

Western Europe's momentum toward political catastrophe

by Vivian Freyre Zoakos, European Editor

Western Europe in its totality is undergoing an accelerated destruction of both its economies and political institutions, the likes of which has not been seen in the past 40 years. If this process is not arrested, the political and economic geography of Europe will be irreversibly redrawn past recognition.

The consequences for the United States and the developing sector, not to mention world peace, will be devastating and dramatic.

In West Germany, the counterculture greenies who are staging violent riots and demonstrations in major cities, are now being wooed by the formerly ruling Social Democratic Party. The government has meanwhile been seized by a Friedmanite Christian Democratic regime. The result is the unleashing of "a time of chaos and polarization," in the words of an American source close to the Bonn government: a period of transition to an "authoritarian" regime that will be filled with "pain and bloodshed."

In Italy, the Christian Democracy—which ruled for the past 36 years—has been all but seized by its own version of the "futurologist" zero-growth crowd, while the labor movement has buckled under the pressure. The Italian trade-union confederations have not only accepted austerity as the premise for the current national wage negotiations, they are also "demanding" drastic cuts in the public-sector budget that will translate immediately into radically reduced jobs and accelerated industrial collapse. The first signs have also been made in hints, and not subtle ones, at the return of the Savoy's monarchic rule in the medium-term future.

In France, the government has not only become the internationally recognized protector of foreign and domestic terrorists, granting them amnesties to the scandal of the world community; it has also reneged on every one of its promises to labor, going so far as to abolish the foundations of collective bargaining. As the situation deteriorates, the extreme right wing associated with the Nouvelle Droite has reversed its former support of the Socialist government, declaring instead all-out opposition. The Socialist Party government itself is wracked by faction fights that have led to increasingly dramatic scandals, not to mention a string of assassinations.

Spain, facing perhaps the most immediately critical situation among these countries, just voted in a majority Socialist Party government, on the French model. The Spanish Socialist leadership, well-known for its cooperation with the ecologists, hailed its victory by promising to dismantle the country's nuclear power industry as a first priority. The Spanish economy will not only collapse even more rapidly than it has to date, but this will in turn feed the enormous left-right polarization brought about by the total collapse of the center in the course of the elections. If the process continues, Spain will soon face conditions frighteningly reminiscent of its pre-Civil War period. (See article, p. 41.)

Last month's **Swedish** elections returned to power the Socialists under Olof Palme. In all of the European Socialist International, only Willy Brandt of West Germany can be compared to Palme as a totally loyal instrument of the British oligarchy, lacking even a vestige of the nationalist considerations that, under a given set of circumstances, might conceivably offset Malthusian loyalties and commitments. Sweden will thus again become the workshop and proving ground for the most advanced application of genocidal economic and social policies. The horrendous economic collapse of Britain under Friedmanite Thatcherism will be duplicated in Sweden in a much shorter period of time.

The turning points

With the defeat of French President Valéry Giscard d'Estaing in the May 1981 French elections, the primary political alliance that had made Western Europe the center of a pro-development war-avoidance policy began to erode. Giscard's ally, Chancellor Helmut Schmidt of West Germany, was deprived of his most important co-thinker in foreign and economic policy. He was also suddenly faced with a Mitterrand-dominated France acting as yet another staging ground for an oligarchically-led destruction of nationalist-inspired institutions on the continent. All this occurred in the context of a global downslide into deepening depression conditions.

Schmidt was himself eventually defeated as, in his weakened condition, and under enormous U.S. pressure, he ad-

hered to ever greater compromises in his domestic situation. At this past summer's national conference of his Social Democratic Party (SPD), Schmidt made a rotten compromise with the Willy Brandt-led left wing of his party, weakening his own base, which had been uniquely the trade union wing of the SPD. Finally, on Sept. 17 of this year, he was forced into resigning his chancellorship after a dirty maneuver on the part of his anglophile liberal coalition partners.

