



## Italy

### Vance visits 'with a pistol in his briefcase'

by Umberto Pascali and Kathy Stevens

The "victory" of the Jesuit-controlled faction of Amintore Fanfani at the recent congress and national council of Italy's ruling Christian Democratic Party is the result of nothing less than a series of personal threats delivered by U.S. Secretary of State Vance with the assistance of U.S. Ambassador to Italy Richard Gardner to the head of the crucial swing faction of the DC, the Dorothean faction.

Former Premier Giulio Andreotti and his allies had party leadership all but sewn up when they walked into the March 5 National Council that was to elect members of the secretariat and the chairmanship. The DC Congress ended Feb. 20 with a thin 58 percent majority for Fanfani. So with 42 percent of the party behind him, Andreotti had just one more "problem" to solve: Flaminio Piccoli, the Dorothean conservative leader who had been threatened with an anticommunist rebellion in the Dorothean rank-and-file if he swung his faction behind Andreotti.

So how did Fanfani get his majority? According to our sources, Cyrus Vance came to Rome with "a suitcase full of dollars and a pistol" which he promptly placed at the head of Piccoli. The Secretary of State's behavior reminded no one of a foreign diplomat, said our sources, but a gangster "putting things in their rightful place." Piccoli capitulated.

After three emergency postponements, the DC National Council elected Piccoli to the secretariat, Arnaldo Forlani, Fanfani's right hand man, got the chairmanship, and Carlo Donat Cattin, the leader of the Forze Nuove Courrant who was instrumental in the Fanfani operation, was elected to the vice-secretariat.

It should come as no surprise to anyone that Secretary of State Vance interfered in the internal affairs of a sovereign nation on behalf of the Anglo-Jesuit faction of the Christian Democracy. Who are Fanfani's—and

Vance's—factional enemies? Andreotti and former DC General Secretary Benigno Zaccagnini, staunch advocates of a national unity government with Italian Communist Party participation. Only the Communist Party of Italy shares with the Andreotti-Zaccagnini faction of the DC a commitment to working with France and West Germany, the founders of the European Monetary System, to continue detente and a global development program.

Ambassador Gardner's role in this heavy-handed pressure tactic is equally unsurprising. A member of the Trilateral Commission and the Institute for Policy Studies in Washington, D.C. (well-known for its sponsorship of international terrorist networks), Gardner has ties by marriage to the blackest of Italy's Black Nobility which dates back at least to the feudal Hapsburg empire. Gardner's wife is a member of the Luzzato family, the leading Black Guelph family in Venice, Venice, as *EIR* has documented, is the mother of terrorism, the center of Hapsburg-Jesuit power. A new Andreotti government, a very likely outcome barring the Gardner-Vance intervention, would have been based on an "historic compromise" perhaps bringing Communist Party officials into the government at the cabinet level. Vance and friends do not hate the Communists; rather, the prospect of a highly stable Italian government, and one aligned with France and West Germany to build the European Monetary system, is hated.

### Andreotti rips up the rule books

Normally after such bitter party infighting which marked the DC conference and council, the rules allow as much dirty dealing as the market will bear, providing all sides respect some limits in how much they reveal about the other. But Andreotti, Zaccagnini and the factions they lead within the DC are serious enough about their commitment to Italian participation in the emerging European nation-building axis to go after the life-blood of their British- and Jesuit-manipulated opposition inside the DC: in particular, the long-standing slush fund operations through which these factions have survived financially for decades.

First, Andreotti and his allies launched an offensive to bring into public view the criminal activities of their factional opponents. "Anyone who thinks I might have a role in the [party] organization is mistaken," said Andreotti. "After a long political career, I think the only value that must be safeguarded is the possibility of saying clearly what one thinks. ... My experience in the last legislature [as premier, with a working agreement with the PCI] has made a lasting impression on me; and since part of those problems persist, the position I took in the congress had a significance which is neither occasional nor tactical."

Similarly, Giovanni Galloni, a representative of the Andreotti minority faction, said after the failure of his attempt to formulate a compromise at the congress that "a political agreement on the basis of elements which include equivocal aspects can be more dangerous than making a frank admission of the persistence of diverse positions in the congress."

