med, independent West European oil consortium? Is that why the Europeans are forming this consortium?
**A**: It's a likely possibility. Yes, the Europeans are doing something quite logical to protect themselves. After all, it happened before...
**Q**: Might the Organization of Petroleum Exporting Countries foolishly become convinced that they should use the oil weapon as a wa to try to force Western concessions at North-South? South?
**A**: Sure. They will try to use this as a last-ditch weapon.
**Q**: But won't it be difficult for the public to believe that Saudi Arabia would go along with such an "anti-American" act?
**A**: One can never tell what the Saudis will do, especially when confronted with a religious problem.
**Q**: What about the dangers in Lebanon or elsewhere within the Middle East?
**A**: For one, there's Egypt — it's a tinderbox and bankrupt. Any time such economic-political problems are present, you always have an inherent potential for war. . . . Who knows what its crazy neighbor to the West (Libya) might do? Invasion? Well ... after all, Sadat did it to Israel. Otherwise, in Lebanon or around it, there is always the possibility of Palestine Liberation Organization terrorism, considering all the idiots running around with bombs these days.

## *PSIer Bitetto:* Eliminate the Mediation of the Multinationals

*Sept. 24 (NSIPS) — The Italian Socialist Party daily, Avanti, today published the following excerpts from a speech given at the Party's Seminar on Economic Problems and Energy Policy by Comrade Bitetto.*

". . . We must clarify some situations which are currently relatively unclear . . . such as that of oil supplies. . . . Over 90 per cent of oil imports are mediated by the multinationals. The pregressive elimination of such a mediation is the necessary condition for the start of an energy policy that would be coherent with our national interests. To this end we must carry out a shift in foreign policy that would be able to overcome the obstacles placed in our way by U.S. political and economic circles, and that would be able to strenghten new commercial relations with the exporting countries through new initiatives in a framework of a strong political thrust for reciprocal and interdependent economic and industrial (ties with the oil producers). In order to carry out this role, the Italian government requires not only an energy policy, but above all a foreign policy. . . ."

# French PM Barre's Anti-Inflation Plan Postpones Fight For Development

Sept. 24 (NSIPS) — French Prime Minister Raymond Barre made public a lame "anti-inflation" program Sept. 22 in Paris. A mixture of tax hikes, energy consumption ceilings, and seemingly tough credit and industrial price restrictions, Barre's program is a bankrupt propaganda sheet designed to give capitalists and workers alike the illusion that something is being done to relaunch the French economy and keep inflation down. It "slows the clock down" as one commentator noted, in an attempt to postpone any meaningful decisions until after the Third World debt problem is resolved.

Barre's absence of clear direction testifies to the reluctance of his Gaullist allies — who control the government — to resolutely assert their hegemony over Atlanticist French President Giscard d'Estaing. As a result, it is still questionable whether France will actually follow the Third World in calling for a new world economic order based on debt moratorium and the International Development Bank. Any further stalling by the Gaullists on this point can only jeopardize their relative factional strength to the advantage of the Atlanticist agents who run both the other "presidential majority" parties and the Socialist-Communist "Union of the Left" alliance.

### Capitalists Waffle

A column by former Gaullist prime minister Michel Debré in today's Le Figaro exemplifies the uncertain reactions of the French capitalist class around the question of expanded production and development. Debré characterizes Barre's plan as necessary "because we were on the verge of run-away inflation. . . ." After praising both the prime minister and his program, Debré then reveals his doubts concerning the government's determination to extend its anti-inflation action by a resolute development orientation: "Everything holds together politics. One does not struggle against inflation with money fetishism. One struggles against inflation to develop the country's social health and economic capacities. . . ."

The managers' association, CNPF, yesterday expressed a similarly worried viewpoint: "The interest of everyone and the future of France command that this plan succeed. . . . (but) we also need investments. . . . The government plan is very lacking in this regard. . . ."

