

# Christmas Shopping Threatens Italian Lire

By ERNEST SAKLER  
 United Press International  
 ROME (UPI) — Italian economic experts are looking suspiciously at Santa Claus. They fear his gifts to Italy this year may include serious inflation.

As every year, millions of Italian workers are getting hundreds of millions dollars in "13th month" payments in mid-December. They are likely to spend most of the money at once in Christmas shopping.

thing. This year, with Italian economy dangerously unsettled by months of rising prices, this was never a healthy trade deficit and political uncertainty, the "13th month" payments could be the last drop.

They will add a wave of an estimated 500 billion lire (\$800 million) to a currency circulation that had reached 3,312 billion (\$5.3 billion) by the end of September. A great deal of the additional money is likely to be spent within 15 days on Christmas dinners, Christmas presents and such items as washing machines or cars which Italians desired but could not afford during the year.



ROME SUPERMARKET — This 1963 photo shows Italian shoppers picking out frozen chicken and other meats in a Rome supermarket. With people expected to spend year-end bonuses on Christmas shopping, Italian economic experts fear inflation may reach Italy when Santa Claus does. (UPI)

**Crisis A Paradox**

The crisis is a paradoxical one. According to production and employment statistics, it just ought not to be there.

The physical side of Italian economy is or looks as sound as ever. Industrial production in September was a record 2.45 times the 1953 level. Two and a half million new jobs have been created over the past 10 years, and unemployment has gone down from a chronic two million after the war to half a million or little over one million according to whose statistics you take. The reality is probably somewhere in between.

National income went up 6.1 per cent in 1962 and an estimated five per cent in 1963. Investment increased 7.7 per cent last year and probably will grow another eight per cent by the end of 1963.

But wages and prices have been going up in a slow but steady spiral. Hundreds of billions of lire (hundreds of millions of dollars) have migrated to Swiss banks for "safekeeping." The foreign trade balance was one trillion lire (\$1.6 bil-

lion) in the red in the first eight months of this year.

The reasons for the mounting crisis are to a good extent psychological and political — the electrical nationalization decreed by the center-left government last year, followed by Communist election gains, a long power vacuum and prospects of a new center-left government.

**Economic Reason**

But there is also a strictly economic reason which could be described in the words of U.S. Agriculture Secretary Orville L. Freeman when he discussed the problems of developing nations in an address to the U.N. Food and Agriculture Organization (FAO) here recently.

Freeman noted that incomes in rapidly developing nations are growing faster than domestic food production, creating excess demand.

"If the need for food resulting from this demand is not met, millions of dollars or purchasing power will flow against inadequate food supplies and bring about price inflation," he said.

Although Freeman probably did not have Italy in mind at all when he spoke, his words seemed strikingly fitting for this country.

**Low Standard**

Italy, for all its "economic miracle" and the industrial boom of the north, is a developing nation. Its average living standard is still far below that of Northern European nations and people in some parts of the south still live in conditions that

are little better than those of the masses of Asia and Africa.

When Fanfani set up his Socialist - supported government last year, what he had in mind was long-range planning to reduce differences between the "Two Italies" of the rich and the poor, and a degree of austerity.

The man in the street took the center-left to mean something totally different — a better living now. Union after union went on a wave of strikes which the Socialist-backed government found hard to oppose. The result, quite against the government's wishes, was a massive wage increase of about eight per cent, far higher than the increase in national income.

**Buy More Food**

The living standards of the Italian workers being what they are, a good share of the new purchasing power went into food. Domestic food production proved insufficient and prices went up, with a poor crop and an inefficient and costly distribution system making matters worse. In the first eight months of this year, wholesale price rose 4.9 per cent over the same period of 1962 and retail prices increased 7.4 per cent.

Food imports went up steeply, while at the same time the higher cost of labor made Italian exports less competitive. The result was a gap of one trillion lire (\$1.6 billion) in the trade balance and of 481 billion lire (\$770 million) in the balance of payments in the first eight months of this year. The total balance of payments deficit for

1963 is expected to reach one billion dollars.

