By No Means Settled

Although the PCI's hegemonic leadership is presently agreeing with imposing the kind of top-down austerity demanded by the IMF, the battle within the Party and its trade-union base continues. There are several indications of this. First, the Confederation of Trade Unions (CGIL-CSIL-UIL) held a general strike yesterday in the Lazio region explicitly in support of industrial growth and the cost of living escalator. Communist CGIL Secretary General, Luciano Lama, in his rally speech, issued a strong attack against the IMF to the point of polemicizing with Andreotti's government. Second, wellplaced inside sources report that the CGIL - controlled by the Communist Party — is organizing internally its networks and locals in preparation for a gross denunciation of the IMF flunkies inside the government and the trade-union movement.

As per press reports today, there are initial indications coming from the DC and ministerial circles that Italy's commitment to fight for a new economic order are by no means entirely squashed. Under the headline "The New Challenge," the DC newspaper *Il Popolo* writes today that the economic crisis is threatening to plunge European countries into the narrow logic of "national interests...Thus, it must be strongly stressed that until national policies continue to be conceived and realized without taking into account the broader supranational reality in which they fit, the existence of the (European) community itself is in fatal danger." It is illusory to think that single European countries can face international problems, continues Il Popolo. Whatever the problems may be, these must be faced together "harmonizing single strategies in view of the final meeting of the North-South Conference, whose ultimate goal is that of a more just re-equilibrium of the world's economies." Writing in the daily Corriere della Sera today, Treasury Minister Gaetano Stammati called for a new European economic system to replace the dollar as reserve currency. Only the creation of such a system, Stammati said, "can solve in the mid-term the structural crisis of the international monetary system, by flanking the dollar - with a European currency — as reserve currency. This is the indispensable condition for (having) an ordered growth of international trade, in turn premised on world development."

'Union Of The Left' Coalition Sweeps French Municipal Elections

FRANCE

The Socialist-Communist "Union of the Left" coalition will now control about three-fourths of France's large cities following its "landslide" victory (by U.S. standards) in the second round of the country's municipal elections March 20. The key to the left's success was an unexpected cross-over by many previous supporters of French President Giscard d'Estaing's heterogeneous government coalition — referred to as "Presidential majority" — primarily from pro-development Gaullist voters.

The key nationwide vote patterns were as follows:

— The Union of the Left gained significantly in vote percentages over the previous week's first round, partly as a result of increased voter participation in close races, but mostly due to unexpected transfers from minority slates eliminated in the first round.

— Wherever a run-off opposed a "Presidential majority" list of Atlanticist and Gaullist candidates headed by a Giscardian or centrist advocate of monetarism or deindustrialization on the one hand, and a Union of the Left slate on the other, many Gaullist voters ignored the instructions of RPR Gaullist party leaders who had called for a unified vote against the "collectivist" Union of the Left — and supported the latter, the *Communist candidates in particular*. - This Gaullist swing factor role was especially obvious in large industrial cities like Nantes, Saint-Etienne and Le Mans, where the followers of independent Gaullist and former Foreign Minister Michel Jobert literally "gave" the election to the left. In Paris, a similar dynamic prevailed in many districts, with the consequence that Communist-led Union of the Left lists defeated three key Giscardian contenders - Giscard's handpicked mayoral hopeful Michel D'Ornano, former City Council president Dominati and Independent Republican parliamentary group leader Chinaud sweeping seven districts, against nine for RPR President Jacques Chirac and two for the Atlanticists.

- Reciprocally, the Giscardian electorate often balked at the idea of supporting RPR-led slates, with the result that all components of the Presidential majority ended up on the losing side nationally. RPR organizational secretary Yves Guéna acknowledged this reality in an unusually frank radio statement March 20: "There is no point concealing it, we suffered very bad setbacks throughout the country."

Predictably, Atlanticist circles around the President and Interior Minister Michel Poniatowski now claim that the major cause of the government coalition's stinging defeat was the protracted tug-of-war between its Gaullist and Giscardian components, and more precisely the "divisiveness" introduced by Chirac's Paris candidacy, which the President opposed. Conversely, Chirac has denounced the Giscardians' lack of anti-left "voluntarism."

