

on the IMF, directly in question.

On March 22 a series of bilateral meetings is now scheduled to begin. They will take the format of consultations among the leaders of the Italian political parties along the lines of a proposal first issued by the Socialists a few weeks earlier. As a result of the decision taken at the PCI Central Committee, the Italian press has now announced that the battery of meetings will now take on the character of formal negotiations for Communist and possibly Socialist entry into the government. Two weeks earlier, Prime Minister Andreotti had proposed during an interview to the French daily *Le Monde* that he would be willing to accept entry into his cabinet of qualified members from both of these parties. At that time Andreotti's announcement had received no endorsement from members of his own party. Following the PCI Central Committee, the head of the Christian Democrats' foreign affairs bureau, Galloni, authored an article for the daily *Il Giorno* endorsing the concept of government responsibility for "all Italian democratic parties". At the same time, the Italian press reported on March 17 that Prime Minister Andreotti had held a series of meetings with Aldo Moro and the rest of his party leadership. Using the leverage inherent in the PCI's restated support of his government, the Christian Democrats' secretariat was forced to issue an official statement in unanimous support for Andreotti.

While the Italian government has been momentarily stabilized by the action of the Communists, its future is

still very much in doubt. The absence of programmatic initiative from the PCI leaves Andreotti without the vital weapon to defeat further attacks — widespread popular consciousness that the road to economic recovery necessarily leads through a new monetary system. In particular, the PCI's failure to address itself to the question of youth unemployment underlying the manipulated student riots — a misery for which IMF austerity policies are directly responsible — can only lead to continued instability.

Moreover, a second round of Lockheed hearings is already under preparation by the Commission of Enquiry of Parliament, this time threatening the possible impeachment of the President of the Republic for presumed implication in the Lockheed bribery case. Similarly, the student provocateur riots continue, and a section of the powerful metalworkers trade union is continuing to endorse the "revolt of the student" in direct opposition to PCI orders. If the demand issued by Bufalini for "naming the names" of the combined Lockheed-riots orchestrators is not fulfilled in the near future, and if the PCI fails to make the proper programmatic offensive, the destabilizations will continue and the government's progressive orientation will be vitiated. The PCI will thus be boxed into a position from which it will both be incapable of supporting the current government or moving to assume a credible measure of power itself.

Left Wins First Round Of French Municipal Elections, Population Rejects Barre Plan

FRANCE

The "Union of the Left" coalition comprised of the Socialist, Communist and Left Radical parties took control of numerous major cities in the first round of the French municipal elections March 13, and is expected to consolidate its gains in the March 20 run-off. Though evenly distributed throughout the country, the left's growth did not reach such proportions in Paris where Gaullist lists led by former Prime Minister Jacques Chirac edged the (Atlanticist) Independent Republican and Centrist slates of Industry Minister Michel D'Ornano, President Giscard d'Estaing's personal choice for mayor. Chirac, in whose favor D'Ornano has since withdrawn, is expected to win easily at the expense of the left March 20.

A close examination of the nationwide results leads to the following preliminary conclusions:

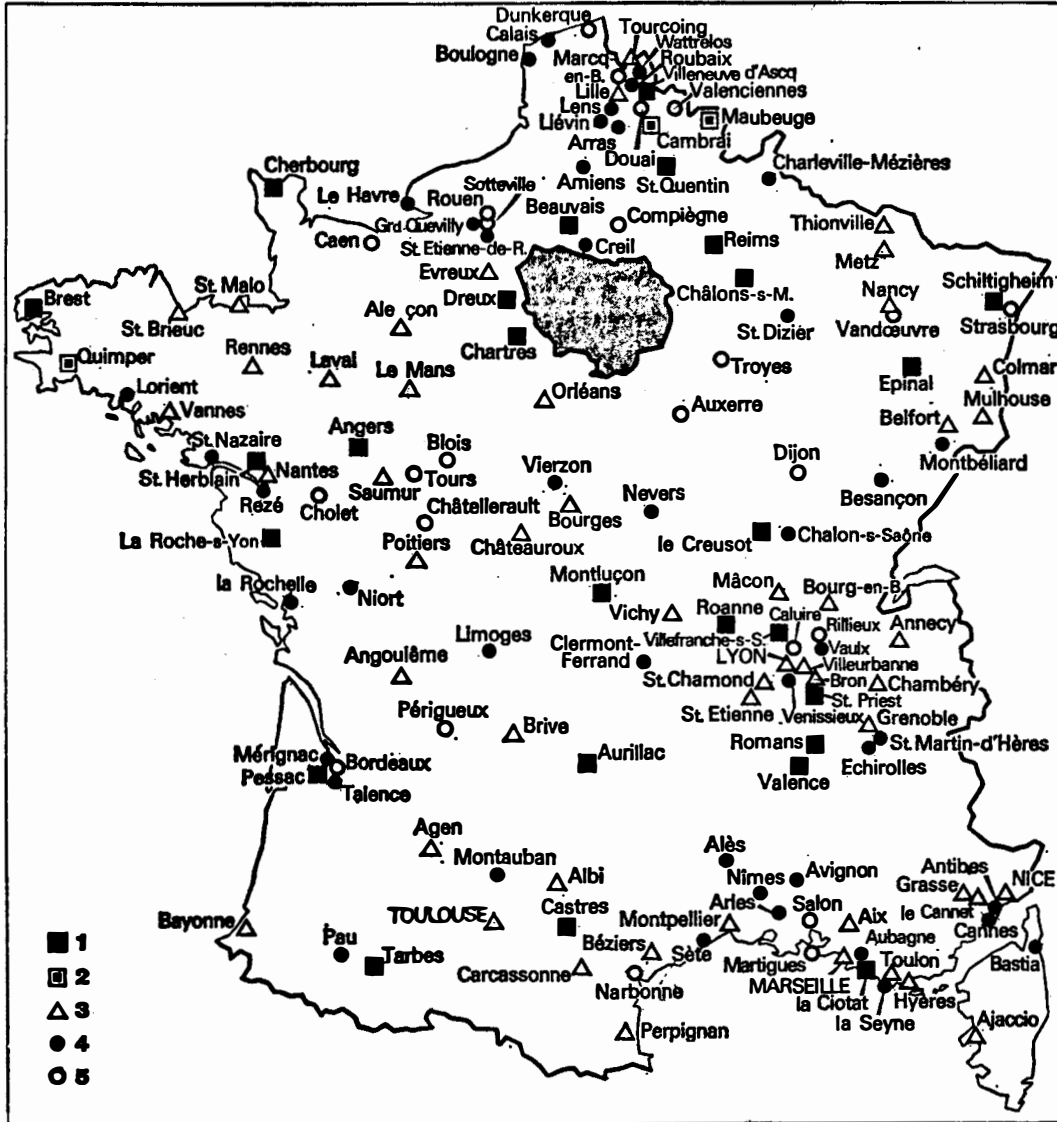
1) Both the high level of voter participation (72 percent nationally) and the Union of the Left's gains indicate widespread rejection of the Giscard government's austerity program ("Barre Plan").

