear movement, which has been asleep since the times of the Easter marchers of the fifties, received new impetus and has now also taken hold of the SPD which threatens to become incapable of governing over this controversial issue.

Since the Federal Government keeps the envisaged deployment locations secret citizens' initiatives are forming everywhere in the country, as are resistance groups. In the meantime, all the better guarded military bases are suspected of being nuclear depots, their locations being disseminated on dozens of different maps. To go by what these citizens' initiatives say, a nuclear bomb is bound to be stored nearly behind every bush in some regions.

But even without such exaggeration the map between the Baltic Sea and Bodensee would be spotted like a child with smallpox if each nuclear weapons depot, any command post and any military unit for nuclear weapons were marked with a red dot. About half of these points--each by itself--would be good for a destructive force of at least 1,000 kilotons.

A list which former U.S. Admiral Gene Larocque had compiled in his Washington "Institute for Defense Information" contains more than 100 such spots in the Federal Republic. He will publicize the list in April at a "congress on nuclear war in Europe" in the Dutch town of Groningen. Some copies are already circulating in Europe.

German Starfighters Are Standing by Day and Night Ready for Mission--With Nuclear Bombs

The members of some citizens' initiatives who once in a while bragged about "their" nuclear depot in their vicinity are bound to end up racking their brains if they stop to consider what the list from Washington really means. Under the mission doctrines of the U.S. army for war and tactical nuclear warfare--laid down in the field manuals FM 100-5 and FM 101-31--all nuclear weapons and their command facilities simultaneously are first-rate nuclear targets for the enemy. Armored units follow only in second place, concentrations of conventional artillery in third, and minor headquarters, supply lines or important bridges in fourth place.

The list for the U.S. admiral also contains the 42 battalions of the Bundeswehr ground forces and the air force wings which, in "V case" ("defense case"--the Bundeswehr term for war), are envisaged for nuclear combat. Some of these units keep their nuclear weapons ready for use all the time, day and night.

The four air force wings equipped with F-104 G "Starfighter" planes are equipped with nuclear weapons under U.S. supervision even in peace. Eighteen of the 36 planes of each wing have all technical facilities for dropping nuclear bombs. They can easily be recognized in training flights: they are the only German "Starfighter" planes which fly with four extra tanks under their wings.

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In each wing, two planes each stand by ready for takeoff night and day, with preheated electronic equipment and warmed-up engines in special hangars at the take-off and landing strips--a bomb of between 50 and 400 kilotons of explosive force under their fuselage. Constantly in the neighborhood of the plane are two U.S. soldiers who have the code for activating the fuse of the bomb. German and American guards jointly guard the bunkers, surrounded by double fences, and the airplanes, their guns loaded with one round in the chamber. A security area around each "Starfighter" has been painted onto the concrete flooring. The guards have orders to shoot immediately and at anybody entering this off-limits space without authorization.

The two "Pershing" wings of their air force, too, have the real warheads on some missiles even in peacetime. Both wings keep three missiles constantly ready for launching--three near Bodenfels in the Allgaeu region, three near Arsbeck on the lower Rhine. These are small camps not even 250 meters in length, surrounded by a firing range cleared of trees, double fence, external lighting and television control, and secured by several guard towers.

Anyone who serves there is badly off. A QRA ("quick reaction alert") in the past has lasted for 2 weeks before being relieved followed by 10 days off. Since the beginning of the year the change takes place weekly. During that period nobody is allowed to leave the small camp. Token alert is sounded twice a day on the average, with this alert possibly lasting for several hours.

Everybody rushes to their combat positions with their equipment and loaded arms. Part of them is on standby for 24 hours--called "limbo" by the soldiers. The others, too, at best get 5 hours of sleep each day--and this rarely in one piece.

The "Lance" Short-Range Missile Finds Its Targets, All of Them in Germany

The Americans in each German QRA camp who hold the code keys for activating the warheads have a more quiet life. During fine weather periods they like to lie in the shade of the missiles, looking on as the Germans toil. At times small clouds of hashish smoke climb up along the projectiles.

"Starfighter" "Pershings" are to bombard targets far away from the border. The other nuclear weapons of the Bundeswehr are to devastate only German soil: "Lance" missiles, nuclear guns, and "Nike-Hercules" anti-aircraft missiles. More than 50 percent of the nuclear warheads stationed in Germany is [word indistinct] for them.

Each of the three German army corps has a "heavy artillery battalion" with six launching carriages for the short-range "Lance" missile. They are stationed in Wesel, Montabaur and Grossengstingen; another four tanks with launching carriages are stationed in Flensburg, two Geilenkirchen. The U.S., Belgian, and Dutch troops in West Germany, too, are equipped with "Lance" missiles. These "Lance" missiles stationed in the Federal Republic alone can develop more destructive force than all bombs and grenades of World War II lumped together--and all of the targets will be in Germany.

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#### The Americans Are Always Present at Activation

The nuclear artillery of the Bundeswehr, too, preferably would blow up German soil. In each of the 12 divisions--except for the airborne troops--six 203-millimeter tank howitzers are reserved for the "nuclear role" besides another 18 guns in each of the three corps. All told, several thousand nuclear warheads are stockpiled in the Federal Republic, of which about 50 percent are nuclear grenades for the artillery. The greatly esteemed Stockholm peace research institute Sipro estimates the total number at 10,000. Bonn unofficially speaks of 5,000. According to data from Washington--likewise unofficial--2,500 of them are set aside for the Bundeswehr, 500 for the rest of the European NATO troops, and 2,000 for the U.S. troops.

But there are members of the Bundeswehr general staff who assume that the Americans are keeping at least another 2,000 nuclear warheads "on the side" in their depots on German soil. Their suspicion was triggered by officers club talk of U.S. officers: "If the Krauts (the Germans) do not use their nuclear weapons we have plenty to cover their share as well."

Last year it was praised as a Western advance concession in disarmament that the Americans withdraw 1,000 nuclear warheads from the Federal Republic. This does not, however, have anything to do with disarmament. So far it has been necessary to maintain a supply of warheads in all possible magnitudes for any weapon for any conceivable mission. Since it cannot be told in advance which warhead will be needed in the end, a large part of the nuclear warheads had to be stockpiled just in case--which possibly would never be needed. With a new technology called "variation field" it is now possible to set each warhead exactly for the desired purpose of use. This tends to save at least one-third of the warheads--with the combat potential simultaneously being enhanced rather than decreased.

All nuclear weapons--barring the British airplane bombs at the Laarbruch and Brueggen airfields--are the property of the United States. The weapons can be activated only by Americans: two U.S. soldiers each per gun, missile or airplane, on constant assignment to each Bundeswehr nuclear unit, via radio or telephone receive a group of letters or figures which they further code in their "red suitcase" by means of the code on the spot--in the case of "Lance" missiles, for example, to a four-digit code of figures.

Only when this code is fed in does the power to use the warhead shift to the Bundeswehr. As soon as war breaks out and the nuclear weapons are released, the Federal Republic, which in 1954 abjured all nuclear weapons forever, by the number of warheads then at its disposal will become the number three nuclear power in the world.

How does a person feel who has "the finger on the trigger?" General Jobst von Capelle of the 1st German corps in Muenster: "Any war is cruel. I cannot even imagine the use. I also deem it impermissible to demand an answer to this question now." And what does a battalion commander recommend whose nuclear

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targets are located somewhere in the area of Brunswick and Hannover?  
Lieutenant Colonel Dinkelacker of the "Lance" battalion in Wesel told  
STERN: "I do not believe that my soldiers devote much thought to it. Besides,  
our targets are located much further beyond..."

Later on in the officer's club he tells me musingly: "But after all, Germany  
is there as well," namely, the GDR.

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THEATER FORCES

FRANCE

NUCLEAR DETERRENCE, HOSTAGE POPULATION POLICY REVIEWED

Paris STRATEGIQUE in French No 8, Oct-Dec 1980 pp 63-76

[Article by Serge Weinberg: "Hostage Population and France's Nuclear Deterrence"]

[Text] Serge Weinberg is the director of seminars at the Center for Defense Policy Studies in Paris. In 1977, he conducted a civil defense seminar at the ENA [National School of Administration]. This article is an expanded version of a lecture given at that seminar. The author alone is responsible for the views expressed therein.

France's nuclear strategy generates new discussions at regular intervals. These recurrent debates are prompted by either technological developments or sudden increased awareness of nuclear weapons. Questions about tactical nuclear weapons in the mid-1970's have currently given way to the debate on the neutron bomb, and to a lesser extent, on civil defense.

1. Current Importance of the Debate

All these debates have a theological form: can the essential dogma, namely a medium power's deterrence capability with the body of rules that ensure its credibility, be subjected periodically to additions, extensions, and refinements without causing the validity of its basic principle to be open to question?(1)

The protection of the civil population existed before World War II in the form of passive defense. Approved as a priority matter in 1962 by the Defense Council, it eventually became actual law inasmuch as a decree dated 13 January 1965 assigned responsibility for it to the Ministry of Interior.

Civil defense is thus not a new idea, far from it. But it now seems to have become a topic of unusual current interest and importance. Some 5 or 6 years ago, it surfaced as a subject of study in certain "think tanks." For 2 or 3 years now, whenever appropriations for the Ministry of Defense, Ministry of Interior, or General National Defense Secretariat are examined during the parliamentary debate on the national budget, several speakers inevitably question the government on its civil defense goals and deplore the modest budgetary allocations for this policy which in the final analysis no longer deserves to be called a policy. Following a recommendation by the Senate Finance Committee, civil defense equipment appropriations were increased from 18.6 million francs in 1979 to 33.96 million francs--in program

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obligational authority--in 1980. These funds represent 0.38 percent of the military budget. These figures alone are sufficient to underscore the fact that there is actually no civil defense in France, even though natural governmental inertia does permit specific civil defense administrative structures to continue to function, but under inadequate management and unadapted to actual needs.

Obviously the government has thus far made no clear decision on the problem of protecting the civil population. Civil defense is a priority program bereft of resources. It seems to be entrusted to a few military officers and civil servants whose apocalyptic conjectures apparently arouse only themselves and, paradoxically enough, find a sympathetic response solely among pacifist protesters.

Consequently we consider it worth the trouble to dwell for a moment on the reasons for the emergence of a problem that had been carefully hidden up to now. These reasons appear to be varied in nature:

a. Generally speaking, the strategy of deterrence has not penetrated French social consciousness as an absolutely patent truth. Discussed within the armed forces for many years, and frequently misunderstood by the very persons who were assigned the task of explaining it, this strategy gradually insinuated itself, yet quite imperfectly, into the reactions and strategic thinking of the administrative and political establishment. But this gradual penetration happened at a time when the logicians of deterrence were somewhat cut off, for a long time, from the political community whose reciprocal excommunications have, until these past 5 years, rendered the contribution to strategic thinking relatively feeble, thereby leaving the specialists, mainly military, a clear field. A priority was thus naturally assigned to anything that could, on an essentially technical level, give deterrence its coherence and preserve its credibility. Today, however, in our country, deterrence is a political matter. We can now rejoice at seeing this or that politician, when it is not a few others, either praise or criticize the neutron bomb, or also ask for a sixth [nuclear] submarine. As a political subject, deterrence is gaining general acceptance but is liable to lose its soul in so doing if political pressures become more intense. A politician, in a debate on defense policy, might probably find it hard to argue in solemn terms: "No, the civil population must not be protected. In so doing, France would be giving the impression it was conceding that deterrence, based on the concept of nonuse, may fail. On the contrary, our defense posture is sufficiently deterrent to make protection of the civilian population unnecessary. Any such protection would actually be an act of defeatism." Without yet tackling the substantive problems, it must be acknowledged that a politician who entertains some doubts today about civil defense's contribution to the policy of deterrence will have some difficulty expressing them.

The progress deterrence has made in people's minds has unquestionably had the positive effect of enabling them to ask new questions. It has also raised the level of argumentation a bit. After the comprehension phase, after acceptance of the principle, comes the question: "And what if deterrence failed?" Psychology is of major importance in the doctrine of deterrence; accordingly that doctrine cannot escape, no more than any other, the attrition of time that makes all concepts short-lived in this day and age. It must periodically regenerate itself with new technical or theoretical resources, if only to convince the enemy that it is indeed a vivid reality, eager to adapt itself to the strategic necessities of the moment.

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Yet these adaptations must not be allowed to be a mere "gesture" for domestic purposes.

b. In addition, a defense policy based mainly on deterrence is an exceedingly centralized policy because the decisionmaking authority belongs to a single entity, the technique to a few, the scientific knowledge to but very few. Hence protection of the civilian population could be the only aspect of that policy in which continuity with the nation may be found. Each citizen, hitherto far removed from this abstract, remote, and terrifying weapon, feels he is a potential victim and may have some difficulty resigning himself to being powerless because no one can easily desert from a nuclear war. Has sufficient care and attention been given, therefore, to the way each citizen could participate in that war?

c. The Soviet Union's civil defense program is an additional good reason for the interest that should be taken in protecting the public. Despite the real difficulties involved in assessing the scope of this Soviet program and especially the efficiency of the organization that would have to implement it, it is, nevertheless, possible at the present time to define the outlines of this effort.

The Soviet civil defense program was initiated more than 20 years ago. It is administered by a special agency very closely linked to the party and rests upon an organization of approximately 100,000 persons. It is designed to protect both people and the country's production facilities. The geographical location chosen for the latter at the very outset is based on security requirements. A large-scale program for dispersal of the Soviet production capacity has been successfully completed. Evacuation, dispersal, and shelter plans for the population have been developed. Information about these plans is distributed on a regular basis and drills are conducted periodically. Estimates of the effectiveness of this civil defense system vary, but it can be assumed that 60 to 90 percent of the USSR's civilian population, (2) a total of 150 million persons, could be protected against radiation effects and weak overpressures. The annual civil defense budget has increased sharply since 1970 and is currently estimated to be in excess of 5 billion francs.

What is the possible significance of this Soviet effort? In all likelihood, it is motivated mainly by reflexes stimulated by the immense devastation of World War II and the 17 million dead who taught the Soviet Union that cost of human life as World War I had taught France. But beyond this "historical" reaction, and without dwelling any further on the reasons for this choice, we can but note the effects of this policy: it tends to remove the Soviet hostage population from the interplay of deterrence and render that play partly inoperative, unless the number and effectiveness of strategic weapons are further increased. This destabilizing action probably has no effect on the dialogue with the United States because the number of weapons the latter can deploy, in spite of the limitations imposed by SALT agreements, would enable it to inflict damage which the Soviet Union still deems unacceptable. But what effect does it have on a medium power like France whose financial resources limit its number of delivery systems and nuclear warheads, thereby precluding it from threatening to "vitrify" the USSR's whole territory in an effective manner? It would definitely seem that protection of the Soviet population would partly neutralize deterrence of the strong by the weak by giving an advantage to surface area, to resources allocated or allocatable to defense,

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civil or not, and an extra advantage to authoritarian regimes capable of imposing excessive defense costs on their economy and special restraints on their people. Soviet civil defense policy is aimed at destroying the atom's equalizing power, or "compensating" power according to General Pointer.<sup>(3)</sup> Above all, however, it appears to signify that Soviet leaders consider nuclear war to be not only thinkable but possible, and that perhaps they do not recognize the language, the code of deterrence.

d. The incorporation of tactical nuclear weapons into French strategy has now made an exchange of nuclear blows conceivable, particularly along the national border; accordingly this has most likely generated an awareness of the need to provide protection for civilians who would be exposed to the effects of this warning strike. The yield and relatively short range of the Pluton missiles actually preclude any assurance that the French people will not be vulnerable to radiation effects.

e. The last reason for the current interest in the civil defense debate lies no doubt in the expansion of the French nuclear power program. Long-time advocates of protection of the population are thus putting two very different kinds of risks in the same category, but are thereby creating an ambivalence about such protection that is likely to justify its necessity much more effectively.

## 2. Civil Defense, Deterrence of the Strong by the Strong, Deterrence of the Strong by the Weak

But what basically is the problem? The Senate Information Committee's recent report prepared by Messrs Bonnefous and Marcellin flatly concluded that France had to initiate the civil defense program it currently lacks. But the reasons the two rapporteurs advanced in support of their conclusion do not clearly bring out the problem's strategic dimensions and consequently are not directly convincing.

In actual fact, the main question that must first be answered is: What does a civil defense policy contribute to a medium power's deterrence?

This question is so formulated that its first effect is to void any comparisons with European countries that have implemented an active civil defense policy, the magnitude of which, nevertheless, deserves mention: Switzerland, Denmark, Norway, and Sweden.<sup>(4)</sup> The civil defense effort in these countries, whether they are neutral or members of NATO, is fully justified by their "exposure" to a nuclear strike they could not avoid because they lack the means, and likewise to a conventional attack, because the absence of national deterrent forces makes their vulnerability to these two forms of aggression conceivable.

The U. S. civil defense program seems to be quite largely determined by the desire to retain strategic parity with the Soviet Union. The reorganization of the American civil defense administrative machinery and the 5-year program submitted in 1979 by President Carter to the Senate where it was cut in half, are a direct response to the Soviet Union. But the United States starts this "shelter race" with a severe handicap inherent in its democratic status and the liberal character of its economic system. It has not yet been able to plan any measures for protecting its industrial capacity.

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As long as there is no glaring imbalance, the "shelter race" readily fits into the escalation strategy. Within the strategic parity established by the SALT agreements--which include no provision on civil defense--the placing of populations in shelters provides an additional echelon in the management of the crisis by permitting both adversaries to signal each other that they are prepared to go all the way, inasmuch as they are placing their populations underground. From this standpoint, protecting the civilian population appears to strengthen deterrence by furnishing a partial answer to the "contemporary strategy's major difficulty which lies in the fact that the threat of retaliatory attacks on cities tends to lose its psychological credibility proportionately with any gains made in its physical or technical credibility."<sup>(5)</sup>

But insofar as it shields target populations from the exchange of potential nuclear strikes, protection is destabilizing<sup>(6)</sup> for the same reason antiballistic missile (ABM) defenses were before the SALT I agreements. In fact, civil defense and ABM's have the same purpose, namely to deprive the nuclear strike of any effect. The ABM's operate at the first strike level by destroying incoming missiles, civil defense at the retaliation capability level by shielding the target.

Civil defense thus appears to be fundamentally ambiguous in its relations with deterrence in that it strengthens the credibility of the threat while removing its object. Such ambiguities are not rare in the other questions raised by deterrence, but few of them appear capable of challenging the validity of the very principle of the deterrent balance which has made it possible to maintain peace in Europe for the past 30 years.

It does seem, however, that civil defense preparedness can have destabilizing effects only if the United States ever has the feeling that the Soviet Union's effort has succeeded in giving a large majority of its population real chances of survival; that the arms ceiling imposed on both partners would preclude inflicting unacceptable damage, and that this conjunction could permit the Soviet Union to expect to gain more than it loses. The absence of any very precise data on this subject will always give this assessment an impressionistic tonality. This lack of precision is the rule in any politico-strategic analysis. But the subsisting questions are fundamental: Are Western officials able to seriously accept the use of civil defense as a strategic means and not as a simple precaution? Are we really sure that the Soviet Union speaks the language of deterrence? Is it in the USSR's strategic interest to speak that language or rather is it not in its interest to leave a margin of indefiniteness exist on this point?

France's interest in developing a program for protection of the population appears in a somewhat different light. A medium power's deterrence rests upon that country's ability to inflict, in spite of limited resources, damage that the enemy considers unacceptable. If the enemy disperses its population and thereby increases the effort the medium power has to make to acquire an optimum retaliation capability, thus perhaps imposing standards that are beyond the medium power's means, it cannot be inferred therefrom that the medium power has to reciprocate and protect its people and make their survival possible. We already know the medium power's limitations. A medium power cannot deprive an enemy superpower of the means of mortally wounding it: its small territory and modest resources make this objective unattainable against the superpower's tremendous destructive capacity. At most, a

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large-scale civil defense effort would make it necessary for the enemy to intensify its action against the medium power's territory, thereby certainly inflicting even much heavier damage which, however, could then nullify any hope of gain for the enemy. On the other hand, a relatively effective civil protection program--one that would provide minimal protection against a counterforce strike as well as an anticities strike--would help reduce the medium power's casualty rate to a very appreciable extent.