"Insults to Reality"

However, if the continuous bickering between the two governing factions did indeed exasperate a number of voters, it is clear from the general behavior of the electorate that dissenting members of the "Presidential majority" consciously meant to express their disapproval of government policy and their general commitment to the economic and social development programs previously identified with Gaullist rule, but now almost exclusively represented by the left, the Communist Party in particular. Former (Gaullist) Prime Minister Michel Debré, who had repeatedly predicted the voters' evolution, stated in the March 23 issue of Le Figaro that "a majority of public opinion" condemns the government's "insults to reality" -Giscard's illusion that one can rule France without implementing a growth-oriented anti-inflation policy.

From this correct insight into the reasons for the government coalition's defeat, it is easy to deduce why so many Gaullist and other voters opted for the left, rather than simply cast blank or null ballots — the usual procedure in France for registering a "protest vote." In effect, large sections of the RPR base are mandating their leaders to withdraw support for Wall Street's ally Giscard and to seek instead an immediate programmatic convergence for social and economic progress with the working class and its representative political institutions, as did General de Gaulle in the World War II Resistance movement, and again at key junctures between 1958 and 1968.

Whether or not the Gaullist movement as a whole will understand this "message" is problematic. RPR leader Chirac had predicated his party's entire campaign on a mixture of support for the deflationary austerity program of Prime Minister Barre and visceral anti-Communism. Though he scored an unquestionable personal success in the rather "bourgeoisified" city of Paris, this tactic turned out to be a miserable failure nationally. Under Chirac's virtually programless leadership, the RPR has only demonstrated its ability to defeat Atlanticist *capitalist* parties, but most emphatically *not* the left, contrary to his own repeated claim.

The Gaullist movement is thus faced with momentous strategic decisions. It can either continue to follow Chirac into a stormy alliance with the Giscardian monetarists and thus alienate its electoral base to the benefit of the Union of the Left, or return to De Gaulle's policy and regain programmatic hegemony within the left itself, at the expense of various and sundry "Socialist" exponents of zero growth and their accomplices in the Communist Party's leadership. It is an open secret that many workers would like nothing better than to trade the Union of the Left's incompetent — if well-meaning — "Common Program" for the kind of progressive national capitalist program advanced in the 1960s by Debré.

A good indication of this pro-Gaullist dynamic within the left was provided March 20 by the new (Communist) major of Saint-Etienne, Joseph Sanguedolce: "The incumbent mayor (arch-Atlanticist Minister of Finance Michel Durafour — ed.) was an anti-Gaullist who practiced an anti-national policy... I was an officer in the Resistance, and it seems that many of our Gaullist friends preferred to vote for me." Between the two rounds, Sanguedolce, a regional leader of the CGT tradeunion, had openly defied Union of the Left policy by promising to involve the Gaullists in managing city affairs after the election.

In other cities, the pro-Gaullist tendency in the working class asserted itself with less bravura, but equal determination. In the Marseilles run-off March 20, several thousand Communist voters refused to obey party orders and cast blank or null ballots rather than support Gaston Defferre, the incumbent Socialist mayor known for his Atlanticist proclivities. In the nearby city of Aix-en-Provence, 4.000 Communist voters backed the RPR slate against the independent "Socialist" incumbent.

CDU Chief: Foreign 'Coalitions' Responsible For Plethora Of Scandals In BRD

WEST GERMANY

In a surprise gesture, the leader of West Germany's opposition party, the Christian Democratic Union, last week came sharply to the defense of Chancellor Schmidt's coalition government over the issue of foreign intervention in the country's intelligence agencies. Addressing a congress of the CDU's youth group in Schleswig Holstein on March 20, CDU chairman Helmut Kohl defended the right of the Bundesamt fuer Verfassungsschuetz (Federal Office for the Defense of the Constitution, the "West German FBI,") to carry out its vital functions. "It is possible that there are also forces involved in criticizing the bugging action that do not come from the BRD at all...there are remarkable coalitions, that are not at all concerned with individual liberty, but with the obstruction of state institutions..."

Mr. Kohl was referring to a series of Watergate-style bugging scandals which have multiplied over recent weeks in West Germany. Not accidentally, the major target of these scandals is the BfV, the agency within the Interior Ministry charged with investigating subversion of the Federal Republic's Constitution, and the