Andreotti Negotiates With Communists For New Italian Gov't

Contrary to reports in the U.S. press, Italian designated Prime Minister Giulio Andreotti and the prodevelopment elements within the Italian Communist Party (PCI) have not yet lost their handle on the situation and are continuing their efforts to establish a viable government to serve Italy's vital national interests. The situation, however, remains dangerous and extremely vulnerable to destabilization. British forces are now threatening Italy with economic warfare and activating terrorism and agents in all the Italian political parties to frustrate Andreotti's efforts. In addition, an operation to bust the trade union movement, in particular Italy's largest union, the communist trade union, the CGIL, has been launched.

ITALY

Contradicting international press reports that the Christian Democracy (DC) and the PCI are heading for confrontation, the Italian newspaper Corriere della Sera revealed Jan. 19 that "two levels" of negotiations for a new government are currently underway. With the headline "The Secret Channels Through Which Negotiations Are Being Conducted," Corriere partially unveiled an "underground level of highly productive meetings with an overlapping of contacts, reunions, and exchanges of messages, more or less in cipher." Furthermore, Andreotti has established "solid communication lines with the Communists," sending some of his most trusted allies within the Christian Democratic Party (DC) to negotiate delicate matters with counterparts in the PCI. "Such secret consultations," explained Corriere, "can allow for solving calmly and without drama even the most embarrassing problems. In this case, for example, how to replace some ministers who have become uncomfortable even for the DC, with new men agreeable to the left."

The Vatican has been lending crucial support to the Andreotti wing of the DC. The Pope has issued several press statements calling for an understanding between the DC and the PCI, while the current weekly issue of the Jesuit weekly Civiltá Cattolica ran an article called by the London Times "An Assault on Britain's 'Lie Factory' by Jesuit" (see below).

Seeking Moderation and Stability

Having finished the first round of meetings with the other political forces Jan. 25, Andreotti scheduled a meeting Jan. 26 with the DC leadership, the outcome of which is expected to be a proposal on how to form a

government. The expected formula is based on the results of a series of meetings Jan. 22 between DC Parliamentary leader Flaminio Piccoli — of the DC tendency represented by Andreotti — and DC Parliamentarians, and between PCI Secretary General Enrico Berlinguer and Andreotti. Piccoli pulled DC parliamentarians including those linked for former Prime Ministers Aldo Moro and Amintore Fanfani - behind Andreotti's government negotiations. "Andreotti can count on the full friendship and collaboration of the Christian Democratic deputies," stated Piccoli to the press the night after the meeting. While the full content of the Andreotti-Berlinguer meeting has not been made public, coming out of the meeting Berlinguer told reporters that he "did not foresee a long crisis," and reemphasized that the PCI's official position does not favor a left alternative government but a broad agreement of the political parties.

Berlinguer's statement stands in sharp factional disagreement with Central Committee members Gerardo Chiaromonte, Giorgio Napolitano, and Giorgio Amendola, who in separate statements last week said they "would not mind" early elections to resolve the government crisis. Corriere della Sera predicted a big fight at the PCI Central Committee meeting Jan. 26-27 between the tendency represented by Berlinguer and that represented by Napolitano, who has demanded that the PCI be in the government with or without the DC. In a statement to the press before the opening of the Central Committee meeting on Jan. 26, however, Fernando Di Giulio prominent member of the PCI's parliamentary fraction and a known ally of Piccoli - rejected the possibility that "any new line might come out of the meeting," according to the Cuban press service Prensa Latina.

Violence. The "Live Option"

As a result of the series of fruitful talks, the Republican Party leader Ugo La Malfa and Socialist Party leader Bettino Craxi — two of the City of London's top agents in Italy — have been forced to beat a tactical retreat on their proposal to create an "emergency government," according to the Jan. 25 Baltimore Sun. "Emergency government" is a code word for an austerity regime to police Italy on behalf of the City of London creditors and the International Monetary Fund. Instead, the alternative of rampant chaos proposed for Italy and Portugal by Henry Kissinger and enunciated in the Evans and Novak column appearing in the Washington Post Jan. 25 (see International Report) has been fully activated with the Republican and Socialist Parties playing a key role in it.

