

Report from Rome by Marco Fanini

Christian Democrats' new leadership

The shift at the ruling party's recent convention could change the political line of the Italian government.

The convention of the Italian Christian Democratic Party (DC), closed with the election of Arnaldo Forlani as Secretary General of the party. He replaces Ciriaco De Mita who had held the position for seven years, and still remains prime minister. Arnaldo Forlani, 63, who was secretary of the DC in 1969, was elected with the support of the center of the party (Andreotti, Gava, Donat Cattin, Fanfani), which thus has defeated De Mita's left current.

Forlani's election has led to disappointed and perplexed comments by the editorialists of the major dailies, the left, and liberals in general: They are calling the DC "populist and Peronist," hostile to any policy of economic rigor, sold out to the financial interests of various lobbies. The leader of the minuscule Republican Party, Giorgio La Malfa, who generally speaks, unofficially, for the Bank of Italy and the International Monetary Fund, told the press that the results of the convention have weakened the De Mita government and could undermine plans for economic austerity.

At the convention, leaders such as Health Minister Carlo Donat Cattin criticized the austerity plan backed by De Mita. Donat Cattin went so far as to say from the podium, that he would rather step down as minister than submit to the De Mita-proposed cuts in the health budget.

In December 1988, a mission of IMF experts arrived in Italy and drew up a disastrous picture of the public debt, proposing a stringent austerity program. In 1988, Italy posted a deficit of 125 trillion liras (20 trillion more

than the previous year), and a total debt in excess of 1,000 trillion liras. The last surplus budget was in 1904!

To pay the interest alone on this debt, Italy will have to pay 95 trillion liras this year. The IMF, blaming this primarily on public services, proposed hefty cuts in health, welfare, transportation (in particular the railroads), as well as prices hikes and personnel cutbacks. Treasury Minister Giuliano Amato made informal proposals for changing the type of contract signed by a public service employee, to introduce the concepts of mobility, layoffs with a kind of unemployment insurance (*cassa integrazione*), and outright layoffs without compensation.

In some circles, the thinking was to freeze Treasury Notes (BOT), as Mussolini did in 1926, essentially stealing the savings of citizens who lend money to the indebted state. But not everyone is convinced of the validity of the recipes of the IMF and the Bank of Italy.

Within the DC there are currents that take their inspiration from a Christian type of nationalism, and who view the future with grave concern. For example, Italy is sliding into a serious energy crisis: Since all the nuclear power plants have been shut, under the irrational thrust of the Greenies supported by powerful financial groups and the mass media, imports of oil and electrical energy have increased and become a heavy cost for the state.

Moreover, in various sectors, there is an ongoing monopolistic concentration, to get ready for the competitive war of the European Single Market of

1992: The resulting cartels increase their power and impose economic choices which in no way reflect the interests of the country; for example, they refuse to invest in southern Italy. Thus the entry into Europe 1992, and the submission to the IMF's dictates, could mean, in effect, a loss of national sovereignty.

When one considers that the DC has been in power since the war, or, rather, in a certain sense the DC *is* Italy's government, it should not come as a surprise that some sections of the liberal left and the communist left are mooted an alternative coalition to form a government without the DC.

Specifically, if the Communists, the Socialists, and the Republicans were to unite, together they would have the numbers to form a government, with the DC in opposition. The secretary general of the Italian Communist Party (the only remaining large Communist Party in the West), Achille Occhetto, just met in Moscow with Gorbachov, who gave his blessings to the idea of putting together a Socialist-Communist government.

It would be interesting to know if the Kissinger plan for a "new strategic order in Western Europe" foresaw the collapse of the governing Christian Democrats in Germany and in Italy. But if Italy does have a strong Communist Party, one should also remember the unique presence of the Vatican on Italian soil, which offers robust support and no little inspiration to Christian Democratic politicians. Up until the present day, the DC's most powerful leader, Foreign Minister Giulio Andreotti, has guided Italian politics according to the wishes of the "U.S.-Soviet condominium," but substantial sections of the DC may yet object that the economic future of Italy comes before the diplomacy of the "New Yalta" and the IMF's dictates.