Three conclusions emerge from this rapid analysis:

- a. The hostage population concept is inoperative for the weak power in a strategy of deterrence of the strong by the weak.
- b. Apart from the fact that a very large civil defense program may well be beyond the medium power's means, it can occasion a strike of much greater magnitude against which it offers no absolute guarantee.
- c. A relatively effective protection program seems consistent with the balance of the medium power's resources and interests.

The second matter which appears to warrant exploration is that of our deterrence's credibility. Can deterrence lastingly remain the all-or-nothing, that moment of absolute truth beyond which no thought has been given? As a matter of fact, everything is happening as if people's minds had stopped thinking of anything beyond the apocalyptic vision on which deterrence is founded, deeming it useless to pursue their reasoning any further because that would interfere with the deterrent effectiveness of the apocalypse. Keeping the unthinkable unthinkable appears to have become an end in itself. But just as the principle of deterrence is based on anachronistic thinking, so may the credibility of deterrence be strengthened by the possibility of imagining the unthinkable.(7)

The strength of the nuclear myth is, in fact, such that it may inhibit the person who will, when the time comes, have the responsibility of opening fire with nuclear weapons. Not only is there nothing to be gained from making nuclear weapons "commonplace" by likening their employment to that of conventional weapons, but also anything that increases the plausibility of the use of strategic nuclear weapons strengthens the chances for peace.

Hence the "descent into shelters" may help in managing the crisis by demonstrating our determination to "go all the way," and by having the derivative effect of reducing particularly the massive and disorganized exoduses, the uncontrollable reactions of the population, actions that are liable to make the government's room to maneuver even narrower.

### 3. What Protection for the Population of France?

What does protection of its civilian population imply for France?

First of all, a suitable civil defense warning system. The Civil Security Directorate estimates the siren network currently covers only 55 percent of the population. Even if the remote-control system that activates all sirens--through six general warning centers linked to 42 warning dissemination offices and 4,000

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sirens--were completed, there would still be need to provide coverage for the urban population and replace defective equipment. The total cost of this first program would be 28.3 million francs (1980 estimate). Modern communications equipment could provide effective coverage of rural areas where the cost of coverage by sirens would be exorbitant. The radioactive fallout warning telephone system (STARR) would use the automatic capabilities of electronic switching systems. STARR could be employed for various types of disasters. Its estimated 1980 cost was 30 million francs. Capital expenditures for merely the warning system--undoubtedly the least expensive aspect of civil defense--would represent approximately twice the amount of current annual civil defense appropriations.

Protection itself poses more complex problems. The French policy established in 1964<sup>(8)</sup> calls for keeping the civil populations in place. This policy is no doubt prompted by the desire to avoid a massive exodus from urban centers, a situation that is liable to disorganize the country's operation for a very long time. In theory, it would be desirable if those civilians living near key military centers and in the largest urban centers--there are 103 such centers each with more than 103,000 residents; they constitute priority targets for the enemy--could be "unlocked," in other words, sent to nearby less densely populated areas. This desirable "unlocking" would necessitate highly elaborate planning inasmuch as it would require each resident of a metropolis to have a "second address," a veritable emergency country residence prepared to receive him. The complexity of this planning which would have to incorporate inter alia, such matters as routing, traffic control, resupply, and security in the abandoned areas, appears to be unattainable in the immediate future in view of the civil defense administration's present resources.

At this stage, it is essential, in fact, to recognize the physical limits of our ambitions. The tight budget is one such constraint. We shall discuss it later when examining the cost of shelter programs. But while the tight budget might eventually be appreciably "loosened"--the present modest appropriations would permit this without any real difficulty--it is absolutely necessary to give the administrative instrument the means of implementing this policy. The scant interest shown to date in civil defense has not made it possible to give competent agencies the image and resources that would ensure effective action.<sup>(9)</sup>

Nevertheless, a special effort has been made these past 3 years to strengthen the General National Defense Secretariat attached to the office of the prime minister, and actions are currently being taken in favor of prefectural defense offices. If it is acknowledged that civil defense complements deterrence and contributes to its credibility, it will be necessary not only to make a financial effort but also to define a policy for administrative procedures. Without such a policy, the new rules and regulations, inevitably translated into plans, surveys, and circulars, will rapidly experience the same fate as most of their counterparts. In short, they will be scrupulously pigeonholed with no further action.

While the aforementioned "unlocking" solution is theoretically desirable, it is hardly realistic with our present resources being what they are. Consequently, the only remaining solution is to provide local shelters for the civil population.

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To be quick about it, there are two types of shelters: those designed to withstand high overpressures exerted by the detonation's shock wave, and those designed to protect persons from radioactive effects (radiation effects and radioactive dust).

The first kind would cope with two types of threat: the anticyclonic strike, and the counterforce strike for people living close to military targets, near Brest, for example, which is opposite Ile Longue [nuclear submarine base].

The second kind of shelter would protect all of the civil population against radioactive fallout produced by one or the other of the two above-mentioned strikes.

The first kind of shelter requires a highly specialized type of construction. As for the second kind, to quote from the prime minister's 18 March 1964 directive, "the dangers from radioactive fallout are among those that can be--at a certain distance from ground zero--countered by means that are normally available to all."

At the present time, this protection would be effectively provided by existing shelters, and particularly basements, located more than 2.6 kilometers away from ground zero of a megaton bomb.

There is no question that protection capable of withstanding rather high overpressures would be desirable for the entire population, but this possibility is apparently not realistic at this time for financial reasons.

In 1977, the Public Safety Directorate completed a summary cost analysis of a civilian protection program.

Following are some of the results of that analysis (1977 figure).

ITEM	COST
Survey of fallout shelters in 100 departments at 150,000 francs per department	15 million
Preparation and equipping of fallout shelters, accommodating 55 million persons at 500 francs per person	27.5 billion
Increased cost for shelters withstanding blast pressures of:	
a. 0.14 bar: for 4.2 million persons at 280 francs per person	1.176 billion
b. 0.35 bar: for 4.2 million persons at 870 francs per person	3.654 billion
c. 1 bar(10): for 1.2 million persons at 4,900 francs per person	5.88 billion
Relief centers withstanding pressure of 3.5 bars: 150 centers at 11.16 million francs per center	1.674 billion
Shelters each accommodating 500 persons and withstanding pressure of 1 bar: 1,000 shelters at 2.94 million francs per shelter	2.94 billion

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100-bed hospitals withstanding pressure of 1 bar: 1,000 hospitals at 2.94 million francs per hospital	2.94 billion
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GRAND TOTAL	45.779 billion
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The Senate Finance Committee estimated the updated 1980 cost of this program to be 90 billion francs. (11)

This cost analysis rests upon one basic established fact, namely that shelters currently exist which with some slight upgrading or modification--insulation, obturations, and ventilation facilities--can provide effective protection against radioactive fallout. The same is true of wholly underground basements in dwellings. In many cases, no installation of underpinning is necessary, unless the shelters are to be made capable of withstanding overpressures.

A regulation, namely, the nonrescinded decree of 24 February 1939, would, if enforced, serve to obtain the following minimal characteristics of a shelter providing protection against radioactive fallout and overpressures below 1 bar:

- a. Walls and ceilings of such construction as to withstand collapse of the building;
- b. Dense enough to prevent heat, smoke, and carbon monoxide from entering the shelter in the event of fire;
- c. A radiation shielding factor of at least 40 and of 100 or higher if possible. (12)

In the absence of strict enforcement of this regulation whose increased cost has been estimated to be 2 to 7 percent of the construction cost, empiricism is called for in evaluating the means currently at our disposal. Under a computerized program developed by the Public Safety Directorate's Standing Group on Emergency Measures Planning, a survey of existing shelters was begun in 1978. Because of insufficient funds, it has been completed in only seven departments, but is scheduled to be completed in 17 other departments in 1980.

The present status of the national budget realistically precludes expecting any large allocation of funds to a shelter program. The Senate Information Committee's report states 3 billion francs would be required over a 15 year period. This requirement is not likely to be reflected in concrete terms in the proposed 1981 budget.

We must conclude, therefore, that, if the need for this program is acknowledged, it will be implemented over an extended period of time and will require systematic help from private financing. It is essential, moreover, that the decree of 24 February 1939 be really enforced and possibly updated.

This effort would be meaningless, however, if it is not combined with an effective public information program. The fear of making the public afraid only results in fostering the spread of the most fantastic and erroneous information. There is currently a unity of views on France's defense. This makes the task of keeping citizens informed much easier, as shown by the experience with the expansion of the

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nuclear power program. This public information effort is indispensable to implementation of a protection program that would very likely be totally ineffective without it. The facilities for distributing such information exist. This first gesture can be the occasion to signify the profound agreement which exists between the country and its leaders on the defense of France.

This analysis undoubtedly leaves us with a sense of frustration in that civil defense preparedness does not offer, far from it, that 100 percent assurance which would enable us to secure ourselves against any form of aggression or retaliation.

Even though relatively effective, such security seems, nevertheless, to be beyond the means of France's present budget. And that should be enough to doom it.

Yet, because of its contribution to the credibility of deterrence, it would seem wise to install the minimal administrative machinery and provide incentives that would make this protection program achievable, even if it has to be stretched out over a very long period. Public information, the combination of coercion and incitement should create a degree of dynamism that would appreciably improve the current situation. But the pursuit of these even modest goals demands increased political awareness and a clearly explained choice.

#### FOOTNOTES

1. See L. Poirier's article, "Letter to Claude Le Borgne on a Few Strategic Difficulties," STRATEGIQUE No. 4, 1980.
2. In 1970, according to UN statistics, the Soviet Union had approximately 125 cities with a population of more than 100,000.
3. Lucien Poirier, "Des Strategies Nucleaires," Hachette, 1977, p 37.
4. For these countries that do not have to bear the cost of building a nuclear force, civil defense's share of the military budget, though variable, is sharply higher than France's 0.84 percent in 1980: Switzerland: 6.57 percent in 1980; Sweden: 2.26 percent in 1980; Denmark: 4.8 percent in 1978; and Norway: 4.1 percent in 1978.
5. Lucien Poirier, "Des Strategies Nucleaires," 1977, p 365.
6. See W. Panofski's article, "Mutual-Hostage Relationship Between America and Russia," FOREIGN AFFAIRS, October 1973.
7. "No line of argument can sufficiently explain the contradictory attitude that consists in staking everything on deterrence, only to then ignore what would happen if deterrence failed." A. Legault and G. Lindsey "Le Feu Nucleaire" [Nuclear Fire], Seuil, p 143.
8. Prime minister's directive of 18 March 1964 on informing and protecting civilians in wartime against the effects of radioactive fallout.
9. See ENA seminar on "Civil Defense," 1977, pp 6-11 and 25-31, and Senate Information Report No 236, 1980, pp 59-69.

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10. 1 bar = pressure of 1 kg/cm<sup>2</sup>.

Table of Protection Effectiveness at 1 Bar

Explosion yield	Minimal distance for surface burst	Minimal distance for air burst, height of burst: 3300 meters
1 kiloton	250 m	350 m
20 kiloton	680 m	950 m
500 kiloton	2.06 km	2.78 km
1 megaton	2.5 km	3.5 km

11. The overall cost also includes capital expenditures for the warning system and emergency relief facilities (relief columns, UISC) that represent a very small part of this total (50 million francs).

12. (rays)  
(40 or 100)

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ENERGY ECONOMICS

ITALY

MILAN TO CONVERT TO DISTRICT HEATING WITHIN 2 YEARS

Milan CORRIERE DELLA SERA in Italian 10 Jan 81 p 10

[Article by Marco Garzonio: "'Teleheat': Free Linkups and 20 Percent Savings on Oil Heating"]

[Text] By the end of next year, houses and offices in the eastern part of Milan will be connected to the district heat distribution net which will convey reclaimed heat (now no longer wasted) from the Tavazzano and Cassano d'Adda electric plants. So as to have no doubts regarding the veracity of the proposal, the directors of the companies involved in the project announced, in a promotional manner, the price offered to the individual: district heating will cost 40 lire per "unit of measure of home calories," and link up to the network will be performed without fee.

A comparison that ought to convince even the most skeptical of the whole plan's benefit is brought forth by the planners themselves: today, citing early-1981 prices, that "calorie unit" using heating oil, costs 50 lire in fuel alone. Ranging from the family budget to the community budget, the data on savings in energy, furnished by the technicians, provide an impressive picture: during the startup phase, the savings will be about 700 million tons of oil per year, which translates into 300 billion lire in the balance of payments.

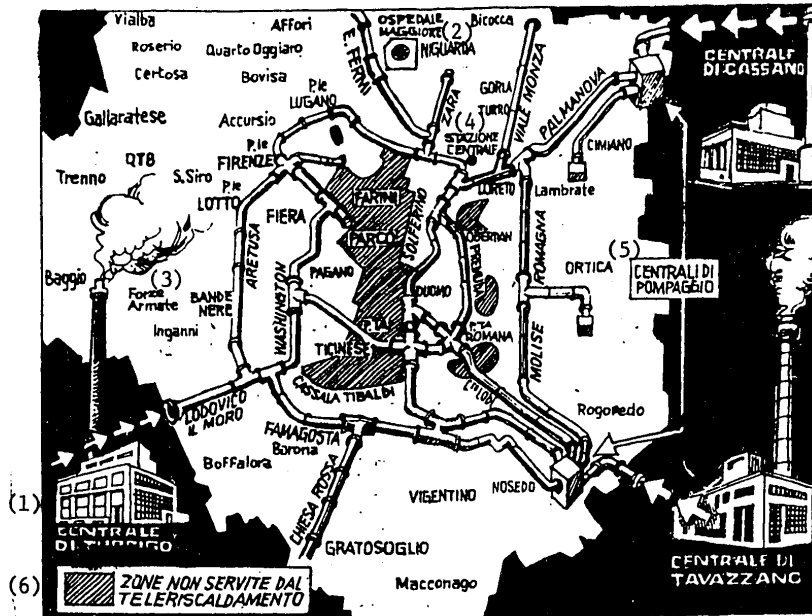
The sense of optimism (which is labeled as reality by the planners), is one of the main highlights of the project, which is feverishly being brought to a conclusion for the region by the technicians of "Lombardia Risorse." As is known, the region commissioned "Lombardia Risorse," a public participation company, to come up with an energy savings plan. The company replied with a long-range plan to "teleheat" 3.65 million inhabitants (over a third of the whole of Lombardy), of which 3.2 million are located in the Milan metropolitan area. These days are the days that mark the passing from plans to concrete technical and financial measures. The deadline is getting nearer: by January, Region President Guzzetti and Mayor Tognoli must go to Brussels to obtain funds from the EEC, funds which have been earmarked before the holidays for the district heating program in Lombardy.

Phase One--The completion of the first major slice of the net, beginning at Milan-East is explained by the technicians referring to objective conditions: it is in that part of the city that the two plants of Tavazzano and Cassano are located. The heat generated by their equipment and brought to Milan via pipeline is capable

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of satisfying the heating needs of 780,000 inhabitants by the Tavazzano plant and 390,000 inhabitants by the Cassano plant. The first section to be completed will be the pipeline frameworks which connect the plants producing the heat to the city's pumping plants.



Key:

1. Electric plant
2. Main hospital
3. Armed forces
4. Central station
5. Pumping plants
6. Zones not linked to district heating system

Again, to the east, are located the other plants, smaller in size, from which to recover heat: they are SISAS, an enterprise in Pioltello and the AMNU furnace on Via Zama. From these, 115,000 and 20,000 inhabitants will be serviced respectively. Another smaller plant, located north-northeast is the Pirelli unit, which will meet the needs of 25,000 inhabitants.

The initial phase of the recovery for Milan-East and the construction of the district heating network (with links with the more isolated parts of Pavia, Mantova, Brescia and Cremona) will require 9 years, from 1981 to 1989, to complete. The financing needed for the project totals 897 billion lire, spread out over the years: 20 billion this year, 113 in 1982, 208 (1983), 149 (1984), 159 (1985), 155 (1986), 62 (1987), 26 (1988) and 3 in 1989.

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West--The inhabitants of the zone west of the city and its hinterland will have to be patient. Objectively speaking, no work can begin there for some years. Plans, in fact, call for work to begin there during a second phase, namely from 1986 to 1992. For these other projects, a portion of the more than 1 trillion lire will be set aside out of a total estimate of 2 trillion lire to be used for the entire district heating program for all of Lombardy.

In the western part of the city (where 1.61 million inhabitants will be serviced), at the present time there are only a few plants able to produce enough heat to make recovery worthwhile. Up to the present, the experts have been able to focus only on the Turbigo electricity producing plant, which is not that near the city to begin with.

Center--Some zones in the historic center of the city will be left out of the district heating program. Basically this involves the older sections of the city, with clusters between Porta Romana, Porta Vittoria and Porta Venezia and a strip which, from Ticinese, extends to Garibaldi and Farini.

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COUNTRY SECTION

FRANCE

PS, UDF OFFICIALS ON MITTERRAND, GISCARD ELECTION STRATEGY

Paris L'EXPRESS in French 17 Jan 81 pp 63-66

[Debate between Lionel Jospin--Socialist Party--and Michel Pinton--French Democratic Union--mediated by Roland Cayrol: "Giscard-Mitterrand: Who Will Win?"]

[Text] Autumn 1980: one could look in vain for someone in the political world who would be ready to bet more than a couple of sous on the defeat of Valery Giscard d'Estaing in the presidential election. The predictions are overwhelming, to such a point that the Giscardian strategists are worrying about it: the electorate of the head of state might lose its sense of urgency. January 1981: everything is changed. As they say at the racetrack, Francois Mitterrand is "coming up fast." He is pressing hard, catching up, and even overtaking Giscard in one of the polls.

Meanwhile, two new political facts have taken place. First, Mitterrand has overcome the Rocard phenomenon. Unofficially he has been a candidate since 9 November, and he will be so officially on 25 January. Next, on 30 November in the second round of seven legislative byelections, the PS [Socialist Party] progresses with four wins instead of two losses, whereas the UDF [French Democratic Union] suffers a setback with no wins in two outings.

How does one interpret these movements of public opinion? To answer, we have arranged a meeting, with the participation of political analyst Raymond Cayrol, director of political studies at the Louis Harris Institute, between Michel Pinton, the general deputy of the UDF, and Lionel Jospin, the national secretary of the PS.

L'EXPRESS: Even now, after a few polls and some preliminary elections, some believe that Giscard can be beaten. Is this your opinion?

Michel Pinton: Wait and see if he will be a candidate. That said, the outcome of the election is not a certainty for anyone, and it never has been. The last byelections do not reveal anything to us as to what will happen in the

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presidential election. In a byelection, one can forgo all restraints without risk. It has no forecasting value, either in the future vote counts, or in the outcome of the presidential candidates. Everyone has forgotten that there were some very bad legislative byelections for the majority in September 1978: they followed our success in the general elections by 6 months and preceded our success in the European elections by 8 months. To compare elections of a different nature and stake has no meaning, it is propaganda.

As to the polls, they appear to me, especially at the present time, to indicate the anxiety and perplexity of public opinion: how are we going to respond to the worldwide economic difficulties? It is neither change nor continuity that the French will seek in April 1981, but definite assurance regarding their anxieties.

Lionel Jospin: In the current trend reversal, which appears to me extremely clear --Giscard's decline, Mitterrand's rise--the November byelections played an important part. The defeat of the UDF candidates and the upsurge of the PS have revived a dormant idea: Giscard can be beaten.

