

by leading Italian Atlanticist Gianni Agnelli to disrupt Italian political life for months.

Were Mancini to launch a full investigation into Alberoni and the PSI "intellectuals" associated with him — and Mancini associates began just such an investigation through the

magazine *Tempo Illustrato* in May — it would immediately throw a large monkey-wrench into the Atlanticist "invisible government" networks not only throughout the PSI, but all of Italy. The maneuvering room required by Mancini and Andreotti to openly propose and put across a debt moratorium and development program would be quickly provided.

France

Giscard Didn't Need Schmidt's Statement

July 24 (NSIPS) — Infuriated Atlanticist spokesmen were quick to recognize that Helmut Schmidt had made a major blunder when he spoke of a U.S.-European agreement in Puerto Rico not to grant financial aid to Italy except under certain political conditions. Typical of those reactions was *Le Figaro* editorialist Xavier Marchetti who said, in more polite terms, that if Mr. Schmidt could not keep his mouth shut, he should go straight to hell with his European unity plans, and everyone might as well stay home and not bother about summit meetings anymore. The repeated criticism of Schmidt was that his behavior showed absolutely no concern for his partners, and primarily French President Giscard d'Estaing.

There were good reasons for the angry reactions. Schmidt's remarks came in the midst of an exchange of complementary messages between prominent Gaullist leaders and the Soviets. These messages indicated a similarity of views and a common determination to hit the Atlanticists in the weakest spots: the dollar and the Giscard regime.

Having very little support in the country, Giscard's strategy to subject France to the dollar empire and Schachtian economics can be summarized as following the Italian dictum: "Chi va piano va sano" (who goes slowly, goes safely). The Schmidt statement represented a definite threat to the successful realization of this doctrine, as it provided the necessary fuel for the Gaullists to go all the way in their denunciation of Atlanticism.

Gaullist Baron Michel Debre was quick to point out the danger of a resurgence of fascism in Germany, and the threat this is posing for the balance of forces in Europe and for detente generally. Other Gaullist spokesmen did the same, the Sanguinetti brothers, military figures like General Binoche, Foreign Policy Institute thinkers like de Coursac, denounced the Schmidt declaration in turn. They developed the argument that the Chancellor's remarks showed that any European unification constitutes a danger for the national independence of France, as it has been shown to be the case for Italy. The French Communist Party, waking up from its sleep, mobilized around those themes, with militants distributing half a million leaflets in the Paris region alone. Opening the campaign 6,000 PCF militants demonstrated on behalf of national independence in Paris.

It is exactly that kind of 'Jacobin' ferment among the Gaullists and within the PCF which the Giscard government wanted to avoid. It immediately imperils the French government's European and economic policy, destabilizing the regime at a time when French business is angry at its failures in monetary policy and the trade unions refuse to accept any austerity plans. The prominent financial daily *Les Echos*, which represents the point of view of a large fraction of the business community, has praised Gaullist Baron Michel Debre's call for a Gaullist government of "national emergency" as a solution of last resort should the present government continue to be indecisive in dealing with the worsening economic situation, a declining franc and a heavy trade deficit worsened by the European drought.

Debre, praised last week by *Izvestia* as the French political figure with a 'realistic' understanding and commitment to detente, proposed in *Le Figaro* a Gaullist dictatorship as the sole alternative to the Atlanticist-dollar dictatorship being imposed now. Debre's conception of the tasks of such a government: eliminating internal and external inflation, coincide with Rude Pravo's warnings about the wild inflationary situation and its advocacy of gold for a sound monetary system. The Soviets and Gaullists also share the same concerns on the question of defense and European organization. While *Pravda* praised Baron Couve de Murville for his farsighted remarks on the importance of good Franco-Soviet relations, Foreign Minister Sauvagnargues, then in Moscow, was subjected to intense interrogations by Soviet Foreign Minister Gromyko on whether France adhered to detente and what exactly was its defense policy. Military strategist General Pierre Marie Gallois, interviewed in *Le Nouvel Observateur*, poked fun at the 'kiddy war' doctrine of Giscard (that of Schlesinger) in the face of the Soviet' allegiance to a strategic war-winning policy. Gallois stated that the only way a united Europe could come into being would be through a Gaullist-governed France, with a greatly strengthened force de frappe or nuclear dissuasion force. Such a Europe would be on good terms with the USSR, if we are to interpret Gallois' evident feelings of trust and friendship towards that country.

