

Vance: "We Cannot Go Back to the Cold War"

In his Jan. 13 address to the Los Angeles World Affairs Council, Secretary of State Cyrus Vance included strong statements against a renewal of tensions between the United States and the Soviet Union.

...Our country, within sight and memory of some Americans still living, has been transformed from a largely agrarian society of the world's greatest industrial power — one in which economic, political and social mobility are the accepted order of the day....

Because of who and what we are, both the basic interests and the ideals of our people must be present in our foreign policy, or it will not be long sustained.

We must maintain a defense establishment modern and strong enough to protect ourselves and our allies.

We must protect American investment overseas and ensure continuing access to vital raw materials.

We must be strongly competitive economically, so that American families can continue to enjoy their standard of living.

We must maintain our close relations with our allies, while we seek at the same time improved contacts with our main competitor, the Soviet Union, and with the non-aligned nations.

All of this, and more, can be pursued — as we pursue our national interest — while still expressing the deeper ideals and aspirations that have led us to our remarkable

economic and social progress here at home....

If we have the courage and patience to see it through, I believe we can both lower the threshold of international danger, and release new resources for the works of peace, through SALT and other such negotiations.

But we must summon the will to do it.

For it is in our relations with the Soviet Union that war and peace issues and decisions are most involved....

In the cause of peace and of our own interest, we have engaged the Soviet Union on a wide range of concrete matters, intended in the first instance to stabilize the military competition and to regulate the political competition. These are our first objectives, because they go to the heart of the issue of war and peace.

Beyond these objectives, we seek to enlarge areas of common understanding and common action on a range of international issues, including human rights; cooperation on matters affecting the lives of people everywhere, such as disease, food supply, pollution of the environment, and the application of science and technology.

Progress in these fields is uneven, and may take a long time, but we draw patience and a long-term perspective from our realization of how far we have come from the intense and dangerous Cold War spirit that prevailed only a few decades ago.

The alternative to this active dialogue with the Soviets implies a return to the tensions and mutual isolation of the Cold War. Many of you and the leadership of this Administration remember what that period was like. In good conscience, we cannot recommend that we lead the country back to the troubles and fear of that era....

A Europe Of Chiles

The European end of the destabilization gameplan is being expanded to embrace London-orchestrated "civil war" terror and chaos scenarios in both Italy and Portugal. Taking up from where Kissinger left off in his lies about communist infiltration of Western European countries, London has activated a 90-day terror and chaos plan to reduce Italy and Portugal to fascism on the Chile model.

Portugal

This week, the Portuguese Communist Party (PCP) broke off negotiations for a new government with the Portuguese Socialist Party after Socialist Premier Mario Soares presented his International Monetary Fund formula for a new government: a PSP coalition with the neofascist Social Democratic Party and the conservative Social Democratic Center.

An editorial in the City of London-controlled daily *La Repubblica* in Italy bares the game plan. *Repubblica* "predicts" a civil war for Portugal, where a "wave of terror" from the Portuguese Communist Party "shall occur if the new government is formed." Says *Repubblica*, "If (PCP head) Cunhal sees himself again as the leader of the only opposition party, he will lose very quickly the 'realism' he has been showing lately and will return to the maximalist perspective typical of his formation and character. Therefore, a very dangerous

clash is foreseen in Portugal: the 'white' north against the 'red' south." With the control it has over the trade union and peasant masses, the PCP can "render very difficult the job of a centrist government..."

Italy

Using the same "90-day scenario" with some slight variations, Kissinger and the City of London have employed their agents from the top of the government to the terrorists in the streets to prevent the formation of a pro-development government with the participation of the Italian Communist Party (PCI). As of this writing, Italian President Leone is expected to formally invite Giulio Andreotti to form a new government, and the Aldo Moro wing of Andreotti's Christian Democracy (DC) and the Napolitano wing of the PCI are utilizing every ploy to prevent that government from including the PCI.

Il Popolo, linked to the DC, ran an article by a Moro associate stating that it is not possible to work with the PCI; 70 DC-linked "intellectuals" wrote a letter to the party's leadership saying "no" to any PCI role in the government.

In the PCI itself, Giorgio Napolitano and Gerardo Chiaromonte are raving that the PCI must go into the government without the DC — virtually an open invitation for U.S.-NATO intervention and civil war.

