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TO IMMEDIATE FCO.

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INFB SAVING HOLY SEE, UKREP BRUSSELS, UKDEL NATO, WASHINGTON UKMIS NEW YORK, UKMIS GENEVA, EC POSTS.

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MY TELNO 3 TO LUXEMBOURG: EARTHQUAKE: POLITICAL REPERCUSSIONS

- 1. THE DISASTER STILL DOMINATES THE SCENE. THE STORY IS STILL FAR FROM COMPLETE AND THE GOVERNMENT HAS TO FACE A DEBATE IN PARLIAMENT THIS WEEK. THE DEVASTATION IS ON A SCALE WHICH WOULD HAVE TAXED MOST COUNTRIES' RELIEF CAPACITY, LET ALONE THE RAMSHACKLE ADMINISTRATION IN ITALY. THE COUNTRY HAS RESPONDED WITH A WAVE OF EMOTIONAL SYMPATHY FOR THE STRICKEN AREA: PRESIDENT PERTINI'S INTERVENTION, COUPLED WITH INTENSIVE RADIO AND TELEVISION COVERAGE AND DEEP RESENTMENT FELT BY THE EARTHQUAKE VICTIMS, HAS CHANNELLED MUCH OF THIS EMOTION INTO REVULSION AGAINST THE POLITICAL SYSTEM AND THE RULING GROUP. NOW RELIEF WORKERS FROM THE NORTH ARE FINDING HOW HARD IT IS TO HELP APATHETIC VICTIMS WITH A SOUTHERN MENTALITY (IN CONTRAST TO WHAT HAPPENED IN VIGOROUS FRUILI IN 1976). THE DISASTER ILLUSTRATES THE WHOLE PROBLEM OF THE POOR SOUTH.
- 2. AT ONE STAGE FOLLOWING PERTINI'S SPEECH ON 26 NOVEMBER AND THE ATTEMPTED RESIGNATION OF THE MINISTER OF THE INTERIOR, ROGNON! AND WITH THE COMMUNISTS (PCI) AND SOCIALISTS (PSI) GIVING CAUTIOUS BACKING TO PERTINI, IT LOOKED AS THOUGH THE GOVERNMENT COALITION WAS THREATENED. BUT THE FOUR PARTY SECRETARIES OF THE COALITION MET AND AGREED TO STAND TOGETHER TO ENSURE CONTINUITY FOR THE RELIEF EFFORT. PERTINI WAS PERSUADED THAT ROGNONI'S RESIGNATION SHOULD NOT BE ACCEPTED. DIFFERENCES WERE PATCHED UP AND ZAMBERLETTI AND HIS COMMISSION FOR EARTHQUAKE RELIEF SEEMED TO BE MAKING PROGRESS IN HIS IMPOSSIBLE TASK. THE CHAMBER OF DEPUTIES HAS VOTED HIM FUNDS, FORLANI HAS APPEALED FOR HELP TO HIS EUROPEAN COLLEAGUES AT THE LUXEMBOURG SUMMIT AND THE GOVERNMENT HAVE BEEN SEEN TO BE COMMITTED TO A MAJOR RELIEF EFFORT.

 THE PRESENT PROBLEM IS HOW TO HANDLE THE RELIEF AVAILABLE.
- 3. BUT THE GOVERNMENT ARE CERTAINLY NOT OUT OF THE WOOD YET.
 THE PRACTICAL PROBLEMS IN THE EARTHQUAKE ZONE REMAIN IMMENSE.
 MOST OF THE INHABITANTS ARE OPPOSED TO ZAMBERLETTI'S PREFERRED
 COURSE OF MOVING THEM OUT OF THE MOST STRICKEN VILLAGES TO TEMPORARY HOTEL AND OTHER ACCOMMODATION. IF THEY STAY WHERE THEY ARE
 MANY WILL DIE OF BRONCHITIS ETC. THERE ARE NOT ADEQUATE WATER-

/Rose

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PROOF HOMES, AND CORRUPTION AND EVEN CRIMINALITY ARE ALREADY DIVERTING SOME OF THE SUPPLIES NEEDED BY THE HOMELESS. ALTHOUGH VAST NUMBERS OF ITALIAN AND FOREIGN MILITARY AND CIVILIAN HELPERS ARE NOW ON THE SPOT, IT WILL BE A LONG HAUL AND MANY IN THE REGION FEAR THAT THEY WILL BE DESERTED AGAIN, ESPECIALLY IF THEY LEAVE THEIR VILLAGES.