The recurring theme of all concerned Frenchmen, Gaullists and Jacobins among business and working class layers alike is that Giscard is "unfit" to rule. Mr. Giscard did not need Mr. Schmidt's statement, to say the least!

NSIPS Exclusive Translations

Gaullist Leader Debré: "Inflation Leads To Dictatorship"

July 22 (NSIPS) — Gaullist Baron Michel Debré, a former French Prime Minister under General Charles de Gaulle, made the following statements in a July 21 article, excerpted here from the Paris daily *Le Figaro*.

A long period of excessive inflation leads a nation into an abnormal situation. When it becomes a habit not to react, or to react insufficiently, the effort which must be furnished to go back to the norm is so great that it goes beyond the means of a political power established in ordinary forms. A period of full power, and perhaps a form of dictatorship then appears ineluctable. (Public) opinion, as agitated as it often is with contradictory sentiments, expects this and fears it at the same time.

This process is in France on the verge of being set off in an irreversible manner. Five years of over-inflation, of uncertain and, at best, mediocre perspectives: the situation deserves a long moment of reflection on the part of our responsible officials.

Without a doubt, we have aligned ourselves on general renunciation and accept without protest the consequences of a break — wanted by the United States — of the parapet constituted by the international monetary order based on gold. The

disappearance of this order facilitates the anarchy of currencies, thus price increases and the partitioning of trade — in a word, feeds and encourages pernicious worldwide inflation with its redoubtable consequences for peace.

But to this worldwide inflation, we add our internal state of over-inflation. We drive ourselves deeper in the error which consists of spending more than we produce and sell, more than we can reasonably envisage producing and selling. . . .

Neither can limiting oneself to seeking a balanced State budget achieve a serious result. Without a doubt, the axe of savings can be brought down on the budgets of defense, foreign affairs, cultural affairs, research and justice, and in a general as well as blind manner on equipment. The future is thus, from year to year, sacrificed all the more to the present. Over the years, increases in salaries, pensions and other costs prevent all new efforts, all projects for the future, all state necessity, whether it be in military or social questions, whether it be a question of worldly influence, science or housing. . . .

Not to react — what is called reacting in the best sense of the term — is to condemn France to indebtedness, thus to the loss of all outside influence and credibility. It is to impose on French society the debilitating rhythm of “stop-go-stop,” successive alterations and slowing down with a backdrop constituted by increased unemployment. It is to increase for each man and each woman, for each household, the sense of living only for today — the most profound psychological cause of declining birth rates — a phenomenon which then becomes a major cause of inflation. It is to leave our children with a France in which internal divisions are exacerbated, in the image of Italy, a France whose external authority will only be facade, in the image of Great Britain, a parcelled France in a Europe in which Germany will hold the key for its own profit.

To act is to attempt a difficult task, one which at its start may even be unpopular. We are reminded of the revolt of the Queen, the Court, the Parliaments and the corporations against Turgot (Minister of Finance who was expelled for having attacked the nobility's privileges for Louis the XVI — ed.). But Turgot could have spared a revolution. Occasions have been missed over recent years. The brook has become a river. To channel it back into its riverbed it is insufficient to build dams. Much more is needed. It is all the more indispensable to accompany the necessary policy with measures which, without having an important anti-inflationary effect, are psychologically and even sociologically necessary to give the nation a feeling of collective and shared general effort.

Let us not speak of a so-called right dictatorship which only intervenes in our country after a defeat or the excesses of a revolutionary anarchy.