In the past, too much importance has been given to the polls. As long as Francois Mitterrand was not the Socialist Party candidate, they could not give a realistic picture of what the ratio of forces would be at the decisive moment. The closer the election comes, the more one observes--what could be anticipated, even when too many people on the left were pessimistic--that the struggle will be extremely close.

Finally, there is often a lag in the time between reality (unemployment, inflation, inequalities...) and the perception the people have of it. The state of discontent, which was like a state of suspension in a liquid, is no doubt in the process of "settling" and crystallizing. To the detriment of President Giscard, who is more and more candidate Giscard.

L'EXPRESS: Can the gaullist electorate "change direction?"

M. Minton: Since De Gaulle has departed, the gaullist electorate has dispersed. Let us speak rather of the RPR (Rally for the Republic) electorate. In the first round it will be divided between several majority candidates, but when the time for choosing a society arrives, it will choose on its own accord, as in 1974 and 1978, the candidate of freedom. It cannot be attracted by Mitterrand, the permanent adversary of General de Gaulle and his legacy.

My only fear is that the RPR candidates will be led to a rhetoric so excessive during the campaign that they will contribute to turning away some of their constituents from this natural choice. The blossoming RPR candidacies, and the lengths to which their intense albeit ridiculous competition could lead them, can only be detrimental to the majority.

L'EXPRESS: And dangerous?

M. Pinton: They could be.

L. Jospin: There are two gaullisms. The gaullism of 1945, partaking in the great structural reforms, contributing with the socialists and the communists to the

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restoration of French independence; and the conservative gaullism of 1958 which runs into the Giscard regime. It is difficult to know which message the gaullist electorate will choose to follow. Some recent polls allow one to believe that at least one-fifth of this electorate could choose Mitterrand.

Twelve years after the general's departure, there is no "captive" gaullist electorate. Especially because the RPR leaders are compelled, for their own political survival, to remain aloof from the head of state. Besides, their constituents are also undergoing the crisis.

M. Pinton: The choice is not between the crisis and something else which is not the crisis. If you were in power, you would also have to take into account unemployment, inflation, and the foreign trade deficit.

L'EXPRESS: Would a possible Mitterrand victory be above all the victory of an alternative policy to that of Giscard, or above all the victory of the malcontent?

M. Pinton: I have the impression that for Jospin it would be above all a victory of those voting against.

L. Jospin: One cannot arbitrarily separate the negative motives, the fear of unemployment, anxiety about the future, which are the reasons for getting rid of Giscard and the positive reasons which make us want a new policy. The positive aspect will win over if we are capable of transforming the rejection reaction one finds in a movement of public confidence into the possibility, for a socialist president, of effectively coping with the so far great unresolved problems.

Roland Cayrol: Only the socialist wavering these past months has let us forget the electoral polarization and the leftist progression of the past 10 years, which are explained by sociological reasons. Since the uncertainty about the socialist candidate has been lifted, the left has regained its normal level, and the great factions have resumed their regular outlines.

But, beyond the sociology, a fringe of the electorate is defining itself much more according to political criteria and is choosing at least as much "against" as "for." This is where the gaullists' attitude is interesting, since, being very close to the Giscardian faction, in the past they have had a tendency to keep themselves away politically. Already in 1974, about 15 percent of the Chaban-Delmas voters voted for Mitterrand in the second round.

M. Pinton: Mitterrand recently declared that he could only be elected if he obtained at least 22 percent of the first-round votes. Granted. In the second round, the communist votes, estimated today at 16-17 percent, plus those of the lesser candidates of the extreme left will not be enough. He would still need many other votes such as the RPR to succeed. In other words, to convene an odd coalition of voters who are not, if one believes those who are speaking for them, close to agreement on anything.

I understand well Mitterrand's strategy: in the present circumstances, his best chance is to lead a low-key, catch-all campaign. He can only be elected by

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accident, on a vague platform which will not turn away those voters with opposing ideas. If he is involved in a highly visible debate on precise topics, we will then see the contradictions of his candidacy explode.

L. Jospin: I am not so sure that Giscard cares that much for the limelight. As for the rest, who is speaking of a coalition? There is no ownership of the electorates. We are not addressing ourselves to the party leaders. The presidency of the republic is the only power in France which has a unitary character.

M. Pinton: I was speaking of a coalition of votes, not a coalition of the political staffs.

L. Jospin: Taking into account the policy you are conducting, a majority of the French through their vote can benefit by change. If they do it by electing a socialist president, I do not see how you can arbitrarily declare that their votes are contradictory.

L'EXPRESS: Can one foresee what the communist voters will do?

L. Jospin: Faced with inconsistent instructions from the PC [Communist Party] leadership in the November byelections, the communist voters systematically chose the Union of the Left. We are no longer in 1978 at the time of the legislative elections: the rift in the left has now been in existence for 3 and 1/2 years. The voters, including the communists, have begun to become accustomed to this situation. The leadership of the PC has not succeeded in convincing its voters and its militants that we "turned to the right." In 1981 you will no longer have the shock of rupture to help you, as in 1978.

M. Pinton: No, in 1978 you still had not really suffered the shock to which you refer. The communist voters voted massively for the socialist candidates. This time, the deterioration of the PC-PS relations will be much more painful to the French. Especially because it will not be a question of a protest vote as in the byelections, but the selection of the man who will direct French policy. On what great alternatives are the PC and the PS in agreement today? None.

L. Jospin: In 1978, the dynamics of the first round were broken, not the overall balance. If a majority decides in favor of the socialist candidate in 1981, that will create a new dynamic and will mean that the conduct of change in France is entrusted to the Socialist Party. It will thus be around the great designs for which by the socialist candidate stands that French policy will be conducted.

M. Pinton: That would not be a desire for change, but a combination of refusals and equivocations.

L. Jospin: Our policy is clear and above all positive. The communists will find it difficult to withdraw their support. On the other hand, I do not see how your policy can unite a majority and keep the right from splitting. If one keeps the disastrous ledger of these 7 years...

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L'EXPRESS: ...That is not the subject of this debate!

L. Jospin: Right.

M. Pinton: Besides, the balance is largely positive.

L'EXPRESS: Are the "lesser candidates" too numerous? Which ones trouble you?

L. Jospin: It would not be acceptable for democracy if there were only 4 candidates; if there were 40 it would be catastrophic. The problem is finding the middle ground. When one is competing in the first round, one is more bothered by his friends than by the others. But it is certainly their right to run for election.

R. Cayrol: Each "lesser" candidate does not represent much. It is the total of all their votes which can, for example, make it difficult for Mitterrand to score higher than 22 percent.

L. Jospin: What do you want us to do about it? We are not going to proceed through intimidation. It is up to us to get across this simple idea: in the first round the socialist candidate must be leading the left, for he alone can beat Giscard.

M. Pinton: It would be a pity for so many candidates who have so little to say to all the French to enter the election. But, in the absence of solutions compatible with democratic principles, it is better to suffer the abuses of freedom than to threaten it.

L'EXPRESS: It has been said many times that the Coluche candidacy was a sign of the weariness of public opinion with the political debates. Is this your opinion?

L. Jospin: Public opinion is not an abstract reality. I do not see why the individuals who make it up would be very enthusiastic in the face of the unemployment, the inflation, the blocked future of the young, the scandals, the scorched-earth policy conducted by the leadership of the PC, the lowering of certain institutions like the parliament.... We, socialists, have conducted an internal debate that we consider democratic, but which sometimes has gotten off track.

The interest in the forthcoming election will be very great, I'll bet on it. And, at the moment when the French will have to take a position on fundamental issues, they will not choose a comedian.

M. Pinton: For years I have heard it said that it is necessary to renew the political dialog which wearies the French. However, these dialogs have never played much part in any election, whatever they might be. Don't confuse certain appearances with reality. The French are a people made skeptical of speeches by a long history. At the moment of decision, they always turn toward the one who tells them the truth. To tell the truth today means to give solid reasons for hope. I emphasize the word "solid."

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R. Cayrol: In the public opinion studies one can detect a recent reinforcement of a certain disinterest in politics. It concerns first of all Paris and the very large cities, but also the younger voters, and finally the managerial class and the workers. This is where the "Coluche effect" has taken place.

L'EXPRESS: Through certain recent elections, above all the electoral success of Margaret Thatcher in Britain and the triumph of Ronald Reagan in the United States, a wave of conservatism has been mentioned. Do you see this in France?

M. Pinton: No, the world is not heading toward a new conservatism. That does not have a chance. During the better days of expansion, two political currents have sometimes confronted each other. One of them, conservative, attached itself to the past, with all that this implies such as the continuation of privileges and injustices. The other wanted the wealth due to expansion to be distributed as widely as possible. It is this second great trend which has won nearly everywhere.

But the society--should one say social-democratic?--which has resulted is now reaching its limits. Look at Sweden and the United States, for example. The allocation of more and more diverse social benefits on a more and more equal basis has brought about the development of a tentacular and inefficient administration. The wave of general welfare has exhausted itself. Both because the crisis has dried up the sources of opulence, and because it has exasperated citizens subjected to an encroaching bureaucracy.

The new world economic conditions imply a contrary movement: that individuals and groups be given the opportunity of undertaking heavy responsibilities, that more room be left for freedom. There is no evolution toward conservatism, only the ebb and flow of socialization and movement toward greater freedom.

It is the direction in which France is going today. The PS is 20 years late with its plan. It is running against the current of history.

L. Jospin: It is true that the crisis, the result of the political and social policy conducted especially in France, can create a conservative reaction in many social classes because it induces fear of the future. What a paradox! Some people would thus be tempted to choose the conservatives, whereas it is precisely the conservatives who are hindering the people from conserving what they have acquired: the full employment gained after the war, social security, the large collective services of education, transportation, and health...! Many people are thus searching for the alternative which will permit them to preserve all of this. They are in the process of discovering this alternative with the Socialist Party.

M. Pinton: You are justifying what I was saying earlier about the lag between the political dialog and what public opinion expects. You are arguing as if we were still in 1960. We have now entered a new era. You remain within antiquated frameworks.

L. Jospin: It is believed that you are a party which manages conservatively a society as it has been structured since the Popular Front and the liberation.

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In fact, you are a party of "restoration," somewhat as if the Restoration wanted to return to the conquests of the French revolution. You want, under the pretext of going ahead, to go far back, over 50 years of social conquests.

M. Pinton: We are trying on the contrary to invent, to imagine what the future will be. It is not Mitterrand who has undertaken without presuppositions an elaborate analysis of the year 2000; it is Giscard. Can you see Mitterrand asking himself about the year 2000? It would cause laughter.

L. Jospin: You are chattering about the year 2000 to avoid speaking of the present. As to your policy, it takes us back to the thirties. I guarantee you that this would make no one laugh.

R. Cayrol: The remarks both of you make revolve around the importance of the word "security," one of the words which currently reverberates most in public opinion. It is true that the progress of antistate and antibureaucratic sentiment is measured very closely. But the renunciation of certain types of state guarantees, the lifting of price controls...are judged severely by the same voters who would be in favor of a less state-controlled evolution of society. This is where there can be an overlap between policy and the anxieties of the French. In fact, one sees in public opinion opposition to an evolution that is too statist and at the same time a demand for more state guarantees against the hazards of a noncontrolled liberalism.

L. Jospin: To free and to protect, that is the synthesis of this contradiction that we socialists are trying to accomplish.

M. Pinton: The conversion from theory to socialist practice has merely enlarged the bureaucracy everywhere.

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COUNTRY SECTION

FRANCE

PCF SEEN DISTURBED BY MITTERRAND'S STRENGTH

Paris LA LETTRE DE L'EXPANSION in French 2 Feb 81 p 2

Text The Communist Party is concerned over the continued mediocre score being attained by Marchais in the polls. The party's strategists have re-studied the polls taken at the time of the European elections and have noted that the results coincided with the forecasts (20 percent). This time the polls are giving a result closer to 15 percent instead of 20. They do not want to believe what has happened but are concerned nevertheless. Below 18 percent, the candidate's personal integrity would be seriously questioned, although, in the absence of any obvious successor, Marchais could lose his power without losing his title. We would "presidentialize" him, as is said in the party apparatus, where "strong men" remain discreet, like Plissonnier and Gosnat. Now the party's "hard" wing (with which Marchais had to affiliate to retain his position) advises that, if the presidential elections are a failure, it will be the result of an excessively "opportunistic" attitude during the past 10 years. Meanwhile, the number one order of the day is still to see that Mitterrand is defeated. The socialist leader's increased strength is being taken seriously enough to light counter-fires. Personal attacks against Giscard are said to be aimed at convincing the militants that "Marchais was not playing along with Giscard." As for reviving the problem of communist ministers in the government, this is a repetition of a tactic put to the test in 1978: to frighten the centrists and lead them away from Mitterrand.

The Communist Party fears that Mitterrand's (possible) success would bolster the Socialist Party whose "credibility would be enhanced" by his accession to power. Whereas, in the opposition, the Socialist Party would end up splitting between those who want to govern and those who want to construct socialism.

Commentary

There are two observations to be made in this regard:

1. According to information received by the Ministry of Interior, it is to be expected that there will be a harder line taken by Washington and, simultaneously, a sterner attitude by Moscow toward all European communist parties, including the PCF.

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2. To judge by Andrieu's reaction at the "Press Club" last evening--one which was not understood by those in attendance--Jospin's answer (carefully written) relative to the communist ministers seems to have struck home.

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COUNTRY SECTION

FRANCE

PCF ELECTION STRATEGY SEEN FAILING TO WIN VOTERS

Paris L'EXPRESS in French 31 Jan 81 p 75

[Article by Jacques Roure]

[Text] "Giscard is public enemy number 1." The crowd, gathered under the huge circus tent set up on 27 January in Levallois-Perret, applauds in delight. When Georges Marchais, taking up the phrase uttered a week earlier in the senate ("Enough of a republic of castles and gifts, of a state made up of cousins and friends, of a clan of costly relatives and princes!"), personally attacks the head of state, there is delirium.

With regard to Francois Mitterrand, a privileged target of the Communist Party directorate for more than 3 years, Marchais launches a few barbs: "In his case, it is no longer a question of haziness or fog; it is the blackest night." But the socialist leader is no longer accused of "swinging to the right." Henceforth, it is only the right which is trying to get rid of him. A question of nuance. Begun on 20 January, the new turnabout Marchais is making--one more!--is being confirmed.

Can it be that the hour of leftist rediscoveries has sounded? On the contrary. "All that is a matter of tactics," a communist leader says. Marchais has not changed his strategy: to torpedo the Socialist Party in order to restore the Communist Party's traditional leftist spot as number 1.

The communist candidate has merely changed his tactics. This was done following two careful readings:

1. That of reports issued by the party's federal leaders which have been piling up on his desk. Reports whose tonality was confirmed by the Central Committee on 12 January. The militants are ready to mobilize. For Marchais against Giscard. But not against Mitterrand. In short, the antisocialist crusade is continuing to trouble the communists. So much so that, for many months, it was Mitterrand and not Marchais who appeared as the anti-Giscard candidate.
2. That of polls. Despite an active campaign conducted for three months, Marchais is not taking off. Voting intentions in his favor are remaining lower

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than those traditionally achieved by the Communist Party: 17 percent, according to the latest scoreboard--L'EXPRESS-LOUIS HARRIS-FRANCE--published on 24 January. And this is according to the most favorable hypothesis as far as he is concerned, that in which Coluche would not be a candidate.

The secret hope of forestalling Mitterrand is disappearing. Worse! Although the socialist candidate appeared to be the only one capable of beating Giscard the second time around, many communist voters may be tempted to vote in a practical way--that is, for Mitterrand--from the first time around.

As for carryover votes, they alone are a condemnation of the antisocialist policy being pursued by Marchais: nearly two-thirds of his voters are prepared to vote for Mitterrand, accused only a few weeks ago of having fallen "to the right of Giscard." At the risk of increasing his party's malaise and obliged to change course three months before the presidential election, Marchais found nothing better to do than bring out the old bugbear of communist ministers. The recipe is well-tested. In 1978, it had frightened moderate voters who were ready to vote for the Socialist Party and thus assured the failure of the left.

This time, he thinks, the trap should work still better, since, after the harder line taken by the communists and 3 years of controversy, the division of power between the two leftist parties is no longer in the least credible.

What can Mitterrand do? He has answered that in advance in his book, "Here and Now." If he wins, parliamentary elections will be held along the way. The majority who will then govern France will be "those whom universal suffrage will have sent to the National Assembly." The socialist leader seems determined to say no more in this regard. But will he still be able for very long to evade this essential question which, as he knows, is his Achilles' heel and which Giscard's spokesmen ask him every day: "With what majority will he govern in case of victory?"

If Mitterrand says "no" to the communist ministers, Marchais will be hard put to show his constituents--at long last!--that it is not he who is dividing the left and preventing it from joining forces to win but, rather, the socialist candidate. If Mitterrand says "yes," he cuts himself off from the center left and from part of the Gaullist voters determined to vote for him the second time around. If he persists in not answering, he disappoints both the left and the right.

"If we show that Mitterrand is the candidate of the undecided," a Central Committee member says, "he will lose his prestige." And then, the communists think, some of the votes. Marchais is asking for nothing else. But he, in turn, through a series of vacillations, risks losing all credibility. At least in the eyes of many of his electors.

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FRANCE

PCF LETTING INTELLECTUALS LEAVE PARTY

Paris VALEURS ACTUELLES in French 26 Jan 81 pp 27-28

[Article by Jean-Francois Gautier: "Leaving in Drovers"]

[Text] The PCF is letting bothersome "intellectuals" leave. A gentle purge. But even outside the party the dissenters preach Communist doctrine.

"I don't want to leave the PCF. The French Communists are changing; they'll surprise you yet. There are a few of us who feel something growing which could very well be a tidal wave which will astonish you."

These lines of last 17 October were signed by Mr Antoine Spire, former party executive and formerly in charge of "Editions Sociales." The promised "surprise" came 11 weeks later. The same Mr Spire announced on 7 January, "I am no longer a member of the Party."

Mr Spire was not mistaken in announcing a "tidal wave": on 19 January his name was among 45 "critical communists" who decided to explain their departure in a manifesto. His resignation followed those announced in December of novelist Helene Parmelin and her husband, painter Edouard Pignon, as well as those of novelists Robert Merle and Raymond Jean, of producer Antoine Vitez and of poet Eugene Guillevic.

At the end of October, three Communist advisers in Paris, among them Henry Fizbin, were relieved of their duties within the party for having criticized Marchais. Just like the writer Jean Kehayan, "discharged" 5 days before them.

Parmelin and Pignon are not new to this opposition. Already in 1957 they signed a manifesto which noted "ethical problems" after Soviet tanks rolled into Budapest. Pablo Picasso's intervention was necessary to keep Marmelin (at the time a journalist at "L'Humanite") in the Party.

This fact is noted in "The Stalinists" (Fayard), a work by Dominique Desanti, who resigned in 1957 along with her husband, Jean-Toussaint Desanti, professor at the Advanced Teacher Training School. They followed close behind Annie Kriegel, actor Gerard Philippe and his wife, Yves Montand and Simone Signoret. Jean-Paul Sartre, party supporter who followed their lead, had also stated 6 months before leaving that he carried on the struggle "in the Party and for the Party without breaking rank."

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The PCF is used to these waves of desertions. Its leaders repeat the same phrases when the "intellectuals" jump ship. In April 1978 while Jean Ellenstein was leading the dissenters' way, Marchais announced to the Central Committee, "We are a democratic party, not a discussion group."

Twenty-two years earlier Maurice Thorez said to the same committee that no matter what the "intellectuals" thought, the "avant-garde ranks of the working class" must not become "a club or a school of controversy."

Andre Gide, another sympathiser, wrote in his "Return From the USSR" in 1937: "The party considers intellectuals who are attracted to communism to be 'unstable elements' which can be used, but with caution."