Scandals involving allies of the faction of Fanfani and Socialist Party leader Bettino Craxi are now breaking into the open. The secretary to Carlo Donat Cattin is under arrest. Fanfani's franchise holder in the party organization in Palermo, Defense Minister Attilio Ruffini, is being interrogated concerning his relationship with a well-known Mafia-connected family, the Spatolas. Fanfani himself is being targeted by the widely read daily *La Repubblica* for a scandal going back to the 1960s known as the "Italian Chappaquiddick." The story involves Fanfani, a sex orgy, and a young lady whose body was found in Lake Montero. Finally, PSI terror controller Giacomo Mancini's presence on the Parliamentary Commission of Inquiry into the murder of Aldo Moro is being questioned. Several delegates resigned to protest the fact that Mancini had visited accused terrorist assassin Franco Piperno in jail in the capacity of a defense lawyer. The commission dissolved and will be reconstituted soon without Mancini.

The scandals and charges escalated March 4 with the arrest of 49 prominent bankers and businessmen by Rome Judge Antonio Alebrandi, reportedly an Andreotti ally, for illegal financial operations involving millions, if not billions of lira and run through Italcasse, the nation's central savings bank and, according to sources, the electoral slush fund of Fanfani and his allies. Two days later, and one day after the DC council, the Rome judges investigating the Italcasse scandal announced that they had seized the passports of another 44 prominent Italians.

The gloves were off.

Among the arrested bankers were Giordano Dell'Amore, the former president of the Lombardy Savings Bank and a former minister of foreign trade; Tommaso Pesce, the former president of Banco Del Monte in Milan, and reputedly Craxi's bankroller; and the presidents of savings banks all over Italy. All were allegedly involved in laundering the "elite funds" of Italcasse to peddle influence.

The passports seizures of March 6 have the following targets:

- the party treasurers of four political parties—the DC, PSI, PSDI, and PRI—including a DC treasurer Filippo Micheli, who was just re-elected administrative secretary of the DC's national council;
- Paolo Baffi, former governor of the Bank of Italy and an advocate of U.S. Federal Reserve Chairman Paul Volcker's tight credit policies;

- Rinaldo Ossola, also formerly of the Bank of Italy and a former economics minister;

- Giorgio Cappon, head of the IMI, a government holding company for bankrupt industries and a major source of under-the-table funds;

- all the members of boards of directors of IMI and three other state institutions with similar side-activities;

- two leading members of the DC faction Forze Nuove, led by Fanfani ally Carlo Donat Cattin. Donat Cattin wrote the so-called *Preambolo*, the document around which the Fanfani forces rallied.

Rome financial circles report that Judge Alibrandi is preparing yet another wave of high-level arrests.

### Magistrates targeted

The extent of the damage to Italian business-as-usual is completely blacked out from even the Italian press, with the most telling reaction being British-controlled papers' diversionary attack on the magistrates responsible for signing the warrants. Milan's *Corriere della Sera* begins its coverage March 7: "The hard line unexpectedly embraced by investigating judge Antonio Alibrandi seems to have infected the Rome magistracy in its entirety." Alibrandi issued arrest warrants for Baffi and his top aide Mario Sarcinelli almost a year ago. The London *Financial Times* on March 6 suggests that "some magistrates have also given the impression at times of overstepping their constitutional powers." The U.S. Eastern establishment-controlled press has simply covered the affair up under headlines about a different scandal which, in their judgment, affects the average Italian more: famous Italian soccer players taking bribes to throw games.

What Andreotti and company intend to accomplish with this redefinition of the terms of political activity, is to throw a monkey wrench into the plans of Fanfani and Craxi to pull together a five-way government excluding the PCI.

Of the five parties that would be involved in such a deal, four of them are trying at this point to keep their treasurers out of jail.

Rumors are circulating that after the scandal "there is not enough money for everybody," so Fanfani will have to concentrate on the Socialist Party. Just a few days after the Italcasse scandal exploded in Fanfani's face, the tiny, prodrug Radical Party announced it would not participate in the next elections. The "center left" government the Anglo-Jesuits are dreaming about appears at least difficult to achieve.

The strategy of the Italian "EMS faction" is a political one. So there is no coincidence in the fact that shortly before the scandal broke, Andreotti met privately in Paris with French Foreign Minister Jean François-Poncet and the President of the National Assembly, Jacques Chaban Delmas.