A so-called left dictatorship is seemingly cast aside by the tactic of the Communist Party. The Communist Party will not succeed to power to fail. However, success will depend on a strict revenues policy, a great effort of production and reasonable management of finances. . . .

Unless there is recourse to the third form of dictatorship, that which is specifically and profoundly Republican It is a procedure which is delicate to handle and which needs well-tempered hearts, a firm will and a great spirit of independence. If we were under the Third or Fourth Republics we would already be speaking of it openly. . . .

It seems to me that it is possible to say the following: unless we accept full powers during a limited period of time and make good use of them, we run the risk after the 1978 (scheduled legislative) elections of a much less Republican thrust toward another type of full power. This is why I repeat what I wrote in these very pages last March: it seems to me that the notion of public safety from now on must inspire thoughts and decisions. To postpone the deadline is to deteriorate France, without benefit for the French, who one day, to put it in ordinary language, will have to pay the bill. The more we wait, the less

reason will be capable of dominating excess.

“Is Germany Becoming A Danger Again?”

July 24 (NSIPS) — The following are excerpts of an article by Gaullist baron Michel Debre appearing in yesterday's French daily *Le Monde*.

An ungrateful, absurd and scandalous judgement on General de Gaulle, an untimely declaration on the internal affairs of Italy: again we feel the roughness of German leaders when they are sure of themselves.

But it is still a matter of appearances, albeit revealing. There is something more serious.

The “recartellization” of the steel industry in the north of Western Europe, under German leadership, does not only raise the question of the Brussels Commission's capacity to enforce a treaty of which it is the guarantor.

Thirty years after the end of the Second World War and the thirty million dead for whom Hitler is responsible, we must above all wonder if Germany is again becoming a danger for the balance of forces in Europe and therefore for peace.

It was not only because the great cartels had been the instruments of Germany's exceptional industrial power. It was not only because they had for four years been the first and shameful beneficiaries of the forced, inhuman and mortal labor imposed on millions of deported slaves. It was because the leaders of these cartels, and these cartels themselves, had been the spearhead of the German will to dominate Europe that it had been decided to divide them and to forbid their reconstitution. At a certain level of power, a cartel is no longer an element of the economy: it becomes the motor of a policy. Insane is the man who forgets this law, who ignores this reality!

In this year 1976, a step has just been taken. The new planned cartel is gigantic. It guarantees to the leaders of German steel a European predominance whose political consequences cannot be measured. The silence of other governments, without exception, and the hesitations of the Brussels Commission speak eloquently of the respect now displayed toward the richest country in Europe...Our government, spurred on by oral and written questions, reacted and demanded explanations...which have not been given to it. The last intergovernmental communiqué is simultaneously salve and holy, kingly, water...Recartellization is not formally forbidden.

The only argument invoked not to apply the Treaty (on the European Coal and Steel community) on this point is the following: there is no longer a German danger.

It is true. The situation is not what it was for one century. Germany is divided... Nonetheless, it remains that West Germany has realized, such as it is with its labor and seriousness, a recovery which deserves to be admired and represents one of the noticeable traits of European history this century. It is only stained by a deep fall of the birthrate. But...the millions of German refugees from the East brought, through their labor and youth, a new active population whose contribution to German progress represents by itself alone a denial to the inconsiderate theses of demographic Malthusianism preached today to European nations. However, a chipping away process is beginning: it is the Achilles heel of a giant.

One will also say, correctly, that German military power remains limited...However, we must know, as experience taught us so cruelly, that such a situation can change radically in a few years...German diplomacy lets its industrialists question the value of the Treaty of the coal and steel community which it signed in 1950. Tomorrow, which other treaty will be questioned, which other signature will be denied? In addition, certain forms of scientific cooperation between Germany and other partners of the Atlantic Alliance could facilitate this turn.