In contrast to this timorous waffling, the reaction of working-class organizations to the Barre plan has been scathingly hostile. Georges Séguy, general secretary of France's largest trade-union, the Communist-allied CGT, termed the plan "a declaration of war against workers." Séguy said yesterday that Barre's so-called "guarantee of purchasing power," according to the CGT's index, "means ... a new deterioration of the purchasing power of wages by some 3 or 4 per cent. . . . We denounce the attempt to impose an incomes policy through authoritarian means. . . ."

The executive committees of the CGT, CFDT, and FEN unions met immediately — the morning after Barre's plan was made public — to determine what action to take in opposition to the government. According to the press, the unions agreed to stage a nationwide general strike accompanied by protest demonstrations October 7. Such working class pressure is unlikely to break the tactical alliance for "inflation control" between the Gaullists and their Atlanticist enemies. On the other hand, a unilateral declaration of debt moratorium by the Third World is sure to drive a wedge between the pro-development Gaullists and the monetarist Giscardians.

### The Barre Proposals

The principal features of the Barre program — which would crop 16 billion francs out of the economy (approximately $3.3 billion) at one blow — are as follows:

* The freezing of prices and public service costs until the end of the year, with a 6.5 per cent ceiling on increases in 1977.
* The recommendation that negotiated wage increases be limited to 6.5 per cent.

* Increased taxes, including 1.1 billion francs more in business taxes.
* An increase of payments by employers and employees to the pension and health insurance programs of the social security system.

**Reactions to Barre's Program**

**The Managers' Association CNPF**

"The struggle against inflation is inseparable from the economic upturn. That is why we must give back to the firms their full management freedom, as rapidly as possible."

**Gaullist Deputy Maurice Papon**

"Global and coherent. . . . The tax increases are primarily going to hit known revenues, namely wages, and the firms, the engine of the economy. That is why investment stimulation must be reinforced."

**Former Prime Minister Antoine Pinay**

"If that's all it is, it lacks imagination. . . . All this is not really oriented toward the struggle against inflation. It is more fiscal than anti-inflationary. . . ."

**Socialist Deputy Claude Estier**

"This plan only includes conjunctural measures, none of which corresponds with a desire to make the structures of hte French economy healthier."

**Gaullist Leader Michel Debré**

"Doctor Barre has arrived. . . . One must not be surprised if the remedies seem severe and if, through some of its reactions, the social body is somewhat shocked by the medication which is being imposed on it. We were on the verge of runaway inflation. . . . A second round will soon be necessary. . . . To abide by what has been announced will soon appear as a conjunctural policy with effects too limited in time to be the expression of a lasting recovery. . . . The Sept. 22 plan slows the clock down and is allowing us to gain a little time so we can pursue the effort and resume the policy of the Fifth Republic's beginnings. But the struggle for national salvation cannot be divided. It fails if it is not global, technically as well as politically."

## Italy Prepares Debt Moratorium for Cities, Industry

Sept. 24 (NSIPS) — The finance committee of the Italian Chamber of Deputies unanimously adopted a motion put forward by the Italian Communist Party for a de facto moratorium on all municipal debt throughout Italy. The plan, reported in the Turin daily La Repubblica yesterday, postpones the municipal debt until the year 2,000 and involves a nominal 1 per cent yearly interest rate to be paid by the federal government. "Even this 1 per cent interest," Repubblica commented, quoting "observers" of the parliamentary debate, "will not be paid."

Repubblica, controlled by Atlanticist Agnelli, admitted that the debt moratorium plan was supported by both the Communist Party and the Christian Democrats. The moratorium is euphemistically termed a "consolidation," but as the Repubblica headline blared, "Either Cancellation of the debt or the City Councils Will Sink."

The Milan daily Corriere della Sera yesterday proposed a parallel postponement of debts for Italian industry. In a guest column on the financial page, Professor Rivosecchi outlined a "postponement of the short-term debts to long-term debts as well as the establishment of a 'pause' of certain repayments" for the industrial sector. Rivosecchi counterposed his proposal to the recent plan put forward by former Bank of Italy governor Guido Carli who called for consolidation of industrial debt that in effect would put the banks in charge of Italy's bankrupt industries. Carli, a long-time Rockefeller associate, had referred to his plan as a "debt moratorium."