

J.O.N.S. (*Juntas de Ofensiva Nacional-Sindicalistas*) has been nursing the ambition of providing a bridge from the present régime to the Monarchy. One of the moving spirits for this Restoration, with or without Franco, is José-Maria de Areilza, who has acquired much merit by his recent book—“*Embajadores sobre España*” (see *Summary* No. 378). Characteristically General Franco has pricked that bubble by appointing Señor Areilza to be Ambassador in Buenos Aires, and he is due to leave on the 1st April. At the same time Tomás Suñer y Ferrer, Under-Secretary of State for Foreign Affairs—to whom the chief credit for the Argentine trade pact belongs—is also going to Buenos Aires, at his own request, as Consul-General.

It is unlikely in any case that these Falangist stalwarts would commend themselves either to the Monarchist minority groups who have hitherto cleaved to General Franco or, of course, to the “unconditional” Monarchists. Tension between Royalist supporters and the young bloods of the Party is evidently continuing in the capital: there was another affray the other day when Royalist students were set upon for the “offence” of wearing Monarchist badges, and one of them had his skull fractured.

An Anglo-Spanish Monetary Agreement was signed in London on Friday, the 28th March, to come into effect from the 8th April. It will have the effect of superseding the Anglo-Spanish Clearing of 1936 which was revived after the Civil War—a step rendered necessary, in any case, by the need to implement H.M. Government's undertakings under the terms of the Anglo-American Loan Agreement. The new Agreement will remain in force for two years. Each country will be entitled to hold currency of the other up to £2,000,000 to cover the needs of current trade; and, in addition, the Spanish Government agree to hold a further sterling amount of £8,000,000. Being in the nature of a technical readjustment this Agreement, of course, represents no change in H.M. Government's policy towards Spain, nor is it in any way a breach of our obligations under the United Nations Assembly Resolution of the 12th December last. A supplementary Agreement on the lines of those already made with Portugal, Belgium and the Netherlands will be concluded later specifically removing restrictions on the availability of sterling.

## ITALY

After a long verbal battle the Constituent Assembly has approved by 350 votes to 149 the contentious Article 5 of the draft constitution which deals with relations between State and Church. The Article lays down that the State and the Catholic Church are each independent and sovereign in their own sphere and that their relations are regulated by the Lateran Pacts of 1929. It is provided that any modification of the Pacts agreed on bilaterally shall not necessitate a revision of the constitution. Other religious faiths are to have the right to organize themselves according to their own Statutes in so far as these are not contrary to Italian law.

The Lateran Pacts of 1929, consisting of a Treaty (with a financial convention annexed) and a Concordat, formally settled the long-standing dispute between Italy and the Holy See. Although the Treaty and the Concordat were negotiated, signed and ratified simultaneously, it is doubtful if they constitute a single legal unit. The Treaty fixed the general international status of the Holy See, whereas the concordat was only concerned with the Roman Catholic Church in Italy. The official papal view is that they are indissolubly connected and that if the Concordat is repudiated, the Treaty, and therewith the whole political settlement between Italy and the Holy See, falls. The Fascist Government, on the other hand, held that the two instruments existed separately and independently as from the date of their ratification, and hence that Italy remained free to denounce the Concordat without this affecting in any way the validity of the Treaty.

The Christian Democrats, Liberals and Communists voted in favour of Article 5 as it stood, the Socialists of both factions, Actionists and Qualunquists voted against it. Signor de Gasperi had made an impassioned appeal for the acceptance of the Article. Signor Togliatti, on behalf of the Communist Party, said it was necessary to know the Church's attitude and that this might be found in various articles in the *Osservatore Romano* which made it clear that, should Article 5 be rejected, religious peace would be deeply disturbed. It was on the basis of these documents that his Party had decided to vote for the Article, for it was only on religious peace that the unity of the proletariat could be maintained and the country rebuilt. He argued that this attitude was consistent

with their past and present political actions. Signor Nenni, on behalf of the Socialist Party, made a bitter attack on the Article. The guarantee of religious peace depended, he said, on the secular State and it was precisely the Christian Democrats, by their intransigence, who drove free men to a revision of the Lateran Treaty. The Qualunquists, it is reported, went even beyond the draft and wished an amendment to be inserted providing that the Catholic religion was the official religion of the Republic. [The object of this amendment is not altogether clear as the Concordat had reaffirmed the position of Roman Catholicism as the State religion, a position which it already held (in theory at least) under the Piedmontese constitution of 1848.]

Both the Protestant and Jewish Communities in Italy have protested officially to Signor de Nicola, Provisional Head of the Italian State, on the subject of the Article. (Before the war 99·5 per cent. of the population of Italy described themselves in official statistical returns as Roman Catholics, although the proportion of those who were practising Catholics was, of course, much smaller.) The Protestants and Jews have complained that the State would contribute from taxation to the salaries of priests but not to those of pastors or of rabbis. Consequently non-Catholics would be paying towards the maintenance of the Catholic Church. Moreover, the Lateran Pacts contain a provision that the teaching in Italian schools shall conform to the doctrine of the Catholic Church—which non-Catholics consider an imposition on their children.

Finally they take objection to that part of the Lateran Pacts which forbids divorce. In Italy, they point out, adultery is practised on an immense scale, and only the very rich can obtain annulments of their marriages from the Sacra Ruota “on the most curious grounds.” [The Concordat guaranteed free exercise of other “admitted faiths,” but subsequent state legislation established a rigid governmental control over the administration and activities of the minority religions, and their freedom to make proselytes was hampered.]

Signor Monichella, head of the Italian Financial Delegation which recently visited London (see *Summary* No. 384) has now reported back to Rome, and on the 1st April it was announced that the Italian Council of Ministers had approved the financial and economic settlement reached by the Mission. The main questions under

consideration were the conclusion of a payments agreement between the British and Italian Governments; the settlement of various mutual financial claims, including the U.K. Government's claims in respect of surplus stores transferred to the Italian Government, and the waiver by the U.K. Government of their rights under Article 79 of the Italian Peace Treaty to sequestration of Italian-owned assets in the U.K. It has now been agreed that a minimum sterling balance amounting to £10,000,000 will be maintained by the Italian Government which will also pay the U.K. Government £8,000,000 in cash in respect of the surplus stores; sterling balances of the Italian Government in excess to this £18,000,000 may be used by them in any currency area. In addition, where Italy has ratified the Peace Treaty, Italian assets in the U.K. will immediately be released. This last provision is in accordance with H.M. Government's policy of being willing to consider a revision of the terms of the Peace Treaty in any case which concerns the U.K. and Italy alone. Moreover, by waiving her rights under Article 79, H.M. Government has now waived all her remaining claims to reparations, the major claims having already been renounced at the Paris Conference.

The agreements will be concluded by an exchange of letters between Sir N. Charles and the Italian Government in the near future, probably just after Easter.

(See also under “France.”)

## THE VATICAN

On the 25th March the Italian Constituent Assembly approved by a majority of 201 Article 5 of the new Constitution: “The State and the Catholic Church are, each in its own sphere, independent and sovereign. Their relations are regulated by the Lateran Treaty. Any modification or change in this treaty accepted by both parties does not require the procedure of constitutional revision.” “Thus,” comments the *Osservatore Romano*, “the religious settlement now has a new signature, that of the freely elected representatives of the Italian people.”

Recently the Vatican has been conducting a vigorous campaign to win the support of the “workers.” The Bishop of Mainz talk to German Youth broadcast from the Vatican contained this phrase: “Our greatest interest is centred on working youth.” A Vatican wireless talk in Italian on the 18th March began with the words: “Every political movement bases