EXECUTIVE INTELLIGENCE REVIEW

A precondition for unleashing chaos in the country is to destroy the trade unions' proindustry leadership. As a first step in this direction, the Communist head of the CGIO, Luciano Lama, has become the target of a destabilization operation which bears all the marks of the British intelligence service's modus operandi. The Socialist-Radical Rome paper owned by Fiat's Gianni Agnelli, La Repubblica, published on Jan. 24 an "interview" with Lama which although disclaimed by Lama later has provoked calls for his ousting by the Socialist component of the CGIL and workers' rejection of his leadership.

According to Repubblica, Lama "said" that "if we want to be coherent with the objective of reducing unemployment it is clear that improving conditions for employed workers has to pass to a secondary level. Wages policy must be very contained and companies have the right to lay off the

mediately after the "interview" hit the streets, La Malfa rushed to issue a statement that "finally Lama has adopted my perspective." The Republican Party paper had headlines of Viva Lama! celebrating the fac that "Lama and La Malfa are just the same." The British wing of the PCI was equally set into motion as Napolitano wrote a front page article in the party's paper *Unita* praising Lama's "realist posture.

Lama, whose leadership has been instrumental in

rallying the entire trade union movement behind a pronuclear and economic expansion policy, was thus prevented from talking at two rallies in Milan Jan. 25 and 26 by enraged workers. On Jan. 27, however, he succeeded in addressing a rally at Sesto San Giovanni, Milan, a predominantly working class neighborhood. There he denounced *La Repubblica* for "publishing lies" which he never said to them. Lama's renunciation of the "interview" was strengthened by the major financial paper *Il Fiorino* which reported Jan. 27 that "Lama and Berlinguer are working more closely than ever."

Simultaneous with the operation against Lama, the random violence option — right-left confrontations — was given a boost Jan. 26. One hundred thirty-two members of the terrorist neofascist Ordine Nuovo were absolved of charges of trying to reconstitute a fascist party — an act made illegal by the Italian Constitution. Furthermore, six Ordine Nuovo leaders on trial for the assassination of a magistrate a year ago were given extremely light sentences ranging from three to six years in prison.

This provocative action sent the ultraleft terrorists into a rage. The Red Brigades issued a communique announcing that they will kill each and every one of the judges who pronounced the sentence.

Autonomi bombed Carabinier, DC, and PCI offices throughout the country in retaliation.

Jesuit Historian Betrays British 'Lie Factory' Against Vatican

The Jan. 19 Times of London issued a report on recent expose by Father Robert Graham on the psychological warfare activities directed against the Vatican by British intelligence since World War. II. Excerpts of the Times article by Peter Nichols, entitled "Assault on Britain's 'Lie Factory' by Jesuit," are reprinted here.

The Vatican among others suffered, and is probably still suffering, from the British wartime policy of concocting and disseminating "authorized lies" as part of the program of psychological warfare.

The number of official untruths devised by the Foreign Office, British intelligence and the military, and circulated by a variety of means, ran into the thousands, according to Father Robert Graham, the Jesuit historian, whose attack on British methods (was) published ...by his order's periodical, Civilta Cattolica.

(The responsible organization) was the Political

Warfare Executive (PWE) established in September 1941, which Father Graham does not hesitate to describe as "a lie factory." Its director was Sir Richard Leeper, head of the political information department of the Foreign Office, a post which he used as a cover for the secret PWE.

Its product was "essentially fictitious, false and mendacious, as all its practitioners admit...

"The falsehoods and fabrications of the...operation," writes Father Graham, "will probably continue to bedevil the serious student for a long time to come....

"It is the natural tendency of historians," Father Graham comments, "after finding repeated references to a sensitive situation...to assume that where there is smoke there is fire. Considering the working of wartime disinformation, they should think that sometimes, instead, where there is smoke, there is a 'SIB'." (SIB is the name given by the British to the stories they circulated—ed.)