We have not reached that point, I will also be told. And rightly

so. Germany is therefore not a danger, and if you want to avoid that it be one, make Europe! Enrolled, surrounded by the nations of Western Europe, Germany will lose its ambitions and turn its eyes away from East Germany and from the Donau valley, Alsace and Lorraine...The years have passed when such a language could be spoken and when such thoughts were credible. Europe will be, as it always has been, what the elements composing it are. The strongest and the richest element will win...

Perhaps we can consider that, despite notable differences, France and Germany must find themselves side by side in the face of numerous difficulties today, tomorrow. That is also true. The agreement between Paris and Bonn is a key, one can even say the key of European entente...However, one must know that agreement does not go without saying... It is a surrender to chimeras not to see the singularity of each nation.

One thus reaches the eternal conclusion. Germany will not represent a danger if France is strong. It is not by chance that French-German entente progressed and culminated in de Gaulle's time, whether the forgetful Chancellor of today likes it or not...These days, if we were firm and strong, the Brussels Commission would not have hemmed and hawed to such an extent before condemning the recartellization envisaged for Germany in steel. It would already have been done! But we are on the slope of weakness: a currency eaten away by inflation, and industry whose investments have ceased being on a par with future exigencies, public powers which hesitate on the conduct to adopt even in essential domains, without vigor in regard to France's interests abroad, and in the background, the tragically falling birth-rate of a country whose awakening, in the quarter century following 1945, was not enough to heal either its 150-year demographic decline or its losses in human lives in two great wars. Thus is created before our eyes an unbalance whose consequences can only be deplorable, if not tragic.

No. our problem is not first of all the 1977 elections, those of 1978 and, in the meantime, such and such ministerial reshuffle, such or such electoral modification or transformation at the whim of today's winds, not the calculations of (political) headquarters and the impulses of each and every one. Our first problem is this: a strong, industrious, independent France, that is to say, a France which will dare cure boldly of the internal causes of inflation and a falling birth-rate...

Gaullist General Binoche On Giscard

July 22 (NSIPS) — The following are excerpts from an article written by Gaullist General Pierre Binoche and reprinted in

part in the daily of the French Communist Party, L'Humanité on July 21. The article was addressed to French President Giscard d'Estaing's frequent references to France as a "mediocre, second-rate" power:

A surprising declaration from the actual successor of (the late) General De Gaulle! Better, let's say, an attempted justification of his political deficiencies. Gone are the great designs, gone are the responsibilities on a world scale...for the fragile man, to whom we have confided the state and provisionally, our destiny; it is more practical to declare France incapable of following the game of world politics, than to confess, to himself first of all and then to us, that it is he who is not credible and he is overcome by his responsibilities....

Our foreign policy concerning Europe and the Mediterranean and at the same time, on the strategic level, is modified little by little to place us among the good students in the Atlantic class.

Pravda On "Plans Of The Enemies Of Detente"

July 22 (NSIPS) — The following is excerpted from an article appearing in the July 19 Pravda, official newspaper of the Soviet Communist Party, by Bonn correspondent V. Mikhailov.

The German and French communist parties have appealed to the public of both countries with a joint call to stop the transfer of French nuclear forces to the borders of the socialist world. In a communiqué published simultaneously by the newspapers *Unsere Zeit* and *L'Humanité* (the newspapers of the West German Communist Party and the French Communist Parties respectively — ed.), it is pointed out that plans exist to relocate French nuclear Pluton missile systems immediately at the border of the German Democratic Republic.

In the long run, this reorientation of French nuclear forces contains huge dangers, notes the communiqué, since influential reactionary forces in the Federal Republic of Germany have not given up their intentions to annex the German Democratic Republic.

Transfer of French nuclear weapons to the territory of a country where an overwhelming portion of NATO armed forces are concentrated, will accelerate the drawing of France into the military organization of NATO and will inevitably bring the armed forces of the two countries closer together. Plans to forge a so-called "Western European Army" will be closer to realization; a development which would open to Bundeswehr generals direct access to weapons of mass annihilation.

This policy, state the communists of the two countries, contradicts the national interests of France and the FRG and the spirit of friendship and cooperation in Europe. . . .