2) All parties broadly identified with Giscard's "presidential majority" suffered significant losses, especially the small Centrist formations, whose electorate is rapidly switching to a pro-Union of the Left posture. The Gaullist tendency succeeded in maintaining itself wherever it is led by strong personalities known for their opposition to various aspects of Giscard's Atlanticist de-industrialization policies. By contrast, except in Paris, Chirac's tactic of systematic alliance between the RPR Gaullist party and the Giscardians against the "totalitarian" Union of the Left seems to have failed.

3) The spectacular results of Trotskyist and other extreme-left candidates in some cities — 12 percent in Orleans, 9.5 percent in Montbéliard, seat of the largest Peugeot auto plant in the country, 7.5 percent in Rouen — reveal a rapid process of radicalization among strata of especially working-class youth threatened with unemployment, who reject the Communist Party's capitulation to its Socialist partners' electoral opportunism and "zero growth" proclivities.

4) While in Paris the Rockefeller-funded counter-insurgent "Friends of the Earth" received about 10 percent of the votes, various "environmentalists", led by leftist splinter groups or independents, registered

Results Of The First Round Of The French Elections



1. Cities taken over by the "Union of the Left" March 13
2. Cities taken over by the "Presidential Majority"
3. Runoffs
4. "Union of the Left"-run (unchanged)
5. "Presidential Majority"-run (unchanged)

Addendum:

Ecologist ballot lists polled 8% or more of votes cast in:

- | | |
|---------|----------|
| Lille | Chambéry |
| Paris | Grenoble |
| Belfort | Nice |
| Lyon | |

Trotskist ballot lists polled 8% or more of votes cast in:

- | | |
|-------|-------------|
| Rouen | Orléans |
| Caen | Montbéliard |
| Nancy | Vénissieux |

significant results in other important cities (almost 20 percent in Chambéry, 12 percent in Nice, 9 percent in Grenoble). Prime Minister Barre suggested in an interview with *Le Monde* two days ago that the environmentalists' success reflects the displeasure of a growing fraction of the population — including Gaullist strata — with the presidential majority and the left-wing alternative.

Although anticipated to some degree, the extent of the left's progression has stunned virtually all political observers in France and abroad. The financial daily *Les Echos* summarized the views of French industrial capitalist circles yesterday by calling on Barre to immediately relaunch industrial investments so as to reduce unemployment. Otherwise, said *Les Echos*, the government is sure to lose the nationwide legislative elections scheduled for 1978. Similarly, Pierre Charpy wrote in the Gaullist newsletter *Lettre de la Nation* March 15 that "something must be done" urgently by the government in the area of economic program to stop the growth of the left.

Atlanticist circles are hysterical. The French weekly magazine *L'Express* said this week that "we are in 1788.... We have less than a year to prevent otherwise unavoidable clashes." In the U.S., government circles are reported by *Le Monde* correspondent Henri Pierre to

fear "the rise of the left" and a Gaullist consolidation in Paris. An editorial in the March 16 *New York Times* expressed concern about the renewed growth of the French Communist Party and the resulting lack of control of the pro-Atlanticist Socialist Party leadership over the Union of the left, and called on "democrats outside of France (to try) to make even firmer the ties that would bind any government in Paris to its neighbors and natural allies." U.S. Ambassador in France Kenneth Rush had his picture taken in the company of a Communist parliamentary delegation last week to emphasize the Carter Administration's determination to prevent any "loosening of the ties" between the U.S. and France in case the Union of the Left comes to power in the near future.

Trusting that he has not lost Wall Street's support, Socialist Party leader Francois Mitterrand this week called for early legislative elections, predicting that they would confirm the alleged 52-53 percent majority attained by the left March 13. However, Mitterrand conceded that only Chirac and the Gaullist have sufficient factional leverage to force Giscard into such a momentous electoral confrontation. Chirac's present position, like that of Prime Minister Barre, is to schedule the elections at the end of the current parliament's term, in the spring of 1978.