The SPD has since been placed under the domination of the Brandt left wing. Former West Berlin mayor Hans-Jochen Vogel was chosen as Schmidt's successor for the chancellor candidacy in late October. Vogel has since stated repeatedly that he plans to woo the greenie-peacenik movement into the ranks of the SPD. The demoralization of the pro-industrial Schmidt-allied wing of the party is now such that Hessen governor Holger Börner suddenly reversed his position in late October and said that he was interested in "dialogue" with the Green Party. The Greens hold nine seats in the Hessen state parliament, and Börner has been governing without a majority. As for the labor unions, left to flounder without a national political voice, their response has been at best pathetic. In a series of national "anti-austerity" demonstrations they sponsored at the end of October, the best alternative they were able to propose to the SPD left zero-growthers was a series of "share-the-poverty" schemes.

The greenies have responded to this post-Schmidt situation by unleashing mass violence throughout West Germany. In the first few days of November there have been anti-nuclear riots, bombings of U.S. installations, and Frankfurt airport runway riots, in which extreme violence was mounted against the police. These riots have in turn the purpose of acting as the excuse for predicted moves by the right-wing Christian Democratic government to begin the fascist transformation of the German juridical system. Interior Minister Friedrich Zimmermann, one of the top leaders of the Bavarian Christian Social Union party (an instrument of the central European oligarchy), already announced this week that he will be studying a "new approach" to fighting greenie terrorism.

Let anyone think this does not represent a classic left-right, controlled deterioration into fascism, he need only contemplate the history of Weimar Germany. One American analyst who maintains strong connections with the Bonn government, said recently and with great glee that "every party, every political institution in Germany is showing signs of shattering from within. Germany is removed as a global political actor right now; its role will be reduced in Europe as well for the time being. . . . Who would have thought that we could come this far, a year ago?" he continued. "Now [there is] the pain of transformation to something better. There is always pain and bloodshed alongside great change, I'm afraid."

Fueling this "transformation" is the collapse of the impressive economy built up in West Germany after the war.

To cite but one significant statistic, this week the press was filled with talk of closings throughout the coal pits in the Ruhr industrial heartland due to the staggering contraction of the steel sector. Whereas last year the German steel industry had announced its acceptance of a cut in production from 37.5 million tons to 30 millions by the early 1990s, official figures released this week reported that the 30 million tons figure will have already been reached by the end of 1982, 8 to 10 years ahead of the already depressed contraction scheduled announced in 1981.

The economy of the rest of Europe is unravelling at an even more rapid rate. Conditions in France are such that André Bergeron, head of the AFL-CIO fraternal union FO, warned the government on Nov. 3 that, by its policies, it was setting itself up for a potential rerun of May 1968, when staged mass riots led to the collapse of the government of President Charles de Gaulle. With its ideological stupidity and hefty proportion of outright terrorist controllers such as Justice Minister Robert Badinter and presidential adviser Régis Debray—to cite but two—the regime of President Mitterrand is indeed writing its own death warrant and with it that of the Fifth Republic.

The industrial production index of France fell by 3 percent in July-August, compared with June. Yvon Gattaz, president of the CNPF (the large industrialists' association) predicted a wave of bankruptcies in the near future, hitting large as well as medium-sized industries.

The government's response has been to announce an end to price freezes, allowing prices to rise by up to 10 percent on all services and commodities. More drastically, the government has de facto and unilaterally put an end to the collective bargaining process in the giant public sector, by announcing wage increases for this year that will be two percentage points lower than the officially predicted rate of inflation. No bargaining by the trade unions will be tolerated on this matter, period.

The story is parallel in Italy, where the Spadolini government was collapsed this summer only to be allowed to return to power intact after agreeing to enforce an across-the-board economic austerity program. Faithfully attempting to do this, the Spadolini government has nonetheless been hit with criticisms of its incapacity to impose the full-fledged depression austerity conditions actually "required" by the nation's "near state of bankruptcy."

This criticism has been made repeatedly over the recent weeks by Bruno Visentini, president of the Olivetti corporation and president also of Premier Giovanni Spadolini's own Republican Party. Visentini has insisted on the fact that the very existence of "party politics," in which party machines necessarily respond to the wishes of the party base, is the major stumbling block to giving Italy the full dosage of austerity demanded by the oligarchy. (Visentini has been throughout his career the spokesman for the blackest of the evil Italian families, who date back to the 13th-century Black

Guelphs.) This is true enough, and unfortunately the best political machines are close to being either bought, intimidated, or otherwise coerced into withdrawing from this role of safeguarding the population's interests.

