

Trilateral Bassetti

Since resigning six months ago from his post as president of Lombardy, Bassetti has circled through Italy organizing DC malcontents around the Trilateral Commission program of "local autonomies" combined with "European Independence." This is the line spoon-fed to European Rockefeller agents by Zbigniew Brzezinski, the Trilateral director, three months ago in Bellagio, Italy.

Bassetti recently showed up at the Lombard and Sardinian DC conferences to polemicize against Fanfani. Bassetti crowned his efforts to calling a special meeting Dec. 15 of 70 DC leaders in Milan where he presented his counterinsurgent "political proposal" for the "Italian Way to Liberty" directly challenging Fanfani.

The Bassetti-Amendola political alternative for pushing Rockefeller austerity, typified by the Venice deal, hits Italy at a moment when the newly-formed government of Christian Democratic Premier Aldo Moro is already showing its impotence. Faced with another huge oil payment, Banca d'Italia governor and Rockefeller crony, Guido Carli, lowered the discount rate (the interest rate on central bank loans to other banks) from 9 to 8 per cent. This measure was designed to inflate the lira enormously on the international markets, making Italian exports cheaper but at the same time creating total chaos of the domestic economy. Meanwhile, the Milan weekly Tempo published the rumor that the Shah of Iran was negotiating to buy 50 per cent of FIAT, Italy's largest private industry.

FINANCIAL TROUBLES CAUSE ENERGY PROJECT BREAKDOWN

Dec. 31 (IPS)--Rockefeller's efforts to get his slave labor energy development projects off the ground continue to run into serious financial problems.

The managing director of the National Iranian Gas Company announced today that financial difficulties had forced the scrapping of a proposed pipeline from the Persian Gulf to Turkey. On Monday, an American-Belgian consortium announced the signing of a "letter of intent" to handle a \$6 billion deal with Iran to develop its natural gas reserves. The consortium, led by the El Paso Gas Co., plans to transport liquefied gas by super tanker from the Persian Gulf through the Suez Canal to Europe and the United States.

However, the American-Belgian letter of intent is no more final than the previous letter of intent from the German-Italian group that had promised backing for the pipeline project. As the managing director indicated, both projects previously had been considered "certainties."

Refinery Cutback

There are also indications that plans to develop Iran into a center for finished energy products are running into serious problems. Shell Oil Co. announced today that it is reducing capacity of a yet-to-be-built refinery by one-half. As a result, Iran pulled out of a joint marketing venture with Shell in the United States--part of which was slated to be supplied by Iranian refinery capacity. In recent weeks, two other agreements with American oil companies have also collapsed.

Gas Pipeline Delayed

Other development projects are having difficulty getting funding as investors take a wait-and-see attitude. This Monday, officials of the Alaskan Arctic Gas Pipeline Co., a consortium of 23 U.S. and Canadian firms handling only development of natural gas, admitted at a press conference that "difficulties" had forced them to put off to November 1979 starting construction of a \$5.6 billion pipeline--the date originally targeted for its completion. The pipeline, running from Alaska's North Slope across Canada to the United States, cannot be completed before mid-1980 or later. This pipeline is the key to the development of Canada's natural gas output from the entire Mackenzie Delta, throwing an additional wrench into exploitation of Canada's energy resources.

JAPAN SOCIALIST FACTIONS FIGHT OVER TRILATERAL TRAP

NEW YORK, N.Y., Dec. 31 (IPS)--Stormy factional battles raged at the annual convention of the Japanese Socialist Party (JSP), which met recently in Tokyo, ripping apart all remaining illusions of party unity.

The battles--waged by the pro-Soviet Shakaishugi Kyokai (Socialism Society) against the anti-communist Eda faction--centered on Eda's efforts to drag the JSP into an unholy alliance with the ruling Liberal Democratic Party (LDP), a move which would lend a progressive facade to the scenario which Rockefeller's U.S.-based think-tank, the Brookings Institution, has scripted for Japan.

The convention's factional warfare was the culmination of a mounting internal crisis within the JSP, paralleling the factional battles in the LDP which strengthened Trilateral Commission elements within that party and resulted in the Watergating of former Prime Minister Tanaka. The rapid disintegration of the Japanese economy and government has been propelling growing numbers of younger JSP members and members of the left-wing trade unions into the left factions, especially Kyokai's.