L'Espresso, in the meantime, is spreading rumors of a possible assassination attempt against PCI General Secretary Berlinguer.

The only voice of moderation seems to be coming from Vatican networks in the DC which are urging Andreotti and the DC to adopt a flexible policy toward the PCI.

All the while, Kissinger and his press networks are spreading the Big Lie that the Communist Party is to be equated with the terrorism that continues to rock the "un-governable" country.

Economic War on Italy

In the midst of delicate negotiations between Italy's Christian Democrats and the Communist Party on the composition of Italy's new government, the Washington Post's Rome correspondent, Bernard Nossiter, postulated that Andreotti's resignation was "plunging Italy into what could be its worst political crisis ever." In two consecutive articles published Jan. 17 and 18, Nossiter outlined what City of London bankers hope will be the results of the Italian crisis.

On Jan. 17 Nossiter predicted "...an election campaign could invite the gun-toting extremists of the left and the right to step up their violence on a terrifying scale...the trade unions who have been restrained by their communist leaders would be free to stage paralyzing strikes on a vast scale."

Under the headline "U.S. Politics Said to Shape Shift on Italian Communists," Nossiter described another angle of the British war against Italy:

...Top U.S. officials are working on a set of recommendations for an International Monetary Fund watchdog team due here right after a new government is formed, sources said. Whether or not Italy gets the IMF team's approval will have a profound effect on Italian output, employment and income.

The United States cannot dictate to the team, but as the biggest member by far in the organization, no IMF team can afford to ignore U.S. views.

The officials understood to be working on the recommendations for the IMF include Treasury Secretary Michael Blumenthal, Under Secretary of Treasury Anthony Solomon, Under Secretary of State for Economic Affairs C. Fred Bergsten and top diplomats in the U.S. embassy here.

What the watchdog team decides will be not simply a matter of arithmetic, but of political and economic judgment. Italy's foreign currency reserves are now so big it does not need any more of the \$500 million loan it negotiated with the fund. But to get that credit, Rome pledged that its budget deficit would not run higher than \$17 billion.

The Andreotti government had forecast that its deficit would run \$22 billion this year. Moreover, if the new government does not get Communist support to cut

public spending and raise charges for public utilities, the deficit will run an estimated \$33 billion—twice the IMF limit.

The IMF and Washington are understood to be ready to take a tolerant view of a \$22 billion deficit, understanding that there are political limits to belt-tightening. Andreotti is known to have pointed this out forcefully to Ambassador Gardner here.

If, however, the IMF team disapproves of the conduct of any new Italian government, Italy could lose \$7 billion that foreign banks have on deposit here.

British Support 'Interference' In Italy

British politicians and press outlets, representing both ends of the political spectrum, placed their stamp of approval on the destabilization of Italy in order to bar the Italian Communist Party (PCI) from participation in the government.

Harold Wilson, Britain's former (Labour) Prime Minister, speaking in a televised interview in Singapore, warned that the growing alliance between Socialists and Communists in European countries could pose a threat to the North Atlantic Treaty Organization (NATO). "You could disrupt the whole of NATO if one country in a very strategic position — look at Italy, which is very vulnerable now — were to go Communist or, worse still, fully Communist."

Daily Telegraph, editorial, "More 'interference' please," Jan. 17:

Accusations of American "interference" have, of course, been normal stock in trade everywhere for years. The mystery is why non-Communist politicians should seek to emulate them. It can only be because they think it gains them electoral support. But does it?...Dr. Kissinger...examined the whole question thoroughly in the admirable programme broadcast by the BBC on Sunday...It was important for the democratic forces in Europe to get the signal from their friends that we do take them seriously and that a struggle is important, rather than the signal that it (Communism) is inevitable, and that one should adjust to it. If this is "interference," it is the kind we should welcome.

Financial Times, editorial, "Italy Faces a New Crisis," Jan. 17:

There is little reason to suppose that fresh elections would benefit the Communists. On the contrary, some indications suggest that, while a new ballot would accentuate the left-right polarization in Italy, the Christian Democrats might well gain more than the Communists. For some time, the Communists have been acutely aware that a narrow electoral victory could precipitate the kind of disturbances that took place in Chile under Allende...