The PCF has never hesitated to let those who are no longer useful leave. During difficult times the party particularly protects its internal structure, the hidden part of a two-tiered system. Party leaders know from experience that this apparatus can rapidly generate fresh troops.

In his "Internal History of the Communist Party" (Fayard), Philippe Robrieux wrote of the condition of the Communist Party in 1939, several weeks after the Soviet-German pact. The CGT (General Confederation of Labor) had lost half of its members; 27 of the 72 Communist deputies of the Popular Front had resigned. By the end of the year there was no longer a general secretariat or a political office.

Robrieux wrote, "At the base, there were only a few pockets of militantism, several hundred, probably less than two thousand in all. And at the top the Comintern bureaucracy which continued to operate."

This efficient bureaucracy rebuilt the PCF during the war. It took advantage of the times to liquidate party opponents. It ended hostilities by taking power and counting its members by the hundreds of thousands.

The first voluntary departures date from 1928 when the French party was wavering between the Stalinist and Trotskyite trends. Moscow's orders, transmitted by Stalin's bureaucracy, were to campaign against the socialists during the April 1928 elections and to keep the communist candidates in the second round of voting against the Socialist Party. To this the French leaders added a sort of rather unacceptable "common program" so that the socialists would be sure to reject it.

After the elections, "Action Francaise" admitted, "The communist tactic was the salvation of many of the moderate candidates."

The PCF hardened its stand the next year. In the middle of a general salary hike it centered its campaign around the crises of capitalism. It tried a general strike. Party rank and file, confused, decreased by four-fifths. Sixty members from the political office elected in 1926 left. In November 1929, six town councillors were ousted for opposing the "International's line." In less than 2 years the latter purged the PCF of its divergent tendencies. It could now gear up for what would become the Popular Front.

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The circumstances surrounding the largest departures (1928, 1939, 1956, 1968) vary. But each time contributions from Moscow made up for the lack of dues. And within a few months the internal apparatus was able to rebuild the membership.

In 1978 Marchais repeated that the communist leadership "would adamantly oppose everything that attacks democratic centralism in order to question its policy, usefulness and existence."

More clearly: the Communist Party calculates all the bearable risks but it will never play the stalwart leaders, executives and high-ranking members against the "intellectuals'" doubts.

Desanti noted in her book that after 1968 the communists recruited "young members, and even disillusioned students, who were tired of their small, powerless groups." The PCF's main attraction is its "power machine," which, even if only relatively powerful, is at least maintained permanently.

In an intensive analysis of the communist phenomenon "The Illusions of the West," (Albin Michel), Claude Polin, professor at the Sorbonne, wrote: "Never since its beginnings in Russia in 1917 has communism been so strong or so powerful throughout the world, despite the fact that Stalinist horrors are known and denounced, the slightest deviator is sent to the Gulag, and the Kremlin's imperialism is decried everywhere."

Polin suggests this: "It is because liberal society doesn't hide the fact that its dream is the same as that of communism (to reconcile man with nature and other men) and that it is in a much worse position than Soviet society for fulfilling this dream.

On an ideological level and from the viewpoint of communist leaders, the exodus of the party "intellectuals" is more of a tactical advantage than a reverse. When resigning, Spire affirmed, "I remain a communist." Like Ellenstein, Garaudy and Kehayan, he will defend on the outside the ideal learned on the inside.

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COUNTRY SECTION

FRANCE

'AFRIQUE-ASIE' HITS GISCARD STANCES ON AFGHANISTAN, CHAD

LD241051 Paris AFRIQUE-ASIE in French 16 Feb-Mar 81 pp 10-11

[Editorial by Simon Malley: "Giscard's Miscalculations"]

[Text] Aside from its seemingly overzealous secretary general [Habib Chatti, secretary general of Islamic Conference Organization] who, without even bothering to consult the Muslim heads of state present, hurried to French's television's microphones to express his "favorable reactions," the Third Islamic Summit in al-Ta'if totally ignored French President Giscard d'Estaing's proposals on Afghanistan put forward in his television interview on 28 January. There is no doubt that Habib Chatti, who had not even had time to examine the text of the French president's speech, still less to gather the Islamic leaders' impressions and views, simply forgot the elementary rule that any secretary general--of any regional or international organization--should observe: Not to take any political stance unless it reflects the views of all member states in the form of specific resolutions or a general "consensus."

Habib Chatti's responsibility seems even more serious when you realize that the overwhelming majority of heads of state received the French head of state's intervention coldly not to say with irritation and even hostility--an intervention made at a time when he knew for a fact that the affair was on the summit's agenda and that the Islamic heads of state and sovereigns were to study it and take the necessary measures to find a solution likely to contribute to its settlement. What was Giscard's intention? To inspire or influence the summit? To guide it or take the place of the countries more directly concerned by this affair? "The fact is," a Gulf head of state confided, "that the Western leaders, and in this case Giscard d'Estaing, still think that we need their 'paternalism,' their 'advice as our seniors,' in seeking a particular formula for settling problems which concern our region. They want to continue treating us as 'children' or as subjects of the mother country. Why did Giscard choose this precise moment to intervene when he knows that Pakistan was intending to call upon the Islamic summit to study a plan which had support from Indira Gandhi's Indian Government? Did he want to deprive us of an initiative or was he simply trying to abort any solution other than his?"

This feeling predominated in many Islamic delegations, so much so that French diplomats were clearly uncomfortable, while the Americans and British were pleased and

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the West Germans were sarcastic. Pakistani diplomacy chief Agha Shahi, for his part, was furious: "It is unthinkable," he confided in one of his Arab colleagues. "The French President knew very well, because we had already informed him, that Kabul had finally agreed to a representative appointed by UN Secretary General Kurt Waldheim taking part in the negotiations. That was a major step forward--a remarkable one in view of the Afghan Government authorities' known stances. We also knew that the Soviet Union had not opposed our approach. Of course, there were still questions to be settled but we had high hopes of succeeding...Giscard d'Estaing's interference is both inopportune and dangerous..." Agha Shahi added: "What irritates us even more is that the French Government never received our consent to its intervention. I was not even informed of this plan...."

It was not until the French president's "explanatory" telephone call to his Pakistani counterpart on 31 January, that the latter consented reluctantly to say that some aspects might be considered "positive" while the Pakistani press continued to regard the French initiative as "inopportune." How and why did Valery Giscard d'Estaing take this initiative? Why did he take it at that precise moment?

The following are the hypotheses gathered from some delegations representing both progressive and conservative regimes:

1--Having been subjected to cutting and sarcastic remarks from some of his political rivals regarding his "predictions" concerning the withdrawal of Soviet troops from Afghanistan, the French head of state wanted to give the impression that he would and could play a role in settling the Afghan affair and that it would be wrong to think that he no longer has any audience in the Third World. Being convinced that his proposals would receive the backing of Islamic leaders in al-Ta'if--on what bases and for what reasons?--he went ahead. He did so rather too quickly, rather too hastily. Neither reports from his diplomats in al-Ta'if nor the flattering articles published by sections of the French press which back the Giscardian government, can change that fact.

The HERALD TRIBUNE's correspondent in al-Ta'if wrote on 29 January: "The participants in the al-Ta'if summit were surprised to learn of the existence of this plan from the radio instead of it being put forward and discussed through diplomatic channels." The correspondent explained that official Western and Islamic circles think Giscard's plan has very little chance of success.

British weekly THE OBSERVER, for its part, stated clearly that an expanded conference such as President Giscard d'Estaing is proposing would further complicate the negotiators' task.... As for the official reactions in some Western capitals, there was no question of their being negative or hostile, for reasons of solidarity in face of the Soviet Union.

2--On the basis of reports from a senior Quai d'Orsay official sent to Moscow shortly before Giscard announced his plan, the French head of state had calculated that the Kremlin could not react in a hostile way since one of the sine qua non conditions posed by Kabul and backed by Moscow for bringing about a gradual withdrawal of Soviet troops was the end of all foreign interference (notably Pakistani, Iranian, Chinese and American) in Afghanistan. In proposing a conference which would aim to find an acceptable solution to that particular problem, would the Elysee not be taking a step in the right direction?

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Valery Giscard d'Estaing's main mistake was first his wish to ignore the fact that the USSR would never agree to an international conference being held without the presence of Afghanistan--the first and sole power concerned by this foreign interference--and, second, his pretence of disregarding one crucial question: Why should such a conference include countries which have nothing to do with this question either directly or indirectly? What reason would there be for France and Britain to attend this conference? That could only place it under the auspices of the Security Council's five permanent members. Would not internationalizing the conflict as Giscard seems to wish--by placing it under the authority of the most important UN body--mean placing Afghanistan's future in UN hands?

The Elysee's maneuver is really too obvious for it to be backed by progressive and democratic international opinion.

"It is paradoxical to see Giscard's government trying to take the initiative in a plan aimed at ending foreign interference in an independent state when it has constantly been responsible for so many interventions in Africa over the past 7 years...." This statement by a black African head of state reflects several diplomats' and observers' opinions gathered immediately after the French president's proposals were made known in al-Ta'if.

People were also wondering whether the French president who is known to share U.S. strategic views, has not been subcontracted by the United States with, of course, the hope of consolidating France's position as a world power, as well as gaining prestige.

Such a hypothesis is all the more likely since Paris has definite designs on the Gulf and the Indian Ocean where it has an aggressive military presence, as witnessed by the many warships patrolling that region in coordination with the U.S. and West German armada.

3--Third hypothesis put forward by the Islamic leaders: The Giscardian government's fear of seeing the Afghan affair settled without it, in other words in the framework of an agreement which would not include France but in which the only partners would be the two super-powers. In other words a return to bilateral Soviet-U.S. dialog. Could that anxiety be allayed by this complex and impracticable plan which has been unveiled with the aim of showing the Muslim world the intention both to "combat Soviet strategic designs in the Middle East" and to help this Muslim world solve its problems through French influence? "We do not intend to be mobilized in an anti-Soviet campaign," one African minister stated, "in order to satisfy Mr Giscard's election ambitions."

Furthermore the surprising thing is that none of the heads of the French-speaking Muslim states close to Paris thought it justifiable or decent to mention the Elysee plan even indirectly at the al-Ta'if summit: "We thought we would see friends discussing it in public," a French ambassador commented bitterly. "Our disappointment is equal to our hopes and calculations, unless some diplomatic reports were seriously mistaken or, at least, made some premature speculations...."

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2 Were they also mistaken in the Chadian affair? In any case Giscard d'Estaing's statements on that subject were not given any better a reception. Despite President al-Qadhdhafi's absence from al-Ta'if, the French president's ambiguous, inconsistent and confused justifications, vigorously denounced by President Goukouni Oueddei, drew sarcastic comments from several participants. The pretexts invoked by Giscard to justify French policy convinced nobody, be they convinced opponents of al-Qadhdhafi or those who supported Goukouni against the puppet Hisssein Habre.

In fact those pretexts promoted both bitter and virulent comments: "How," some said, "can we be expected to believe that France, which in the past and during Giscard's 7-year term, has invoked 1,001 fallacious, trumped-up pretexts for intervening in Chad, Mauritania, Gabon, Central Africa and Zaire in order to support tyrants, could not find any way of saving its mercenary Hisssein Habre? Crocodile tears are being shed over the French soldiers who would have risked their lives if they had been sent to Chad while no tear was shed over France's sons who perished in the jungles and deserts to insure the survival of the Rabat, Libreville, Kinshasa and Bangui despots among others."

"Who are they trying to fool? Why do they persist in regarding us as innocents? Why not tell us the truth or keep quiet? Why conceal from us what was to, or could, have been hatched between Paris and Tripoli, like that oil agreement negotiated by Elf-Aquitaine director Albin Chalandon with prior agreement from the Elysee and Matignon? Why not have the decency to keep quiet when we all know that the forthcoming presidential election and the uncertainty of its outcome impose political restrictions and restraint in the military sphere"?

Certainly nothing has changed in neocolonial policy. The French president states that there will be no return to colonialism. There probably will not be in the strict sense of the term: the balance of forces in the world makes it difficult if not impossible. But as for the survival, development and consolidation of neocolonialism, and the interventionist military policy, don't try to deceive us...: That is the essential aspect which the Third World peoples should remember.

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COUNTRY SECTION

FRANCE

PCF DISSIDENT DAIX TALKS ON PARTY INTELLECTUALS

Paris PARIS MATCH in French 2 Jan 81 p 74

[Interview with Pierre Daix, PCF dissident by Florence Portes: "Tell us... Pierre Daix, Communist writer"]

[Text] [Question] Two more intellectuals have just quit the Party, Edouard Pignon and Helene Parmelin. The press, with the exception of L'HUMANITE makes a big case of it. Is there something to it?

[Answer] Yes, if one considers their personalities. Among the intellectuals of the French Communist Party, they are the ones most intimately linked to the Party's history. They were in the Party of Picasso, Leger, Tzara, Eluard, Langevin, Joliot, etc. They had participated in all the campaigns of intellectuals against the colonial and imperialist wars. They were just about the last among the great rallying of the Resistance, among those who believed that they could, from inside the Communist Party, become the allies of the working class in its struggle and in such capacity participate in the formulation of strategy. In their turn, they fall victim of an original illusion.

[Question] Nonetheless, the French Communist Party survives very well and will survive their departure?

[Answer] Of course. What their departure reveals since it happens after all the others is that the PCF is going through a falling back phase, taking a workers-only stand and a position of unconditional loyalty to the USSR. But this happened to it at other moments in its history. Since the 60 years of its existence, there have been these periods of falling back and of rallying point. The intellectuals adhere in the latter periods and then find themselves in a party which they feel they did not choose. Thus, sooner or later, they come to a crisis. The party survives because it draws its strength from the machine put in place by Lenin. Those who wish to reform it must either submit or give up.

[Answer] Marchais is the target of all the rancor of the communist intellectuals. What will happen if he disappears from the scene?

[Answer] Marchais resembles the Party apparatus. He is the one to have chosen all its cadres in the last 20 years. But if he could do it, it means that the apparatus finds itself reflected in him. If he happens to disappear there will be a certain amount of change in the policy of the PCF since I think there has been much brutality in the way Marchais incarnates the line. The main line, however, would remain the same.

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[Question] Why is it that the news on the real situation of the Eastern European countries do not make a dent into the living forces of the PCF?

[Answer] This is because the militants do not know their history. Experience is not transferred from one generation to the next. Those who put up the handbills for Marchais are not those who put them up for Thorez. They are the post-May 1968 generation. The party has a historical continuity which they do not understand. It has Janus faces, one which is a reform party and one which is a revolutionary party. You think you are adhering to a reform party and you end up being a cog in the revolution. This is a basic misunderstanding born of faith, hence the necessary religious character of the party. You work for the interest of the working class and then you realize that you have carried out a struggle based on transient values. There is thus misunderstanding but the machine continues to turn in using each time new fresh troops.

[Question] How do you define this PCF which is celebrating its sixtieth anniversary?

[Answer] An old age miracle! There is no doctrine left: Marchais certainly does not believe any longer in the Marxism-Leninism which he revendicates. The PCF is unable to define a long-term politique for France. It no longer wishes to present itself as a government party and on the cultural level it must stick to a strictly revendicative policy. It is now a party which must live day by day in a hand-to-mouth situation and it is again forced to stick to the policy line of the USSR and to extoll it. Yet it exists as a force. It has reserves left in the more radical fractions of the working class and of the peasantry. There is only one danger lying in wait for it and that is an internal poujadism.

[Question] Which poujadism?

[Answer] For an internationalist party, it suffices to note its attitude towards the Common Market (no to Spain's entry), towards the immigrants (refusal to accept too much), and towards the Polish workers. It lives in its tradition, in historical reference. It is in this sense that it is fossilizing, it is mummifying.

[Question] Do you think that Marchais would pull a good number of votes at the presidential elections?

[Answer] I think that the PCF will more or less get its 18 to 20 percent of the traditional vote since it allows itself to incarnate a radical change without risking to see that materialized.

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COUNTRY SECTION

FRANCE

POLISH 'GOOF' SEEN COSTING CGT DEARLY

Paris LE NOUVEL OBSERVATEUR in French 2 Feb 81 pp 32-33

[Article by Claude-Francois Jullien]

[Text] There is no question that Poland is costing the CGT [General Confederation of Labor] dearly. The La Fayette Street central office has had to shred 6,000 copies of a 112-page booklet with the not very imposing title: "Economic Relations Between Poland and France and the Role of the Unions."

A costly but also political blunder. There is little to say about the document's contents, and not much more about its preface, except that the present crisis, which is obviously "a crisis in capitalist countries," is having "perverse effects on their relations with socialist countries." In that case, why shred this booklet prepared by the Confederate Center for Economic Studies?

There is a little story which illustrates the CGT's shillyshallyings in face of the events in Poland. On 10 and 11 January 1980 in Warsaw, representatives of the CGT led by Pierre Censous, former secretary general of the WFTU which is headquartered in Prague, met with leaders of the Central Council of Trade Unions (CCSP), the well-known official unions, led by Jan Pawlak. The two organizations agreed very quickly on two points: on the one hand, exchanges between France and Poland must be increased, and the unions must participate in bringing about this new "true international cooperation"; and on the other, the CGT and CCSP condemn "NATO's decision to install new American nuclear missiles in Europe." In short, nothing new.

But the Polish summer erupts. The world discovers Lech Walesa and the Solidarity unions. On 23 August, Jan Szydlak, chairman of the CCSP and member of the Politburo of the POUP [Polish United Workers Party] (the Polish Communist Party), is dismissed from his two offices. The CCSP does not yet lose its prestige and Jan Pawlak, who led the Polish delegation in January, seems to retain the good graces of those in power. In fact, on 23 September, he is appointed a member of a committee set up by the State Council to draw up a "new law for unions."

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The CGT, which decided to publish the Warsaw documents in accord with the CCSP, undoubtedly sees in this appointment an indication that the POUP still supports the CCSP. As a simple precaution, the CGT adds a note to the original text: the "two organizations have considered that, regardless of the outcome of the situation in their two countries, the texts and documents reproduced in this brochure still represent a substantial contribution to the development of their cooperation." The benefit to be derived is then forthcoming in October.

But the momentum of history is stepped up in Poland. The Solidarity unions finally obtain a statute, and the CCSP must bow out of the picture. The former official unions become autonomous branch unions. The CGT can no longer offer a document established in collaboration with a union organization which no longer exists, due to its never having existed at the grass-roots level. Moreover, the note, believed to be clever at the time it was written, becomes accusatory. It clearly indicates that, until the last moment, the CGT did not believe in Solidarity's future.

It was even necessary for Stanislaw Kania to use his influence to persuade the CGT to risk making contact with the new organization. In fact, the Polish officials had insisted that CGT's trip to their country include a meeting with Solidarity, just as the CFDT /French Democratic Confederation of Labor/ had previously been asked to agree to hold conversations with representatives of the former official unions.

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COUNTRY SECTION

FRANCE

BRIEFS

DELPEY BOOK COMING OUT--"LA MANIPULATION" is the title of Roger Delpey's book which is to be published by Jacques Grancher at the beginning of March. The publishing house had already published Delpey's previous works. Devoted to France's relations with Bokassa, this book will also constitute a reply by the author to his accusers. At the time of his arrest last year, Delpey had been represented as an agent of "disinformation" in Libya's service. [Text] [Paris VALEURS ACTUELLES in French 15 Feb 81 p 16]

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COUNTRY SECTION

ITALY

DEMOSKOPEA POLL ON ATTITUDES TOWARD POLITICIANS

Milan PANORAMA in Italian 26 Jan 81 pp 60-61

[Article: "Incredible but Giulio [Andreotti]"]

[Text] Andreotti is the leader best known to Italians. No wonder. But he is also the one who is the most trusted. This is the most surprising finding of PANORAMA's latest Demoskopea poll, which shows to what degree politicians are liked.