- 4. NOR HAVE THE GOVERNMENT'S OTHER PROBLEMS GONE AWAY. FOR A WHILE IT SEEMED THAT THE EARTHQUAKE MIGHT BURY THE PETROLEUM SCANDAL WHICH WAS CREATING DEEP DIVISIONS WITHIN THE DC.

 ON 2 DECEMBER, HOWEVER, IT ERUPTED AGAIN WITH A LEADING RIGHT—WING DC DEPUTY FROM MILAN, DE CAROLIS, ASSERTING THAT MORO MUST HAVE BEEN AWARE OF THE LARGE SCALE SPECULATION ON THE PART OF HIS LIEUTENANT FREATO, RESPONSIBLE FOR THE FINANCES OF MORO'S SECTION OF THE PARTY. DE CAROLIS MAY BE EXPELLED FROM THE PARTY AS A RESULT BUT THE ROW SEEMS BOUND TO BE EXACERBATED. MEANWHILE, A HUNDRED DC MEMBERS HAVE CALLED FOR A PURGE OF THE PARTY.
- 5. FOR THEIR PART THE PCI TOOK ADVANTAGE OF THE EARTHQUAKE TO LAUNCH AN APPEAL FOR A ''DEMOCRATIC ALTERNATIVE GOVERNMENT'' BY WHICH THEY MEAN A BROAD LEFT ALLIANCE, LED BY THE COMMUNISTS THEMSELVES BUT WITH SOCIALIST AND SOME 'CLEAN' DC ALLIES. BERLINGUER HAS BEEN IN CONSIDERABLE DIFFICULTIES FOLLOWING THE PCI CENTRAL COMMITTEE MEETING IN NOVEMBER AND THE GROUPS IN THE PARTY WHICH FAVOUR A BROAD LEFT ALLIANCE WITH THE PSI RATHER THAN THE "HISTORIC COMPROMISE" OF WORKING WITH ELEMENTS OF THE DC HAVE GAINED STRENGTH, PERHAPS DECISIVELY. THE EARTHQUAKE HAS GIVEN THE PARTY AN OPPORTUNITY TO UNITE IN AN EVIDENTLY HUMANIT-ARIAN CAUSE AND EMPHASISE THEIR CAPACITY FOR RESPONSIBLE GOVERNMENT. ON THE OTHER HAND, WHILE THEY HAVE PLAYED THEIR PART IN ATTACKING THE GOVERNMENT'S PERFORMANCE ON RELIEF WORK THEY HAVE NOT TAKEN THE LEAD OR BEEN PARTICULARLY AGGRESSIVE SEMICOLON NOR, SURPRIS-INGLY, HAVE THEY BEEN PROMINENT IN SENDING PCI LABELLED RELIEF FROM THE ''RED BELT'' OF CENTRAL AND NORTHERN ITALY.
- THE SITUATION IS EVOLVING RAPIDLY. IT IS HARD TO BELIEVE THAT ANY RESPONSIBLE ITALIAN POLITICIAN WOULD WISH TO SEE A MAJOR POLITICAL CRISIS AT THIS STAGE. BUT THE DIFFICULTIES OF MAKING RAPID AND VISIBLE PROGRESS IN THE CONTINUING PETROLEUM SCANDAL AND THE INHERENT FRAGILITY OF THE PRESENT COALITION DO NOT BODE WELL FOR THE GOVERNMENT. FORLANI NEEDS ALL THE HELP HE CAN GET FROM HIS FRIENDS.

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