Italy's Christian Democracy is now almost totally in the hands of its Friedmanite representatives. Perhaps even more crucially, the Italian Communist Party leadership has been consistently supporting Visentini after they were promised a chance to enter the government in exchange for their cooperation. As a result, the Communist-controlled national trade-union confederation—which groups together about half the national labor force—has begun an unprecedented slide into capitulation in its wage negotiations, going so far as to accept the renegotiation of the cost of living (COL) escalator. The COL in Italy is the symbol of defense of working-class interests against the ravages of the monarchic and Fascist eras.

Spain's Socialists: transition to a coup?

by Katherine Kanter

On Oct. 28, the Socialist Party of Spain (PSOE) swept to victory in the national elections, taking over 200 out of 350 seats in the parliament and virtually annihilating the present governing party, Union de Centro Democrático, which won only 12 seats. Alianza Popular, the Franz-Josef Strauss-financed branch of the CDU in Spain, took a massive 106 votes, tripling its previous score.

This tragic outcome, which threatens to engulf everything achieved by the Carrero Blanco faction of *desarrollistas* (the pro-development faction) in the general collapse which must necessarily follow when the PSOE's zero-growth program is put into effect, can be attributed to two main factors: the vicious agency of anglophiles like Spanish President Calvo Sotelo's top economic adviser, former Finance Minister Fuentes Quintana, who deliberately handed Spanish industry over to hot-money boondoggles, and the role played by Freemasons like Jesús de Polanco and Tomás de Salas, who control the largest-circulation dailies in Spain, *El País* and *Diario 16*, respectively. These two newspapers, in a period of a few short years, poisoned the minds of Spanish youth in particular, to the extent, as *EIR* founder Lyndon H. LaRouche said in an address Oct. 30 in Mainz, West Germany, that "the Spanish population voted for national suicide. Felipe González is the fresh corpse of Salvador Allende [the Socialist Prime Minister of Chile who committed suicide after the 1973 coup by Pinochet]. Unless a miracle can be

worked, within six months there will be a coup d'état on the Pinochet model."

Why is there a coup danger?

The crux of the matter lies, not in certain restive circles in the military, but in the Socialist policy itself. Just as the insane stupidity of the outgoing Calvo Sotelo government precipitated the collapse, so the economic program of the PSOE, identical in all main conceptual and practical features to that of Hitler's Finance Minister Hjalmar Schacht, has been designed by London as phase two of the operation leading to utter dissolution of all economic and political institutions before phase three, the Pinochet-style International Monetary Fund coup. A military coup is sold to nationalist officers in all countries as their duty in the face of impending breakdown of order, but the objective underlying feature is always the reality of economic blowout.

The international financial and economic conjuncture is intensely hostile, not just to Spain, but to every European nation, not to speak of those of the Third World. London-based international finance capital has over the last 18 months carefully set up governments such as those of Mitterrand in France, Palme in Sweden, and Papandreou in Greece, which are to impose fascist austerity in preparation for actual fascism under authoritarian, IMF-controlled regimes. The González government is just the latest addition to the pattern. This was stated quite openly by Brian Crozier, of the London-based Institute for the Study of Conflict, in a leading article in the Nov. 2 London *Times*, dealing with the Spanish elections. Crozier called explicitly for a fascist coup in Spain: "Since Franco died in 1975, inflation and unemployment have soared in Spain. So have terrorism and political crime. . . . The assumption that democracy is going to work in Spain does, I think, remain to be proven. . . ." The title of the article, "Is democracy a good thing?", coming from one of the men who have done the most to organize British terrorism and British-backed coups d'état, the message is clear.

The coup danger could be greatly lessened immediately, however, if the Alianza Popular were not totally in the hands, at the highest level, of the Friedmanites. Alianza Popular ideologues Pedro Schwartz and Jorge Verstryngge have in fact succeeded in giving Spain a program identical in concept, if not in all details, to that of the Malthusians in the PSOE. The ignominy of the situation is precisely that the financial base of Alianza includes all the nation's top industrialists, who will be the first to go under if this policy takes effect. Were these industrialists to stage a revolt against the Alianza's present leadership, their 106 seats in the parliament would be a crucial leverage. The other very wild card is the impact of the nationalist economic measures taken by Mexican President López Portillo Sept. 1, and the growing motion toward an Ibero-American debt bomb, may have on the Spanish situation and its various political parties.