They are very well known. But few of them are trusted. In the final analysis, here are the Italians' attitudes about their politicians, the men in power. MONITOR PANORAMA presents the latest findings of the Demoskopea poll, which is conducted every 4 months, on the degree of appeal of party leaders.

A list of names of 23 public figures with different political orientation was submitted to a sample representing the whole population (more than 2,000 persons chosen in different cities, regions, age groups and occupations). From the secretary of PDUP [Proletarian Unity Party], Lucio Magri, to Pino Rauti, leader of the extreme right party MSI [Italian Social Movement]. From Giulio Andreotti to Enrico Berlinguer.

First question: "Which of these public figures have you heard of?" Almost all 23 leaders shown in the list score high percentages. The best known, of course, are Andreotti, Berlinguer and Fanfani. Under the 4-percent limit in recognition are only Magri and Rauti.

But when the question becomes more specific ("Who is the most trusted?") and the choices are restricted to three names, percentages tumble. And the political preferences of respondents show up. Only Andreotti fares better than 30 percent of the public figures who inspire trust. Bettino Craxi, who was eighth in the degree of recognition, comes right after the Christian Democratic leader. While the secretary of MSI, Giorgio Almirante, fourth in recognition, goes down to 15th place in trust.

The measure of appeal (in this case one could choose only two names) shows as absolute winners Berlinguer and Marco Pannella, with the same number of mentions, 23.7 percent. Fanfani, on the other hand, loses ground, as well as Flaminio Piccoli, DC's secretary, who also did not fare well on degree of recognition and trust.

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Very interesting results emerge from a closer analysis of the data, namely when the total figures are divided by social categories or by scholastic degree. It appears, thus, that Andreotti is not only the favored leader within the DC (57.1 percent compared with Francesco Cossiga's 49.7 percent and Arnaldo Forlani's 39.8 percent), but that the strength of his following lies above all in sectors of the population with an elementary education (36.3 percent), especially among farmers (42.3 percent) and retirees (41.3 percent).

The greatest support for Craxi, instead, comes from executives and self-employed professionals (42.1 percent), from white collar workers (37.1 percent) and from businessmen and artisans (29.9 percent); figures showing with remarkable clarity on which social strata the PSI's [Italian Socialist Party] new political direction has had the greatest impact.

It can certainly be taken for granted that, among the more affluent people, the PRI's [Italian Republican Party] and PLI's [Italian Liberal Party] leaders have the most followers; while Berlinguer is the most popular (39.4 percent) among blue collar workers. Pietro Longo also seems to have obtained some success due to his efforts on behalf of retirees: from this group the social democratic secretary gets the highest percentage of approval (15.1 percent). Among housewives, great success was achieved by Andreotti, Berlinguer and Cossiga, in this order.

Remarkable, instead, is the exchange of courtesies between radical and communist supporters who seem to ignore many of the controversies officially dividing the two parties. In fact, 23.3 percent of the communists name Pannella as the public figure with the greatest appeal. Radicals reciprocate, naming Berlinguer as the political figure, outside of the radical party, who inspires the greatest trust.

In fact Berlinguer is found to be the leader with the greatest support among his own party: 82 percent of the communists indicate that they have trust in him. While only 58.8 percent of the socialists have blind faith in Craxi and 64.7 percent of the radicals have no doubts about Pannella.

In general, it is still the public figures who have dominated the political scene for a long time who are obtaining greater support. The "young lions," the newly appointed party secretaries, are having a hard time in gaining recognition from the majority of the public; the only exception is Pannella.

Even though Pannella stands on a par with the leaders of the major parties, the radical party's electoral base keeps declining. In comparison with MONITOR PANORAMA of December 1979, radicals see their supporters cut in half. Less apparent are changes in other parties. The DC seems to have halted a declining trend, although it has not recovered completely from the losses observed in last year's survey. Some erosion is also affecting the other major party, the PCI, while the electoral standing of minor parties seems to remain relatively stable.

The number of blank ballots cast, however, is still high, definitely higher than a year ago. And this fact may also be a sign of widespread dissatisfaction with the parties and their performance (a dissatisfaction emerging somehow also by careful reading of the leaders' degree of popularity).

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On the other hand, it is a tendency explicitly admitted by respondents when asked if in Italy people trust the parties: 87.5 percent answer "little or no trust." A greater percentage than that surfaced from previous MONITOR polls. A continuing rising curve. An alarming fact, too, is that 69.5 percent of respondents affirm that they follow the political scene "little" or "not at all." These are reactions of discontent and alienation which probably were accentuated after the polemics on the earthquake and the explosion of scandals.

It remains to be seen how much weight such an attitude will have on the referendum, the closest electoral test, even though the parties are not directly involved. The vote on the referendum will be cast in the spring. From the Demoskopea poll it would appear certain that hunting would be banned and life imprisonment confirmed. Still uncertain, instead, the choice of nuclear sites, although there is a tendency to prefer blocking construction (the percent undecided, however, amounts to 30 percent). The situation regarding the referendum on abortion is rather confused; the overwhelming tendency seems to be, in fact, to limit abortion only to exceptional cases. But it is very difficult to foresee how this tendency will be expressed at the polls when it is time to vote.

In general, a relationship is revealed between the growing mistrust in political parties and a conservative orientation in the area of civil rights or public order. An orientation still confused, uncertain, which feeds on concern about the economic crisis: the percentage of those believing that the situation in Italy has worsened in comparison with last year has increased from 54 percent to 65 percent (and 38 percent even believe that "the worst is still to come"). An attitude which leaves little room for hope or optimism.

1) Molto conosciuti ma poco simpatici					
2) NOTORIETA'		3) SIMPATIA		4) FIDUCIA	
1 - Andreotti	95.4	1 - Berlinguer	23.7	1 - Andreotti	31.6
2 - Berlinguer	93.4	1 - Pannella	23.7	2 - Craxi	29
3 - Fanfani	92.2	3 - Andreotti	21.2	3 - Berlinguer	28.3
4 - Almirante	90.9	4 - Craxi	19.7	4 - Cossiga	27.7
5 - Saragat	90.1	5 - Almirante	16.9	5 - Forlani	24
6 - Cossiga	89.8	6 - Cossiga	16.8	6 - Fanfani	21.3
7 - Pannella	89.7	7 - Saragat	13	7 - Saragat	20.9
8 - Craxi	85.2	8 - Fanfani	12.8	8 - G. La Malfa	20
9 - Forlani	81.2	9 - Pajetta	12.3	9 - Pajetta	15.4
10 - G. La Malfa	75	10 - Forlani	10.3	10 - Piccoli	12.8
11 - Piccoli	74	11 - G. La Malfa	8.6	11 - Pannella	12.2
12 - Pajetta	71.6	12 - Bonino	8	12 - P. Longo	11.7
13 - Malagodi	71.1	13 - P. Longo	7.2	13 - Ingrao	11.1
14 - P. Longo	70.5	14 - Signorile	5.8	14 - Signorile	9.5
15 - Ingrao	66.2	15 - Ingrao	5.5	15 - Almirante	9.4
16 - Zanone	60.6	16 - Malagodi	5.2	16 - Zanone	9.1
17 - Spadolini	58.6	17 - Zanone	5	17 - Napolitano	8.7
18 - Signorile	57.1	18 - Napolitano	4.3	18 - Giolitti	7.4
19 - Giolitti	53.2	19 - Piccoli	3.9	19 - Spadolini	6.6
20 - Napolitano	49.2	20 - Magri	3.7	20 - Malagodi	6.4
21 - Bonino	47.8	21 - Spadolini	3.1	21 - Bonino	5.6
22 - Magri	38.8	22 - Giolitti	2.3	22 - Magri	4
23 - Rauti	33.9	23 - Rauti	0.5	23 - Rauti	0.6

- Key:
1. Well Known But Not Well Liked
  2. Recognition
  3. Appeal
  4. Trust

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Everybody Prefers a Leader

The three measures reflect, obviously, the voting orientation of the respondents. Therefore, leaders of small parties find themselves at a disadvantage in comparison with those of the three major parties (perhaps with the exception of Pannella). It would be impossible, on the other hand, to separate concepts like "trust" or "appeal" from political orientation. It happens, rather, that these feelings are concentrated on the figure of the party leader, to the disadvantage of other figures from the same party (thus, for instance, Berlinguer "overwhelms" Ingrao, Pajetta and Napolitano). It must be noted, however, that especially in small parties, the image of the historical leader prevails over that of the new leader: Malagodi over Zanone, Saragat over Pietro Longo. Even Giorgio La Malfa gets high marks for popularity: notwithstanding the young minister of the budget's capabilities, it is apparent that those percentages are influenced above all by identification of the name with his father's image, Ugo La Malfa.

Referendums and Abortion

How many pros and cons on this referendum?

	<u>No</u>	<u>Yes</u>	<u>Don't Know</u>
Block the construction of nuclear sites?	25.7	44.1	30.3
Ban hunting?	22.2	60.7	17.2
Abolish life imprisonment?	62.4	19.8	17.8

What do people think of abortion?

Leave the present law unchanged	20
Abolish completely the present law	13.8
Allow abortion only in exceptional cases	50.6
Ban abortion always and without exception	14.6

Parties and Politics

In Italy, do people trust the parties?

	<u>Monitor 1</u> <u>Dec 79</u>	<u>Monitor 2</u> <u>Mar 80</u>	<u>Monitor 3</u> <u>Aug 80</u>	<u>Monitor 4</u> <u>Dec 80</u>
Very much	1.2	1.1	1.7	1.0
Quite a bit	11.6	12.2	13.5	10.5
Little	59.6	58.7	58.5	60.5
Not at all	26.8	27.0	25.3	27.0

Do you follow the political scene in Italy?

Very much	3.4	4.0	5.0	4.2
Quite a bit	23.5	25.5	25.6	26.0
Little	38.5	35.3	36.0	38.3
Not at all	34.4	34.4	33.3	31.2

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Political Orientation

	<u>Monitor 1</u> <u>Dec 79</u>	<u>Monitor 2</u> <u>Mar 80</u>	<u>Monitor 3</u> <u>Aug 80</u>	<u>Monitor 4</u> <u>Dec 80</u>
DC	100	86	76	91
PCI	100	90	104	93
PSI	100	94	94	104
PRI	100	100	73	103
PR	100	76	59	47
PSDI	100	135	110	115
PLI	100	167	108	167
MSI	100	141	159	106
PDUP	100	114	129	100
Blank Ballot	100	100	164	129

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COUNTRY SECTION

ITALY

PSDI LEADER URGES GOVERNMENT ACTION ON DOMESTIC ISSUES

Milan CORRIERE DELLA SERA in Italian 2 Jan 81

[Interview with PSDI Leader Pietro Longo by Alberto Sensini: "'I Do Not Believe the Government Will Fall'"]

[Text] A few months ago no one would have bet a lira on the return of the social democrats to government. Instead Pietro Longo succeeded and even though he does not show great satisfaction (he is coy enough to repeat that as far as he is concerned "the opposition was better") he is once again in the role of protagonist. He plays the role with an insolence worthy of Craxi, occasionally triggering polemics and protests by his fellow travelers.

We asked him what changed in the PSDI [Italian Social Democratic Party] after the agreement with the PSI [Italian Socialist Party]?

[Answer] My entire party became aware of the viability of the political line we had laid down since the 1976 Florence Congress and repeated in the Rome Congress of January 1980. That is to say, a political line that has considered it essential to have an agreement between the PSI and PSDI that would guarantee the governability of the country in the immediate future and create more balanced and new conditions in the relationship among Catholic forces and those of socialist and lay democracy that function in our society. Agreement does not mean unity, but a search for a common meeting ground that would justify a political initiative that is constantly directed at affirming the ideas of progress, freedom and social justice. These are the foundations of all the socialist movements that function in Western Europe. This does not mean erasing the diversity which, historically and politically has made the existence of the two socialist parties possible, but it means favoring as much as possible all useful understandings. Ideologically, the basic choices of democratic socialism enunciated with force and constant coherence by Saragat in 1947, are winning.

[Question] How does the PSI-PSDI agreement function regarding the Forlani government?

[Answer] Certainly the agreement between ourselves and the socialists permitted the birth of the Forlani Government, the first on a parity basis in its composition among democratic socialists and lay forces and the Christian Democratic Party, and the only viable understanding in this legislature, and probably for a long time. In a more dialectical view of the political system, I weigh the possibility

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of the alternation of government leadership. In my judgment, this is tied at least to two conditions: The growth of support for our political views; the development in a positive sense--with an operating system of consultation and agreement and respect for the dignity of each party--of the relationships among the forces of lay and liberal socialist inspiration.

In any case, in the immediate future it is important that the present government move urgently and firmly, making specific choices in various fields of activity in which it is essential to regain years of time lost and long periods of ungovernability.

In the energy sector there is no reduction of our almost total dependence on petroleum. It would be pure folly to allow things to continue this way without intervening. It is necessary to start and to commit immediately--today and not tomorrow--all investments already planned in the nuclear sector; to exploit all the limited water power sources still available; to support, through higher financing, expenses for research and facilities for secondary energy forces (solar, wind, etc.). In the field of housing, it is not possible to allow a continuation of the growing state of serious distress that exists everywhere, from the large cities to the smallest village, of a contradictory legislation that has brought about a drop in private investment without the possibility of substituting public investment for it. In this sector the certainty of the right of private property and the availability of goods should be reaffirmed.

There is then the question of rehabilitation of earthquake-damaged areas. I look with confidence to the internal areas. I am personally convinced that in those communities the people and political forces will know how to work with a sense of responsibility, of proportion and effective achievement. Instead I am seriously concerned about the events that could occur in some large cities and particularly in Naples.

[Question] If this government were to fall, what would you think about a technical solution?

[Answer] I do not believe the government will fall. Rather, I am convinced that the past weeks, full of contradictions and thorny situations tied to unforeseeable events, have joined in creating among all parties of the majority a higher degree of responsibility and convinced support of the coalition: Our constitution makes the government an expression of the parties which compose Parliament. The government of technicians imagined in the present system as punishing the parties would not have a constitutional basis of support. That is, it would be a dangerous adventure against the laws of the state and the Republic.

[Question] Would a referendum or earlier elections be better?

[Answer] I have never been bothered, nor will I be bothered by the referendum. This summer I was in California during August (my brother teaches at the University of Berkeley) and 11 referendums had just been completed, from tax cuts (a proposal that was defeated in order to keep social investment high) to the use of chlorine in drinking water. The referendums exalt democracy. Certainly their value decreases with excessive abuse.

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[Question] What do you think of the new Christian Democratic Party system?

[Answer] I consider it positive. The restored internal unity of the DC is a stabilizing contribution for the majority and the government. In fact, it should never be forgotten that many movements that emerged in past years in some sectors of the DC toward an understanding with the PCI were motivated by the unwillingness of socialists to participate in majority coalitions and a government without the communists. Now this situation has changed. I believe that all members of the DC should appreciate the new positive elements that emerged from the political picture.

[Question] What do you think of the criticisms of the summit meetings of secretaries?

[Answer] I do not like to discuss the sex of angels. Our political system needs stability in order to govern. The summit meetings of the secretaries with the prime minister normally serve to consolidate the coalition and support the government. Therefore, they should be held regularly.

[Question] What do you think of the moral question?

[Answer] That nomenclature covers the most varied positions and demands. There is certainly need for a more rigorous way of doing things and of laws and regulations that would aid that evolution. To hold politicians or this or that party responsible is a mistake. Unfortunately, degeneration is widespread throughout our society. There is need therefore to reaffirm values, ideals and morals, which some years ago were discarded, believing that this would bring about the "revolutionary" regeneration of the system. We are seeing the negative consequences.

[Question] The closing of Asinara: Weak or strong government?

[Answer] When Prime Minister Forlani asked my opinion before adopting his decision, he asked me whether a government really feels strong if it abandons a plan already decided upon only because its implementation is demanded by a terrorist group. The decision of the government was therefore a necessary act that at the same time deprived the Red Brigades of any alibi. I hope that, after the first hot polemics, the majority will emerge strengthened from the test and that in any case we will work in this direction. I, too, have always been, and I remain, of the opinion that terrorists should be treated resolutely and intransigently. However, the fight against terrorists will be difficult despite the successes achieved. Those persons enjoy a revolutionary "culture" which gives them the possibility of continually recruiting new personnel and of obtaining strong international protection for the purpose of destabilization.

[Question] Then you see risks above all in reference to the international situation?

[Answer] Yes. I am convinced that we are facing terrible years. The most serious danger for the west comes from the pincers operation on the Persian Gulf, and on the oil fields, which the Soviet Union started in the mid-1950's and which today is progressively being achieved. From Afghanistan, the Soviet MIG's can take off

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with operational capability over the entire area of the Gulf. From Ethiopia and from Yemen they can close the pincers. The balance in that area had been guaranteed by the stability and the trustworthiness of two nations: Iran and Saudi Arabia. Today the situation in that area is profoundly different, entirely to the advantage of the Soviet Union. The present growth of military, missile and nuclear forces of the Soviet Union to the detriment of an economic and social policy that would eliminate low standards of living still existing in the Soviet empire, furthermore, has led to a dangerous imbalance. All this increases the risk of war, probably not a total war, because no one would gain by it. But the risks of limited and partial wars which would however add to the influence and weight of the Soviet Union in vital geographical areas for the survival of Europe and the West. We Italians almost do not care about everything that happens a little further away from us even if it is fundamental for our survival. We are affected by a provincialism which makes us always believe we are at the center of world affairs when instead we are a marginal entity that is strongly influenced on the economic level by anything having to do with petroleum supplies. If we want to face the reality of the times we live in, the defense of our interests is tied to the strengthening of European unity, of the Atlantic Alliance and to the stronger ties of friendship with the United States. To those who might be startled by this last statement, I ask whether they imagine an independent and serious commitment of Europe in the Persian Gulf and in the Middle East.

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ITALY

COUNTRY SECTION

'IL MONDO' POLL ON INSTITUTIONAL REFORM

Milan IL MONDO in Italian 9 Jan 81 pp 24-29

[Article by Roberto Ippolito and Paolo Passarini: "For Those Who Want the Second [Republic]" ]

[Text] For years he was a warhorse of the right. Even today, some walls of Rome have inscriptions such as: "Everyone Behind Merzagora." Cesare Merzagora, president of the senate for the 1963 to 1968 legislature, held the post of president of the republic ad interim for some weeks, after the serious illness in the second half of 1964 that prevented Antonio Segni from completing his term of office. In the precarious situation of those years, worried by the insidious authoritarian temptations (the coup plan headed by Gen Giovanni De Lorenzo later was dated in the summer of 1964), even such a reserved man as Merzagora provided an image for those who had presidential dreams. And it was precisely in these years that, in reference to the Italian case, the expression second republic was mentioned for the first time. It was no less than Charles De Gaulle, founder of the Fifth Republic of France, who in commenting on the turbulent Italian situation pontificated: "It is now clear that in Italy the first republic is coming to an end and the second is beginning to appear."

What precisely did the general with the capital "G" mean? He never explained. And even today, when reference is made to a second republic, or someone bitterly remarks that the first republic is finished (events that in Italy nowadays occur almost daily), it is not always quite clear what it is whose end is feared and what it is that it is hoped will begin. But it is clear in any case that they all mean to refer to a situation of serious crisis in the Italian institutional system.

Only the MSI [Italian Socialist Movement] for understandable reasons, hopes without half measures for the end of the republic which proclaims that it was born out of the resistance, and vaguely refers to a second presidential republic based on a referendum characterized by explicit authoritarianism. The party of Giorgio Almirante and Pino Rauti is thus placed within the original current of those who have always indicated by the expression "second republic" an institutional system based on a definite reinforcement of powers of the kind typified by De Gaulle and Caesar. It was the current of Randolfo Pacciardi, promoter of the New Republic movement, once he detached himself from the PRI [Italian Republican Party] at the beginning of the center-left. Even Amintore Fanfani was the target of criticism by those who attributed to him the ambition of becoming the little Italian De Gaulle.

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Today the second republic is talked about also to indicate choices that are far different from Gaullism and, often, it is the precisely the parties of the left (the PSI [Italian Socialist Party] in particular, but also the PCI) who urge serious "institutional reform." There is, first of all, the problem of the presidency of the republic. Even if Sandro Pertini is immune from presidential temptations, the favor with which much of the public accepts his harsh references to the other powers of the state is a signal of alarm for many politicians. Then, there are those who, like Bettino Craxi, are concerned above all with the problem of governability, that is, the stability of government, and explicitly propose the adoption of a constructive no-confidence vote (a no-confidence vote against the government is to be rejected if there does not already exist a majority capable of forming a new government), a mechanism taken from the German and Spanish constitutions which "were praised also by President Pertini," as PSI Secretary Craxi himself recalled. Craxi, always concerned about the governability of the country, also supports abandonment of the secret vote in the chamber in favor of an open vote.

The attention of the communists is mainly directed to the process of legislative production and to relative control over it, that is to say to the parliamentary system. Enrico Berlinguer's party strongly supports abolition of the second chamber or, at least, a clear distinction between the tasks of the two, even through a profound reform of the rules.

From another vantage point, the DC [Christian Democratic Party] sticks firmly to its ancient preference for reform of the electoral law, along the lines of the De Gasperi plan of 1953. The importance attributed to all components, small though they might be, which the Italian proportional system permits, could be tempered in order to guarantee greater support for the majorities by "linkages" declared before the vote.

But one line of reasoning, which seems to pull together the basic aspects of all the others, daily acquires more weight. Recently, the proposal of a government made up only of technicians made by PRI President Bruno Visentini, was the most extreme version. In any case, it is a tendency to reduce the role of the political parties in reference to institutions and areas of authority. The old liberal spirit of Luigi Einaudi returns in this concept and there is once more discussion of that choice made by the members to put the parties in a predominant position. Will the second republic take the same road?

To understand exactly what is meant today when reference is made to the second republic, the IL MONDO questioned a group of qualified politicians, constitutionalists and scholars. It asked the following question: If you should today redraft a coherent institutional framework, what would you change and how?

Adolfo Beria D'Argentine, appeals court judge, president of the National Association of Judges: I oppose important changes in the constitution. In Italy, when someone wants to make things work, he changes the laws instead of exerting an influence on the disfunctions that are prevalently of an administrative character. Often the law is disarmed; there are no means of applying it. Essentially, the Italian problem is rather a problem of means and men more than institutional reforms. The constitutional system is a complex of empty boxes, perhaps harmonious and attractive, but it cannot work by itself. It needs the decisive contribution of men who must make it vital and effective, whether these

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be citizens, government officials or politicians. We could make the most attractive institutional design possible, but we must guarantee ourselves the necessary organizations and means. I believe in the centrality of parliament, provided that its central role can really be carried out. Today the parliamentarians do not have the organization sufficient for their work nor do they have personnel directly available to them. If this has happened because of a problem of costs, then there can be a reduction in the very high number of deputies and senators. I also believe a law is needed on the post of prime minister that would provide for coordination of the work of the cabinet ministers: Even in this case, therefore, it is not a reform of substance but increased efficiency. Regarding the courts, I believe that the principle of independence must be guaranteed, but without separation from the other powers. Today the decisions concerning justice are made in a fractured way by the government, by parliament and the Superior Council of Judges. It is, therefore, necessary to find places and opportunities to accentuate cooperation at least in the acquisition of data concerning the crisis of justice and their interpretation, while obviously protecting the independence of later decisions by various organizations on administrative or legislative levels.

Also Bozzi, president of the PLI [Italian Liberal Party]: I believe the structure of the constitution is sound; there could be some substantial changes in the composition of the Senate. About a century ago, the cry by Sidney Sonnini of "let us return to the statutes" was a reactionary aspiration; today the cry "let us return to the constitution" means democratic advance. Constitutions are like skeletons. The soul and the pathos are given it by the concrete actions of political and social forces. Deviations from the constitution are, therefore, a matter of behavior, that is, of conscience and political will. The main reasons for such deviations are to be sought above all: In the lack of an alternative to government given the lasting absence of the governmental legitimacy of the PCI, despite its critical revisionism; in the excessive growth of parties--from instruments of mediation they have become instruments of occupation of government--which is the cause for confusion between what is public and what is private; in the inability of the party and the trade unions, which are bureaucratic and oligarchic structures, to interpret the appeals of the people; in the corporative thrust and in the absence of a phase of unity and compatibility which should be a part of Parliament. Some people demand changes in the constitution believing in the magic of laws. But who should make the changes? This political class which is already so deviationist? Democracy is a difficult institution; I am certain, however, that gradually it will be possible to emerge from the present crisis by virtue of a spontaneous process of regeneration.

Leopoldo Elia, constitutional judge: Perhaps the error is made of thinking that coherence is restored to law by being concerned only with the second part of the constitution, regarding the organization of powers. In my judgment, however, the profoundest cause of the disfunction of Italian political and constitutional life is the lack of understanding among the major parties concerning interpretation of some key norms of the first part. Above all there is no agreement between the DC and the PCI regarding the interpretation and limits in applying constitutional norms concerning the economy (Art 41 et seq). Action has been taken with an excess of fragmentism and empiricism, but voters have not been told what the true margins of difference are regarding the meaning of the general clauses of the constitution in reference to private economic initiative, property, and

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transformation of the economic system. In particular, there must be an understanding on the concept of "profound change," in the socialist sense, of the economy and on the compatibility of this change with constitutional norms. I do not say that this would solve every problem of how the system functions, but once there has been a reduction in the degree of heterogeneity among the political forces (including the explanation of certain aspects of the PSI plan presented before the Turin Congress) it would be easier to escape from the system of crippled democracy in which we find ourselves. Naturally, it would be necessary to introduce innovations also on the organizational plan in order to provide guarantees against violation by the parties of Article 49 of the constitution and limit its intervention to the phase of formation of political direction. Article 49 so far has been the constitutional norm that has been most violated: Original intent must, therefore, be restored to its application. Possible instruments of guarantee are the special groups that operate in administering the economy, for example, Consob [National Commission for Companies and the Stock Exchange] that was established for the stock market, or independent committees as used in the American system.

Massimo Severo Giannini, professor of administrative law: The objective is to touch up the organizational part of the constitution, but it is impossible to say how. In abstract, we can imagine 50 different kinds of constitution, but today it is impossible to deal with the problems seriously since the parties have not presented any specific plan of reform. In reality, the parties want to limit themselves to correcting parliamentary regulations, hoping thus to have silenced those who ask for more reforms. Improving the functioning of Parliament would be a considerable step but it does not constitute the institutional reform that would be necessary. Furthermore, I fear that the announced change in procedures will be extremely timid. Radical corrections would be useful, beginning with a drastic reduction in the large number of committees. Nor does it make sense that the committees' duties are similar to those of the ministries: They should instead have a much broader area of authority, otherwise they lose themselves in detail and take initiatives that are contradictory. Furthermore, it is necessary to abolish the secret vote for the approval of laws and suppress the investigating committees that give parliament the privilege of judging ministerial crimes. At this moment there is no political force that would want a more complex institutional reform, or rather reform of constitutional organizations. When the constitution was drafted, many said it would not work (on the other hand, the model was the Weimar republic that led to Naziism). The cancer is the organization of parties which, except for the PCI, have not understood that to engage in politics means to administer. DC group leader Gerardo Bianco is an optimist when he charges the minorities of his party with always speaking about ideology and maintains that the majority of his party is therefore handicapped in seeking a dialog on events. The phenomenon, instead, is much broader. The other parties, too, talk about ideology. The PCI also does so, but alongside ideology, it speaks of specific things. Nothing can be done in Italy unless the parties are changed: The political class is isolated from the problems of the nation and talks only to itself. I believe this problem cannot be overcome. Nor could laws be made to govern parties. Their power would be miniscule.

Luigi Gui, DC deputy: The constitution has a wealth of elements that contain guarantees: Two chambers with equal powers, the presidency of the republic that is only representative, a constitutional court, a referendum, pure proportional representation, no secure tenure for the government, the limited importance of

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the prime minister. These are elements that were born of a concern which, within the Constituent Assembly, the younger (and I among them) considered an illusion: The preoccupation with making the executive weak out of fear of authoritarian excesses. The old antifascists believed they could protect freedom with constitutional guarantees. We young ones respected this fear, but we believed that if the danger really did arise, the constitutional norms would not be very useful. This concern led to the conception of a system in which the weakness of the government is evident. Alcide De Gasperi became aware of this and in 1953 he wanted an election law on linkages, which would have corrected proportional representation, both to strengthen the executive and to permit an alternative among different majorities. Failure to pass that law was a mistake. Many present supporters of constitutional reforms opposed it at that time and now they have some responsibility for the present government weakness. The uncertain majorities, consisting of precarious, extremist groups upon which governments rest, are the main cause of the poor functioning of the government. I do not believe, however, that there are concrete possibilities of constitutional reform since very broad agreements are necessary. Perhaps it is more realistic to think of limiting oneself to a change in the electoral law. It is also possible to correct the organization of the Council of Ministers to strengthen the position of the prime minister and to introduce a mechanism that would ensure government stability (such as constructive no-confidence: A government would fall only if an alternative solution were ready). It would be possible also to achieve broader institutional reform once the process of returning all forces to democracy has been completed in Italy.

Silvano Labriola, president of the Chamber Parliamentary Group: The moral and institutional questions necessarily must go together: Just as they have become manifest together, thus they must be solved. The root of both is politics. It refers to the difference between a profound and general change in social relations in the country, whose reality as a consequence has progressively become detached, and an institutional framework aged in its forms and imperfect in all its workings.

The first problem to be solved refers to the principles of republican political democracy: This is the true basis of the conflict. It is a matter of deciding first of all whether the binomial "power-responsibility" must be strengthened, or whether its dissolution should be tolerated and even favored.

Everything else depends on this and, in particular, also the definition of problems concerning the so-called moral question. If, as I believe, the degree of power of each person is directly proportionate to the responsibility for its exercise, then it is obvious that, beyond relatively unimportant legislative measures, such as that of the so-called parliamentary registry office, the dignity of anyone who exercises public functions must not in any case either be compromised by those who hold office, or obfuscated by defamatory practices which, as the situation is today, are in fact immune from any risk.

Roberto Mazzotta, DC minister for regional affairs: On the assumption that the existing institutional organization is functioning well, its correct implementation is necessary. Powers and functions should be restored to elective institutions and parties and trade unions should resume their natural role. Election laws should be changed so as to permit the formation of broad groups of homogenous forces in political elections that would favor the stability of the majorities. The system most suitable to the Italian reality seems to be the French one of a

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two-tiered vote. In the administrative elections the system would provide for direct election of the mayor within the framework of a reform of the communal and provincial organization. This would permit mayors and presidents of the provinces, who are directly elected, to organize councils that would be representative of the entire popular reality. The administrative duties of the councils should be reinforced in the reform of local organizations.

Gianfranco Pasquino, professor of political science, author of "Party Crises and Governability": Some things should be changed, but I believe it would not be necessary to change the structure of the constitution. If anything, there should be a return to the original spirit and particularly to resumption of consideration for the ideal of a second chamber based on regional representation. This choice would positively change the relationship between parties and the executive. In fact, what is lacking in the constitution is precisely party discipline: Article 49, which establishes this point, is vague and should be made more specific. The parties involve the entire institutional system and precisely for this reason they should be controlled by the judiciary both in regard to forms of financing as well as statutes. In relationships with the voters, it is the parties which decide on slates of candidates from which a choice must be made; in relationships with the government it is the parties that, after all, decide the formulas; in relationships between the center and the periphery, the parties decide on the organization of the councils. Finally, if it is true, as it is true, that the parties weigh heavily upon how legislative production functions, the fact that public financing should be used by their apparatus and not by parliamentary groups is questionable. This creates a situation in which it is of no advantage to the parties to reduce the components of the political class. And thus the political class reproduces itself and at the same time separates itself from the nation. The fact is symptomatic (an investigation was made into this point) that all those who engage in politics in the elective assemblies entered politics between the ages of 15 and 16. Politics was their only experience. What to do then? I believe three things should be done: 1) Establish a tight and rigid incompatibility between elective positions and any other profession having to do with the government; 2) Place precise limits on eligibility: Election to a certain position would be permitted only for a given number of times (for example, three terms for members of Parliament during their lifetime). A certain tolerance could be exercised for the past and those who served three terms could, for example, be elected for still one more time; 3) Finally, it is necessary to reduce the positions of the political class, decreasing the number of deputies and abolishing those useless institutions, the provinces.

Giuseppe Saragat, PSDI president, former president of the republic: My opinion is that the constitution is incomplete. The problem, therefore, is that of implementing it: Some articles should be finally implemented. The constitution as it stands is excellent, one of the most democratic existing.

Pietro Scoppola, professor of contemporary history: I do not believe it would be very useful to redesign the Italian political system in the abstract. What is useful, instead, is a correction of direction, even an incisive correction, but within the system. The parties are at the heart of our system: They have historical merits; but then they gradually occupied the government and all the institutions. Ours is becoming a destructured democracy in which the parties are present everywhere and tend to dominate everything: The same principle of

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the division of powers risks becoming useless. But precisely for this reason there are no points of initiative and reference that are alternatives to the parties to change this situation: The parties themselves must limit their own power. I would indicate two objectives. First of all, strengthen the executive by rigorously implementing constitutional regulation of the prime minister's powers in matters of naming ministers and coordinating government activities. In the second place, change the electoral system to numerically reduce and articulate political representation; the proposal recently made by Giuliano Amato (who picked up an idea advanced in the past) seems to me particularly interesting: The election of a large group of parliamentarians in a single national college that would provide room for currents of opinion that are not organized into parties. An interesting suggestion is also that furnished by the President of the Chamber, Nilde Iotti, for greater functionality of the Parliament through a distinction of duties between the Chamber and the Senate. But all this must pass through party agreement.

Ugo Spagnoli, vice president of PCI deputies: I do not favor changes that refer to the substance of the design of the constitution. This does not mean that there cannot be limited efforts to make it better correspond to the needs of present-day society. In any case, however, the bearing structures should not be touched: I refer to the parliamentary character of the republic which must be protected, as well as to the proportional principle in elections. I categorically reject any hypothesis that would reward parties that obtain more votes, or coalitions among parties before the elections. I naturally also oppose a change of a presidential type. Instead I am very open to renewal within the institutions that can contribute greater efficiency and incisiveness. Regarding government, the problem is posed of recognizing the functions of the prime minister and restructuring and merging the ministries. Regarding Parliament, I believe that the problem of bicameralism is of immediate interest: It is necessary to decide whether to keep a single chamber or whether it is better to precisely divide the duties of the Chamber and Senate. In any case, efforts must be made to bring about a serious change of administrative rules.

Paolo Ungari, member of the PRI national executive, professor of the history of modern law: Italy certainly has more need of a new constitutional policy than a reform of the constitution. The present commitment, for example, of the DC president to guidance of the government would augur, if it were to last, a more acceptable institutional line. In the same way, it would be natural to see the leader of the opposition parties at the head of respective parliamentary groups. Until a correction of our political practices in that direction is defined, returning party trends to the constitutional course, we cannot be surprised at the double roles, as played by the parties which--and the last one was the PCI--rediscover the anomaly of the so-called summit of secretaries of the majority every time they are no longer part of it. As a result of this, the constitution is not untouchable. The PRI has just once more proposed the cancellation of the Investigating Committee, a perverted form of political justice. But if I were to express a wish, it would be to reduce the number of our ministers by half, as in Federal Germany, or to a third as in the British inner cabinet; and in the same way by half that of the members of the two chambers, as in the American Congress. It is understood that this would be done through a really proportional election law. The minor parties themselves, which would have fewer seats, would carry more weight from a percentage and political point of view. And what is more important, it would count more than a Parliament where many people today do not

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even know each other by sight or by name, and it would be worth incomparably more than a government which, even with the same numbers as the present, resembles, even from the point of view of staging, a small third chamber more than a working body.

[Box 1]

But Pino Rauti Has the Magic Formula

They were the first to speak of a second republic, and today they still make it one of their warhorses against the parliamentary system in which they have been sidelined. With a mixture of technocracy and old myths, such as that of corporativism, the neofascists in the Social Movement have a very detailed formula for institutional reform. IL MONDO asked Pino Rauti, MSI [Italian Social Movement] deputy, leader of the most extreme group of the party to explain it.

Question: Why are institutional reforms considered urgent?

Answer: Because otherwise Italy will not survive as a modern and functional nation. It is impossible to live eternally immersed in a sea of scandals. If a common ground must exist today among the political forces, it is precisely that of constitutional changes.

Question: And which ones do you suggest?

Answer: First of all, direct election of the president of the republic, to remove the highest position of leadership from the inevitable influences that arise from agreed-upon designation among the parties.

Question: But Sandro Pertini has demonstrated that he yields to no one...

Answer: It is not the temperament or the personality of Pertini that can change things. It is the origin of power that must qualify the role of the president. Elected by the people, the president could turn to them much more homogeneously.

Question: And Parliament? Is it all right as it is?

Answer: The Senate should not be abolished in order to create a corporative forum that would ensure a qualified presence for the real nation (forces of labor, production, art, science, technology, the professions, of the moral, spiritual and religious categories). This forum should have (unlike organizations such as the CNEL [National Council for Economy and Labor]) legislative authority. Today all the real forces are outside of the juridical structure of the state: It is obvious that they should organize in conflictual and aggressive forms against the citadel of the state, against the infamous palace. We also propose changes in peripheral power.

Question: And what does that mean?

Answer: Mayors must be elected directly. There must no longer be mawkish personages, straw men in whose shadows the territory is destroyed, the environment is raped, and patronage flourishes. They should be flanked by competent men;

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for this reason, an additional one-third of the number of persons elected on the basis of party lists should consist of representatives of those real forces that are listed for the new Senate. In all cases, these persons should be entrusted with technical and operational council positions. This would put a brake on the spread of an inconclusive party orientation even in the cities.

Question: One of the proposals at the center of institutional discussion is a constructive no-confidence vote. Is this a useful system?

Answer: The constitutional organizational units should be reformed first of all. Otherwise the rest is of no value.

Question: Do you agree with the regulation of the internal affairs of parties?

Answer: Control over public funds granted by the state is necessary. Interference in bylaws can be considered inopportune: The bylaws are the products of historical heredities which certainly cannot be put under the control of public officials.

[Box 2]

#### The Party Is Accused

The defendant has not even been able to find a public defender. The answers given to the survey conducted by IL MONDO concerning possible institutional reforms has been a pitiless accusation of the political parties. But if the accusations are severe, without appeal, the suggestions for measures to be adopted are not clear. Gianfranco Pasquino, professor of political science, has said that in order to better define what a party can and must do, it is necessary to modify Article 49 of the constitution which, as it was conceived, he considers too vague. In effect, it consists of only 20 words: "All citizens have the right of free association in parties to compete by democratic methods in shaping national policy." It is this vagueness that has permitted the parties to be "present everywhere" and to tend to "dominate everything," as the historian Pietro Scoppolo says. He thinks that severe self-restraint is necessary for this reason. In addition to Article 49, the weapons of criticism also aim at Title 1 of Part 2 of the constitution, that is that block of articles (from 55 to 82) that defines the structure and functions of Parliament. In fact, it is there that it is necessary to take measures if it is decided to once more discuss the perfect bicameralism which characterizes the Italian parliamentary system. In particular, then, the proposal advanced by many to reduce the number of members of Parliament (which technically could be achieved very simply by raising the quotients provided for in the electoral law) would require changes in Articles 56 and 57. Furthermore, if there were an intention to abolish parliamentary immunity and the practice of authorization to take action, as Massimo Severo Giannini proposes, then Article 68 should be restated.

The question posed by Leopoldo Elia, of full implementation and specification of constitutional dictates in reference to economic relations, regard the articles from 41 to 47. And, instead, Article 128 is in the dock as the defendant when the question is posed of the abolition of provinces (Pasquino), or that of direct election of mayors (Roberto Mazzotta). No constitutional change (at least in the wording) is necessary for the idea again raised by Luigi Gui to correct pure proportional representation: It would be sufficient to change the election law.

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This is not true for the other problem Gui raised (and also Socialist Secretary Bettino Craxi) of importing the mechanism of the no-confidence vote into Italy. In theory, it would be a matter only of inserting an article into the constitution that is not there at present. In practice, it would be necessary to rewrite Article 94, which deals with motions of no-confidence in the government.

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COUNTRY SECTION

ITALY

CRAXI INTERVIEWED ABOUT PSI PROGRAM FOR 1981

Milan IL MONDO in Italian 9 Jan 81 pp 12-14

[Interview with PSI Secretary Craxi by Donato Speroni: "I'm Waiting for Berlinguer"; date and place not given]

[Text] With just a touch of sincere diffidence, his teacher Pietro Nenni had defined government as "the hall of bores." PSI [Italian Socialist Party] Secretary Bettino Craxi took the socialists back to that hall after an absence of 7 years. But, he has also succeeded in avoiding, at least so far, a situation in which the PSI would be weakened by an ambiguous solidarity of power, as had happened during the center-left. Furthermore, while almost all the socialist ministers had shown undeniable activism, with concrete results, their secretary continued to use the DC [Christian Democratic Party] as a target on the moral question. And this is certainly not the only thing Craxi achieved in 1980. To his credit, there is also a good success in the administrative elections of last June with some exceptional returns in his city of Milan. And also to his credit there is the crisis of the DC left which had counted on a privileged relationship with the communists; the embarrassment of the PCI leaders who were recently obliged to soften anti-socialist polemics; and the good relations Craxi established with the lay democratic parties, particularly the PSDI [Italian Social Democratic Party] and the PLI [Italian Liberal Party]. Finally, in a party split by currents such as the PSI always has been, in 1980 Craxi used a strong maneuver to outdo the internal opposition and at the same time to reduce the external expression of dissent to the minimum.

With this reckoning to his credit, Craxi has become not only a protagonist, but perhaps the central figure of this phase of political life. IL MONDO questioned him to hear about his positions during the coming year and what it can mean for Italian society.

Question: How do you assess the year just ended? Are you satisfied?

Answer: Summing it all up, the balance sheet is certainly positive. But the time has flown by and so many projects have still remained unfinished. There were too many incidents along the road and some could have been avoided. This is why I am not entirely satisfied.

Question: During 1980 some politically important events took place: The PSI returned to the government with its men after a very long absence; the DC internal

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government was removed from control of the left; a permanent PSI-PSDI consultation pact was agreed upon and the PLI and PRI [Italian Republican Party] also developed some efforts at association; the moral question exploded under the weight of new and increasingly worrisome scandal; President Sandro Pertini made the highest office of the state more vigorous; finally the PCI apparently jettisoned the policy of historical compromise, without considering the fact that you gained the absolute majority of your party. What is the overall meaning of all these events?

Answer: Political forces have been faced with a new situation and they have tried to establish new power balances. After the third consecutive election held earlier than scheduled, it was not possible to continue out of control. Thus a phase of readjustment began which has not yet been entirely completed. There has been a renewal of political life and a rehabilitation of public life which has been demanded or proclaimed loudly by all but which in reality makes little progress. We have stubbornly followed the line we had proposed to follow, convinced that the Italian political system had some time ago entered into a phase of decadence and that the premises for trying to emerge from it lie first in stability and governability and not in the illusory expectation of a traumatic and regenerative event. It is for these reasons that we reentered government after having overcome reluctance and diffidence within ourselves first of all.

Question: Let us now examine the events just referred to one by one, beginning with the return of the PSI to the government in the name of governability. Have you regretted that choice?

Answer: Regretted, no. If anything we are concerned about not wasting an opportunity and failing the test. Thus we made and are making an important contribution to the governability of the country. This seems still more apparent if we consider the very limited forces upon which we can count considering the state of affairs. A year ago the voters in the regional and administrative elections encouraged us to continue. There is no lack of difficulties, but I have not yet encountered socialists who have regretted it, at least among those who have completely shared the responsibility of this choice.

Question: And what about the shift within the DC? Does it seem positive for the country seen from a distance of several months?

Answer: The DC is a boiling pot. Everything is always in movement and one correction in the line follows on the heels of another. Today the DC situation is as fluid as it can be. It is difficult to foresee around what line and with what men a new solidarity will be realized, if it is realized.

Question: How do you assess the role of the president of the republic in the events of 1980?

Answer: In a system which at times seems exhausted, Pertini contributes the rigor of his simplicity and of his frankness in addition to the weight of an authority and popular prestige that represents a strong point for democracy and for the institutions.

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Question: Let us turn now to the new relationship which the PCI shift could bring about. First of all do you consider it a genuine shift, based on new analyses, or rather an opportunistic choice by Enrico Berlinguer to regain space and credibility within the party and in relation to a rank and file that is increasingly less tolerant and more skeptical because of the substantial support the secretariat gave to DC men who are increasingly involved in scandals and in dangerous power plays?

Answer: At first sight it appears to be a line of clear retrenchment which has considerably reduced the significance of the Central Committee meeting which took place a few weeks before the announcement that was later made, somewhat questionably, on the devastation of the earthquake, of a new and more radical proposal for an alternative government. Since then there has been a succession of interpretations which seem to indicate a tactical intention. I prefer not to make definite judgments and therefore not even to draw the conclusions relating to them. It is better to continue to observe events and behavior for a while. Even in the PCI many of the problems relating to the future are still open and are of such nature that they cannot be solved by escape into the future. A policy is like a house: One must, after all, live in it for a while. In order to be inhabitable it needs a foundation and a solid structure. Improvisation is always dangerous. Already the consequences of 1978, with its sudden adoption of the rigid alternative "either government or opposition" provoked the premature end of the legislature and an unnecessary electoral campaign. A strong radicalization of the political struggle at this time could have severe consequences.

Question: In the political positions of the PSI and the PCI, a decisive weight always was exercised by a DC politician who was often considered an implacable enemy: The Hon Giulio Andreotti. Do you believe that the PCI, after its shift, has really decided (and not only in words) no longer to consider Andreotti as the point of reference on the road to power? And what is your political and human opinion of Andreotti?

Answer: Andreotti sometimes made me the target of restrained polemics and I had occasion to engage in polemics with him or vice versa. To speak of implacable enemies seems to me to indulge in a somewhat romanticized version of the facts. It is not that way. What the relationships between the PCI and Andreotti may have been is common knowledge as far as known facts are concerned, and for the less known facts it is necessary to ask the interested parties. Andreotti is a man of government and of long and broad experience; the only wrong that cannot be done him, out of respect for history and reality, is to consider him a politician of the left. In human terms, for the little I know him, since I have never worked directly with him, I consider him a courteous person with a lively intelligence. He is a typical product of the qualities of political Rome.

Question: After the pronouncement of the communist leadership, how will relations between the PCI and the PSI evolve in 1981?

Answer: We have adhered to a line of containment of conflict on the left with alternating luck and with contradictory results. I can express a hope, not a prediction.

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Question: One of the cardinal points in your policy is to become the prime minister, in order to create an alternative. Do you believe that the PCI shift could favor or be an obstacle to your plans?

Answer: The so-called question of the alternative exists and it is not new and it is independent of what we want or do not want. But the problems should be posed when the conditions are ripe to solve them. I discussed a problem of this kind with the communists only once and at that time it did not seem to me that the possibility enthused them, considering that if it were put into practice, they would vote against it. But I prefer to speak of matters that are on the agenda, and this is not one of them.

Question: Then talk about the institutional question which has become very immediate in this year-end. You were among the first to point to the urgency of introducing correctives to the functioning of institutions, but your plan so far has remained vague. Can you be more precise?

Answer: There is a crisis which influences the functioning of the system and which must be dealt with by planning and preparing adequate solutions. After more than 30 years, even the constitutional edifice should be subjected to review. It is not a matter of upsetting the principles of our political democracy but, if anything, making them more operative through more efficient institutions. The problems relate to the constitutional profile as well as public administration and local organizations. On other occasions I use the definition of grand reform because this is what it is about. Like all innovations, its progress is difficult, but this remains the fundamental route to lead the system out of the condition of decadence in which it has now been stagnating for some time.

Question: A few days ago even one who describes himself as conservative, such as Guido Carli, went so far as to make a public admission: "The only party that has achieved a true generational renewal has been the PSI," he said. And he added, "If the others would also follow, probably the Italian situation could improve." Do you consider renewal in the other parties possible and near at hand?

Answer: Guido Carli also has honestly recognized that together with the renewal of men an important renewal of ideas has made progress among us. There are also signs and proposals of important renewal in other parties. But everything proceeds slowly in the two major parties. They are both late in regard to the need for renewal, stability, efficiency and alternative possibilities for our political system. It is not true that in our analysis we put the DC and the PCI on the same plane. They are profoundly different parties and they are in the grip of different problems. The DC must face the consequences and the counterblows of a debilitating exercise of power; the measure of the PCI is within the limits of a change that still has not taken place.

Question: For months, you have been the motivating force of lively political and philosophical debate. Many have appreciated your effort to put the attempt at renewal that you were implementing within a framework that was also ideological. A similar commitment and lucidity was not seen in the formulation of the economic policy the PSI intends to follow. Would you try to be more explicit about this? To be specific, is the PSI for or against the market?

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Answer: Pluralistic socialism does not ignore the importance and function of the market. No one could do that in an open mixed economic system without falling into basic contradictions. The extent and the instruments of the public contribution and the breadth of its range of influence and planning are established in relation to the defects and distortions of the market. Recently we have seen few lucid economic policies. There have been many erroneous analyses and much wishful thinking with no followup and they have even been counterproductive. The 3-year plan is being discussed again. This is an excellent opportunity to clarify and simplify the directions of economic policy. The socialists will make a concrete and coherent contribution to this elaboration. You will have an opportunity to see it.

Question: The analysis made by many DC members (and IL MONDO picked it up recently) is that today the PSI can count on the support of the industrial bourgeoisie particularly in the cities of the north. This class is supposed to have definitively abandoned the DC, believing that it is now incapable of renewing itself. Do you believe that the analysis is correct? And how can this new relationship influence the PSI in economic choices?

Answer: I have heard all kinds of comments concerning the new PSI. This thesis matches that of Berlinguer who sees us, or would like to see us, uprooted from the workers movement and from the world of labor. The truth is that a stance of modern reform cannot fail to excite interest among the most far-seeing sectors of the business world. There is quite a distance between this and becoming the party of the industrial bourgeoisie. We speak with all those who play a healthy productive role and to all we have something concrete and reasonable to say. And we can say this in the interests of all of society, and of the world of labor in particular. We do not offer protection and we do not seek protectors.

Question: After a season of intense relations, some see a cooling in the dialog between the PSI and the European social democracies, particularly following the decisive shift of the British Labor Party in their last congress. Is this so? And what are the reasons for it?

Answer: The differences between the positions of the British Labor Party and the other parties of the European socialist union, regarding particularly European policies, is not something recent, even if it has become accentuated after the last congress of the British Labor Party. However, looking at the totality of our relations with European socialism, the year 1980 was full of contacts, initiatives, of consolidation of relations, or reciprocal collaboration and solidarity.

Question: Finally a prediction. If the voters were to go to the polls today, what would be the result of the election for the PSI? Can you quantify the percentage of votes that your party could win?

Answer: This is a subject that now is treated almost scientifically. I do not have sufficiently recent public opinion surveys at hand. There have been minor electoral competitions here and there. Every time there is an election in a city, the socialists advance. Many signs seem to confirm a tendency of growing consensus among the rank and file of the nation. But in this field it is necessary to have patience and to work tenaciously for years if we want to achieve large objectives. Italian democracy needs a socialist force that is far greater than the present. This is a fact.

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Question: You say: Work with tenacity for years. But we cannot forget the hypothesis of elections earlier than scheduled. Up to what point is the PSI willing to avoid them in order to guarantee the governability of the nation?

Answer: To the point to which the governability of the nation is guaranteed. This naturally depends on us, but only in part. And it depends on a development of political relations such as to avoid situations of very bitter conflict and paralysis. If this tendency toward radicalization continues and the unforeseeable factors increase, it is evident that governability cannot be guaranteed. But overall, I am fairly confident even though I am a little worried.

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COUNTRY SECTION

ITALY

BUDGET MINISTER ON MEDIUM-TERM ECONOMIC PLAN

Milan CORRIERE DELLA SERA in Italian 2 Jan 81 pp 1-2

[Interview with Budget Minister Giorgio La Malfa by Alberto Mucci: "Here Is How We Will Stop Excessive Spending"]

[Text] For Giorgio La Malfa, budget minister, it was a rose-tinted New Year's Day. The medium-term 1981-1983 plan was ready, approved by the CIPE [Interministerial Committee for Economic Planning] and presented to the prime minister. "But it must be immediately clear," La Malfa tells me, "that what was approved was not a document with so many pretty figures that would later be belied by the facts; what was approved was a policy; at least in principle, it sanctioned a new way of administering the economy."

[Question] Then, Mr Minister, you justly fear the word "plan," in the light of Italian experience. What, then, is your voluminous book, made up of a "Document by the Budget Minister" and 20 sectoral plans?

[Answer] This is the point of departure: We have all seen that it is useful to make plans substantiated by general appropriations. In recent years the programs were made up of bundles of individual proposals. They remained on paper. Why? Because appropriations are approved but specific projects are not financed. An example? If we decide to appropriate 40 trillion lire for the south over the next 5 years, we must know what results will be obtained, what works will be realized, with what objectives. Otherwise the billions appropriated will wind up in the usual "bottlenecks" or worse, in the "sieves" which are typical of such a large part of Italian legislation. Now it has been decided--and this is a basic choice--to overturn the procedure: Projects are financed that can be achieved specifically with an examination of costs and benefits and one that would respond to the general objectives of economic policy.

[Question] But are these conceptual cartwheels sufficient to change planning? Does the budget ministry then have the power to implement the choices made? How are the other ministries involved in your new strategy?

[Answer] We proceed in an orderly fashion. I wish to point out that every minister maintains, and this is logical, his own political and functional independence. There is no dictatorial approach, no super-ministry of the budget. Nothing could be worse! The authorization to make expenditures is and remains within the individual ministry. But it is necessary to finance what yields results, the

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projects that are compatible with the objectives we have set: Balanced growth, increased employment, development of the south, reduction in the balance of payments deficit.

[Question] Then the budget ministry arrogates to itself the right to say yes or no to the plans of the individual ministries? On the basis of what assessment? Political and technical choices are tied, at this point, in a single proposal...

[Answer] One moment. Each ministry has its own independence. The budget ministry is entitled to its dignity as planners and controllers in the achievement of plans, not as an exercise of power, as an exercise of stimulation. Controlling by helping...

[Question] In practice, what is going to be done?

[Answer] We have come up with the idea of establishing, within the framework of the planning secretariat, a planning assessment group. It will be headed by Paolo Savona. The group will be set up on the basis of criteria adopted by Minister Reviglio for his internal revenue super-inspectors: Independence, ability, professionalism. The job, which we have already begun, is to verify the contribution of the individual plans to the objectives of political economy, and at the same time, to verify the cost-benefit ratio of the plans, keeping in mind that we seek to obtain foreign financing for the achievement of the plans.

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Paolo Savona, who is present at the discussion, has before him a table which is the result of the technical work done by himself and his group. The 20 plans developed by the individual ministries were assessed and verified in the light of fixed aims. In practice: The energy plan, the forestry plan, the steel plan, etc., were analyzed to estimate their effectiveness in terms of the development of income, added employment, growth of the south, reduction of the deficit.

Some examples? The table we publish here supplies the estimates. Savona says, "They are our estimates. Political commitments do not exist here yet. We have examined the projects from a technical point of view, obtaining certain results. Now we present them to the ministries that develop them. They will follow the specific choices of the ministries, which will be followed by choices of compatibility. The planning policy thus achieves a body and a substance gradually involving the internal offices of public administration. A method of working..."

The table is interesting and will stimulate further study. The energy plan, for example, over the 3 years will see an increase over the 3-year period in real terms of 0.3 percent; added employment of 15,000 persons; a positive contribution of 1 trillion lire to the balance of payments. Similar data were given for the other plans. Reading the table, a minister said, "This is a statement of charges against the way the plans have been administered so far because we did not first measure the costs and benefits of the appropriations made."

But what "formulas" were applied to arrive at these results? Savona speaks of a disciplined presentation, of careful assessments, made by a trend research group

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and he explains that the new planning does not single out "ceilings" for increased income, for the inflation level, etc. He explains, "they are figures that make no sense in view of the real changes taking place but which we cannot control. Instead, we can and must assess how much each single project yields in terms of increased real income and employment if implemented according to the planned schedule. And we must make an effort to complete, and later verify, sectoral plans that would maximize the results. That is what Great Britain did. It is a 'model' that we are studying..."

We broadened the technical discussion with Savona. All these plans involve billions and billions in expenditures. Where will the necessary resources come from even after the assessment of compatibility?

"We have taken the individual schedules of the ministries and we have reconciled them with the national budget. Therefore, we now know with sufficient accuracy what part of the expenditure is covered by national revenue, what must be financed by resort to the financial market, what part is uncovered." As Minister La Malfa said, there will be further political verification. I am anxious to point out that there has been the hypothesis of keeping the overall public requirements within 37.5 trillion lire per year. Since the current overall deficit is around 40 trillion lire over the 3-year period, a residue of 27.5 trillion lire must be financed by recourse, if necessary, to the international [financial] market. Naturally [this can be done] only if the plans accord with the criteria indicated earlier.

[Question] That is a very large figure. Will all the credit necessary be found abroad?

[Answer] The answer is yes if the plans are valid... On the other hand, the surpluses of the OPEC nations will not be less than \$450 billion in the next 3 years. To ask \$30 billion means asking for about 7 percent of that amount, which is equal to the relationship existing between the Italian gross national product and that of industrialized nations.

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[Question] Minister La Malfa, your economic proposals often are opposed to that of Minister Andreatta. What is the truth?

[Answer] But certainly! Even Andreatta, I would say Andreatta above all, wants to stop the runaway spending policies. And it is precisely this that we will achieve if we consistently apply the policy we have developed. I fear that the urgent requirements, which are always increasing, may sometimes carry us away. But as far as I'm concerned, with the choice of a policy that the government has made, I can say that the error will immediately become apparent. Now we have a guide to help us work well, and to make and implement an economic policy.

Table [on following page]

These figures, developed by the planning offices, make it possible to make an overall assessment of the contribution that the 20 sectoral plans, if implemented, will make to the objectives of increased income, increased employment, development of the South, and reduction in the "deficit" of the balance of payments which the government's economic policy has set as objectives for the period from 1981 to 1985. The figures are estimates at constant prices.

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Plans	Development	Employment (in thousands)	South	Balance of Payments (mld [expansion unknown])
Energy	0.30	15	0.52(1)	1,000
Agriculture	0.20	0	n.s.	900
Forestry (2)	0.02	10	0.04	150
Exports (3)	(2.60)	(37)	n.s.	(8,500)
Tourism	0.24	22	0.11	550
Chemical industries	..	0	0.14	..
Steel	0.08	0	0.10	700
Shipyards	n.s.	0	0.02	n.s.
Housing	0.18	35	0.15	n.s.
Health	0.11(4)	38	0.15(1)	n.s.
Transportation	1.00	30	0.17	..
South	1.10	60	1.50	n.s.
Strengthening infrastructures	n.s.	n.s.	n.s.	n.s.
Agro-industrial sector	n.s.	n.s.	n.s.	n.s.
Electrical comp. [expansion unknown]	0.02	0	0.02	50
Telecommunications	n.s.	0	0.25(1)	n.s.
Technological inno- vation	n.s.	n.s.	n.s.	n.s.
Business inter- mediaries	0.30	100	0.10	n.s.
Financial inter- mediaries	n s.	n.s.	n.s.	n.s.
Public administra- tion	0.42(4)	150	n.s.	n.s.

.. Insignificant

n.s. Not specifiabile on the basis of present data.

(1) Annual average during the 3-year period.

(2) The contribution is a specification of the agricultural plan.

(3) The contribution is that inferred from other sectors and involves possible duplication.

(4) The contribution comes from payments.

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COUNTRY SECTION

ITALY

FINANCE MINISTER ON CRACKDOWN ON TAX EVADERS

Milan CORRIERE DELLA SERA in Italian 6 Jan 81 pp 1-2

[Interview with Finance Minister Franco Reviglio by Alberto Mucci: "Reviglio: Tax Evaders To Yield at Least 3 Trillion Lire in 1981"]

[Text] Rome--"The internal revenue service did its share during 1980; it will do the same with as much commitment and more operational instruments in 1981; the recovery of the area of evasion is very broad, and it exceeds our expectations." This is what Franco Reviglio, finance minister, told me just after his return from the New Year's weekend (this year the holidays were canceled from the ministry agendas). He is satisfied and motivated, as he always is when he is faced by important commitments: On his desk are the drafts of three "white books" (housing, family income tax, monopolies); the presidential decree, on which the ink has not yet dried, of 30 December, which introduced numerous important innovations ("which the newspapers have neglected," he observed with a critical air); a "fiscal agenda" with many deadlines: Some administrative, others (the more important) political, because numerous measures are being studied by parliament. These are decisive for the hoped-for renovation of the fiscal system.

[Question] Let us begin with the results of the battle against tax evasion, Mr Minister, which constitute the most precise indicator of what is being done concretely. Did you win the bet you made in 1979? What happened?

[Answer] In September 1979 we had planned recovery of unpaid taxes totaling 1 trillion lire in 1980. There was talk about a bet I made. Very well, the results indicate that the bet not only was won, but it was considerably exceeded because the recovery of unpaid taxes was more than 2.7 trillion lire, that is almost three times the ceiling we had set. So much so that we have predicted, as the new aim for recovery of unpaid taxes in 1981, a further increment of income from unpaid taxes totaling an additional 3 trillion lire.

[Question] The figures are attractive, but they should be explained. Everyone knows that the tax yield increased greatly in 1980 under the pressure of inflation and due to the approval of new tax measures. Did you make the appropriate allowances?

[Answer] Undoubtedly. We have made careful estimates on the trend of individual tax sources, we then added the increase from measures adopted (I refer, for example, to the big decree of August). The difference between the actual yield and the

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calculated yield measures how many unpaid taxes were recovered. Nor is that enough. In the light of other comparisons on macroeconomic data, 2.7 trillion lire is a very prudent estimate of the recovery of unpaid taxes.

[Question] Revenues increase, but inflation continues. Didn't the government tell us that if it reduced its deficit, the rate of inflation would have decreased?

[Answer] In 1980 the increase in tax revenues (data are still not final) was more than 18 trillion lire. The increase can also, and above all, be ascribed to inflation, there is no doubt, but in the meantime we reduced the deficit in the broader public sector, to from 40 trillion lire to 31-32 trillion. Therefore the right question would be this: Why did inflation rise to 20 or 21 percent despite the fact that the public deficit decreased? The answer is political and it tells us clearly that the inflation problem (whose origins are foreign and domestic) can be dealt with and solved only through a medium-term strategy, that is, through a triennial plan providing for effective aid on the supply side, through large injections of investment into the Italian productive system. The ball is in the court of the other ministers...

[Question] I agree. Treasury Minister Andreatta and then Budget Minister La Malfa have described their "agenda 81" for IL CORRIERE. How does yours begin?

[Answer] With a positive reference. Most of the unpaid taxes recovered originate with the beginning of a change in the attitudes of taxpayers who have gotten the feeling that the regime of privilege, immune from risks, which they could enjoy has begun to crumble.

[Question] You're not telling me, Mr Minister, that the revenue service acted only upon the effects of the announcement.

[Answer] Do not misunderstand me. We did several specific things which indicated to taxpayers that changes were being made in the mechanism. Here are some examples. The tax stamp accompanying merchandise was brought up-to-date with regulations; the excellent results obtained (an impressive increase in the IVA [Value Added Tax]) were achieved also because we not only provided for controls on goods in transit (200,000 checks made by Finance Guards on the road), but we carried out all-out checks on printing plants which after all can in some cases print duplicate tax stamps and therefore favor this kind of evasion. I must say with great satisfaction that the first 1,000 checks made in the first half of 1980 on printing presses yielded 35 with irregularities; 600 checks made in the second half of the year showed no irregularities.

[Question] And what about the tax receipts that have caused so much discussion?

[Answer] Those receipts are not so important because the recovery of unpaid taxes they made possible (even though the figure was considerable), but because they directly involved citizens, giving each an instrument that I would describe as social participation.

[Question] All that is behind us. The taxpayers, above all the honest taxpayers, want to know what the finance ministry will do in 1981 to pursue its "bet."

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[Answer] In 1981 we will carefully perfect the instruments designed and organized in 1981. I recall, above all, the revenue service super-inspectors who entered service on 1 January. I expect from them an action of promotion, activation, stimulation, of the financial administration.

[Question] How will these super-inspectors function? And where? Citizens are asking these question.

[Answer] We already have a building here in the EUR (which was not easy to find). We are equipping it. In the first month the inspectors will hold service conferences, courses, seminars, that is, they will organize their work. Then they will go to work.

[Question] That is a hope. Good luck. And what about selective audits?

[Answer] In 1981 for the first time we will carry out selective audits, a form that permits the administration to "discover" the fish in the shallows where there are fish...that is, in areas of tax evasion. Again: In 1981 two "service centers" will be opened in Milan and Rome. This is a decisive step in reorganizing the efforts of the finance administration. I hope to come to Milan during the winter to inaugurate that service center which will make it possible to leave in via Manin only the auditing services. The list is completed with the implementation of the presidential decree approved on 30 December by the government: These contain important regulations.

[Question] May we have examples, Mr Minister, to explain what is new?

[Answer] There are, first of all, the regulations that govern the price of transfers between multinational companies: These will head off possible price manipulations that were used to hide fraudulent exports of currency. The result is that some IVA exemptions will cease, such as those for ski-lifts and cable car systems. Thus there will be a ceiling for some deductions for professional employment in such a way as to prevent abuse. Finally a new warehouse accounting system has been defined which is indispensable for auditing and controls.

[Question] But the latter regulation will become effective on 1 January 1982.

[Answer] Yes, because we have wanted to give businesses time to gear up and prepare for the innovation. It is a very important change that has been studied with the cooperation of colleagues from the Milan Bocconi University and the University of Turin. The objective is to audit taxpayer returns by a cross-referencing system. This is the road we are taking. In 1980, we have, for example, carried out an important cross-check on the 1976 returns on tax substitutions and INPS contributors. A total of 600,000 anomalies were discovered. That is, we found that in 600,000 cases assets or income declared in one situation did not square with that found in another. In three offices we conducted a hand audit, return by return. It was a pilot experiment and we saw that in 5 percent of the cases these anomalies represented serious cases of tax evasion. In the other cases the evasion was less serious, but nevertheless they were evasions. Now we are preparing a measure by which the taxpayer subjected to this audit, and in whose return an error was found, is notified by postcard that he must make corrections the following year. In this

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case he would pay a reduced penalty; if he ignores the warning the revenue service will make an audit. It is necessary to be strict, automating audits to the maximum degree possible.

[Question] Putting fire to flesh is a bit much perhaps. Parliament is studying other organizational measures.

[Answer] There are three. There is the draft legislation known as "tax evaders handcuffs" which deals harshly with known evaders; there is the finance administration's general reform measure; there is the one that introduces controls on receipts. I am convinced that these three measures will become law by mid-year.

[Question] Then is your 1981 "bet" based on these new instruments?

[Answer] No. The campaign against tax evaders in 1981 could yield even greater results, but it must be kept in mind that the control on receipts would require a preparation of several years (about 3 years are required); the measure that introduces the "tax evaders handcuffs" could instead yield results in the short term. The reform of the administration requires several years. One step at a time.

[Question] That's certainly true. In the meantime, however, the "white books" you are reading will involve new "blows" for the taxpayers! The book on housing, for example, proposes once more giving city administrations new tax powers.

[Answer] The white book on housing does not propose definitive solutions; it proposes hypotheses that start from two principles: Avoid increasing the overall yield of taxes on real estate; introduce taxes to support local institutions, thus giving them some independence in regard to taxation. The home is a precious good that must be given incentives (I am thinking of the first house), not penalized.

I have no intention of presenting draft legislation in this regard before there have been precise reactions to them by the social forces. My objective, I repeat, is not to obtain a higher tax yield from the home, but to implement a tax equalization system that would provide fiscal incentives for the purchase of a home.

[Question] But that proposal clashes with Italian administrative reality. The registry office is practically blocked.

[Answer] Certainly, the registry should be rebuilt, but not in a few years as has been said. An operational hypothesis could be to define a system through which the taxpayer, by a certain date, makes a declaration of the real assets he owns indicating several parameters which are those that specify the rental value of the dwelling. The parameters would be the same ones that should be found in the present registry office, modified to take into account the dynamic evolution of the cities. These declarations--which naturally start with the amount of assets--would then be checked according to some hypotheses by those who could be called "municipal bookkeepers," that is, by personnel specially trained to do this work. If we proceed along this road, then collecting all the data in the general tax information system, we will have a new registry that can simultaneously perform the functions of an urban instrument, of the environmental policies of the territory, in addition to fiscal policies.

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[Question] That is an agenda for 1982 and 1983, Mr Minister.

[Answer] Maybe. But the certain fact is that I intend to move immediately and with a clear purpose. My objective is to document all the administration's choices and to give taxpayers the possibility of an audit, of certainty. This is the spirit of the so-called "red books" that I will publish during the year, with audits reconciled with the IRPEG [income tax on legal persons], and that is something new; with the IVA audits, which again is something new. A book on IVA reimbursements paid by the tax administration will also see the light.

[Question] That is a dream, Mr Minister! The administration that reimburses what is not due it.

[Answer] Just so. For IRPEF [tax on family income] reimbursements, through the new procedure approved by Parliament, the present amount of time taken will be at least halved. The problem remains open for IVA reimbursements: a complete solution to this could be found with the reform of the finance administration. One more bit of news: On the basis of work done by a research committee, within a few weeks I will present a suggestion for reform of taxation on petroleum products in order to make tax evasion much more difficult.

Minister Reviglio's "agenda 1981" would take more than 360 days per year. But Reviglio accepts "bets." And he adds, "If a political will solidifies, I am sure to win all my bets. The citizens want a more equitable tax system. We are building it."

#### Groups Selected for the Most Intensive Audits

Rome. The list has been published of the groups selected for the most intensive audits by the revenue service in 1981. It contains the most "interesting" taxpayers from the tax point of view and who in 1978 earned income from non-dependent work resulting from their activities in one of the following fields: wholesale businesses; chemical and pharmaceutical products; phonographic, photographic and movie products; tourist intermediaries, representatives and agents; meat and other slaughterhouse products; paper and paper derivatives; technical business and legal services; road transportation.

Many professionals also were selected by the Finance Minister: doctors, psychologists, lawyers, purchasing agents, notaries, legal representatives, businessmen, labor advisers, fiscal experts, artists, civil engineers, and architects. Almost half those selected, or exactly 40 percent, will be from these categories.

Another 15 percent of those selected will be all those whose names are on file in the tax office. Five percent will be selected from persons who had income from work connected with an independent business or partnership who in 1978 returns did not list an employment or who indicated employment different from what might have been expected. All the others selected will be those subject to the IVA tax who paid less than the average.

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COUNTRY SECTION

ITALY

TEMPORARY HALT TO WAGE INDEXATION SUGGESTED

Milan CORRIERE DELLA SERA in Italian 20 Jan 81 p 10

[Article by Paolo Onofri]

[Text] The theme of economic policy to establish (but above all, to implement consistently), is reappearing strongly in the lime-light. Lack of action is unacceptable in the present situation. But what should be done? Paolo Onofri, from the University of Pavia, analyses the situation and formulates a specific proposal to halt for 2 years the implementation of the present automatic indexation mechanism, thus allowing all salaries to grow, quarter by quarter, in proportion to the rise sustained in the previous quarter by the average in consumer price of the other EEC countries, expressed in their respective currencies. Is this proposal politically acceptable? The debate is open. It is, however, clear that something should be done: even the conference held recently at CNEL [National Council for Economy and Labor], repropounded the necessity of correcting the present wage indexation mechanism in spite of objective difficulties.

Since the price of oil began to climb again in real terms at the beginning of 1979, four different governments have been at the helm of the Italian economy. Two relevant views emerged from the first oil crisis and were adopted by successive governments: in the first place, the necessity of moving cautiously in adding internal deflationary pushes to those caused by the worsening of the rate of exchange. Secondly, the inadvisability of engineering a devaluation of the rate of exchange like that put into effect during the first months of 1976.

During 1979 and in the first half of 1980 attempts were made, consistently with these premises, to face the resulting situation with measures affecting imports (measures to reduce energy consumption) and exports (reduction in production costs through fiscal measures and reduction of their dynamics through steps neutralizing the effects of the price increase in oil products). The Bank of Italy had the task of raising the needed foreign currency, so that the resulting foreign exchange deficit which was building up would not create pressures on the rate of exchange without hindering, on the other hand, the continuing expansion of the internal demand. Of these corrective measures, the only one consistently carried out was that entrusted to monetary authorities; moreover, the success achieved was so excessive that it hid the effects

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resulting from the failure to pursue the other two corrective measures which were of a more structural nature. In fact, while the financial deficit grew, convertible currency reserves grew as well and, strangely enough, the measures to conserve energy, which achieved some success in the winter of 1979-1980, had not been renewed; finally, it was only after at least a year of discussion that fiscal measures on some contributions for social service benefits went into effect; as to the revision of the indexation mechanism, on the other hand, it remained in the discussion stage.

In these conditions of failure to apply the comprehensive scheme of economic policy which the various governments seemed to endorse, the industrial production reacted to the effects of domestic and international recession caused by the oil crisis, declining about 10 percent between the first and the third quarter of 1980, but the trade balance did not show appreciable improvements. Furthermore, in recent months production rose again to higher levels (the average for October and November is 6.5 percent higher than that of the third quarter) while the earthquake further destroyed a wealth whose reconstruction would now create a demand even more incompatible with the balance of the foreign accounts.

At this point the entire traditional arsenal of deflationary fiscal policies (gasoline and various additional taxes) was rediscovered as a last resort; it is surprising, on the other hand, that having succeeded in controlling the demand, and above all with uncertainty, the government seems satisfied, and only because the momentary halting of inflation has produced a temporary respite for the lira in foreign exchange markets, it has foregone other measures which got lost on the way during this last year, and which are the only ones that can establish an anti-inflationary policy capable of enacting the exchange policy so often announced. The macroeconomic imbalance to which the Italian economy is subject is due as much to the different growth ratio in the internal demand in comparison to that of other countries as it is to the difference in inflation above all compared with European countries. The measures adopted until now could have an effect on the first type of imbalance, thus allowing an adjustment in the different growth ratio, provided that a too sudden spontaneous takeoff, fueled by persisting inflationary imbalances, does not neutralize its effects. In such a case, a very tight monetary policy would be unavoidable.

As far as the inflation differential is concerned, it is not caused by considerable salary pressures or by an imbalance in the internal distribution which is eventually modifiable through the deflation of demand; in fact, since 1976 the growth in real purchasing power of the average per capita salary has been approximately in line with the growth of per capita availability of goods; furthermore, it decreased slightly in the last 2 years, thus allowing for a good recovery in domestic profit margins. This kind of real income policy materialized above all through the heavy burden of wage indexation increases in growth of salaries. Such an equilibrium in income distribution, due to external inflationary pressures, is reflected in monetary income and in constantly rising prices. The holders of liquid assets have been the "losers without recourse."

The illusion of perpetuating such an equilibrium with a coherent devaluation of the nominal rate of exchange contrasts with the obvious considerations regarding the fact that inflation is not a neutral phenomenon and has social consequences. On the other hand, maintaining for a long period of time the present rate of exchange without looking for a way to link the domestic price level to the growth of European prices, would put in motion an adaptive mechanism in the economy which would alter,

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just as much and in substantive terms, the real macroeconomic equilibrium.

Such linkage could be put into effect, within the boundary of existing equilibrium, by halting for a 2-year period the present wage indexation mechanism and allowing all salaries to rise, quarter by quarter, in proportion to the growth registered in the previous quarter by the consumer price average of the other EEC countries expressed in their respective currencies.

This would, obviously, cause a reduction in real income, but one could assist the lowest income groups (those with higher income would not experience substantial differences from the present system) through more effective measures than that of direct taxation announced.

It is surprising, however, that the government changed its opinion from day to day on the adjustment in the IRPEF percentages without even trying to use this measure and its magnitude as a bargaining tool. With such a guaranteed agreement accomplished, the additional financing for the reconstruction of the areas affected by the earthquake could be obtained through international reserves, thus accepting a continuing foreign deficit instead of additional taxation.

The advantages of the suggested scheme are of various kinds. First of all, the anti-inflationary effects: as our output sustains a downturn, causing a trimming in the industrial and commercial margins, and thus hindering the growth of unearned income, wage indexation remains the only support to the nominal growth in income and prices. This way, instead, the rate of inflation would regain elasticity during recessionary cycles.

As far as future, additional pressures from abroad are concerned, indexation applied to European prices would eliminate all difficulties and discussion related to the evaluation of direct and indirect effects of rising oil price and, therefore, on the degree of neutralizing action to take. Variations in the dollar's rate of exchange and oil price would spread within our economic system only to the extent with which they alter inflation in other European countries and it has often been affirmed, in fact, that it is the overreaction of our pricing system to cause the worsening of our problems. Finally, the proportional increase in all earnings, defending equally all salaries and wages, would halt the leveling process in salary differentials, which greatly worries trade unions and for which there is no room for solution under the existing indexation system. The bargaining process would have better opportunities to correct the preexisting pay differences and the unions, besides greater margins for next year's salary bargaining, would have, as well, 2 years to plan an inter-union bargaining strategy for the revision of the indexation mechanisms to put into effect at the beginning of 1983, after the correction in the differentials has taken place.

It is quite possible that the government may think that it lacks the political strength to put into effect such a proposal, but in the absence of measures of this nature it should draw the obvious conclusions either on the intensity of monetary and fiscal deflation or the rate of exchange. Therefore, the union should be fully aware that there are no other alternatives outside of this and other proposals submitted, and that the possible tacit acceptance of policies which, creating illusory forward steps bring the lira to a short-term devaluation, simply delays the implementation of a deflationary policy.

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81  
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COUNTRY SECTION

ITALY

BRIEFS

ISTAT DATA ON EMPLOYMENT--Rome--There are 20.674 million employed workers in Italy. The number has increased by 297,000 in a year. Nevertheless, the unemployment rate is still high, 1.698 million workers, corresponding to 7.6 percent of the labor force. These figures are from ISTAT which announced the first general results of the survey on the labor force compared with the average of the four studies in 1980. Of the 20.674 million employed workers counted last year, 2.924 million are employed in farming (14.1 percent), 7.772 million in industry (37.6 percent) and 9.978 million in other activities (48.3 percent). Among the employed workers, there were 6.491 million women, equal to 31.4 percent of the total. [Text] [Milan CORRIERE DELLA SERA in Italian 7 Jan 81 p 7] 9758

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