In this climate, mixed with political uncertainty, the lire could get into trouble.

## Lutherans Discuss Marriage Problems

Lutheran 32  
 NEW YORK (UPI) — Work on a statement concerning Marriage and Family has been started by the Board of Social Ministry of the year-old Lutheran Church in America and may become the official church position.

Acting as consultants on the statement will be two Lutheran theological professors, Dr. Martin J. Heineken of Philadelphia Lutheran Theological Seminary, and Dr. Arnold E. Carlson of the Lutheran School of Theology, Rock Island, Ill.

They will assist the staff of the 21-member board in preparing the statement.

## Delinquency Controlled In Problem District

CLEVELAND (UPI)—A grant of \$1 million has been awarded to Cleveland's Community Action for Youth for the first year of a three-year demonstration project to prevent and control delinquency in the city's multi-problem Hough neighborhood.

Another \$1 million is being contributed by local groups in funds and services. The first \$1 million was awarded under the Juvenile Delinquency and Youth Offenses Control Act.

## Governor Reveals Education Advisors

SALEM (UPI) — Ten members of the newly created advisory council on federal assistance to higher education have been announced by the governor's office.

Appointed were William E. Walsh, Coos Bay, chairman of the Board of Higher Education; Dr. Roy E. Lieuallen, Eugene, chancellor of higher education; Dr. Leon P. Minea, superintendent of public instruction, Salem; Travis Cross, Salem, the governor's press secretary; Eugene H. Fisher, Oakland, chairman of the Board of Education, S. E. Brogioni, Helix; Charles R. Holloway Jr., Portland; Dr. John P. Howard, Portland; Dr. G. Herbert Smith, Salem, and T. E. Bolger, Portland.

All were appointed effective Monday, and will serve at the pleasure of the governor.

LOS ANGELES (UPI) — The first "foreign" promotion effort of the Los Angeles Chamber of Commerce was aimed at Alaska in 1897 when the chamber sent up literature inviting newly rich miners to come to Los Angeles to retire.

## Parties, Church, Dinners Are Features of Holiday Observance

By DONALD JOHNSTON  
 United Press International  
 UNITED NATIONS, N. Y. (UPI) — United Nations diplomats thousands of miles from home tend to celebrate Christmas in much the same manner as their Americans friends.

The usual practice of U. N. delegates who observe the holiday is to hold small parties in their mission headquarters, attend church, and then enjoy family dinners in the apartments or houses they rent while assigned to New York.

Some, like the Scandinavians, uphold old traditions which they observe in their native lands. The Russians ignore Christmas and concentrate on New Year's. The non-Christians from the Middle East, North Africa and parts of Asia, of course, do not recognize Christmas.

The Christmas - New Year's period traditionally is a "let-down" for U. N. diplomats. The three-month General Assembly session ends a few days before Dec 25 and then there is a mass exodus across the oceans

by temporary delegates. Only the small permanent staffs of the 11 U. N. member states remain in the United States.

**Tired Delegates**

"Generally speaking, the delegates are tired out from the final weeks of the Assembly session and prefer to spend a quiet holiday away from international problems," explains a member of the delegates' hospitality committee.

Diplomats from Ghana, Nigeria and the Congo, which have biggest delegations among the sub-Saharan African nations, have no special events. They may go to church and then gather for small parties in their mission offices or homes.

The same is true for European countries like Portugal and Ireland, and for the Philippines, one of the few Christian nations in Asia.

Latin Americans, who are predominantly Roman Catholic, generally depart after the Assembly session concludes to celebrate at home.

With some of the bigger pow-

ers, such as Britain and France the holiday festivities are held by the Consuls-General in New York rather than the U. N. missions. The French Consul-General invites members of the French community to enjoy a Christmas tree and presents for children.

The Scandinavians, for whom Christmas is the biggest holiday of the year, observe "Lucia" on Dec. 13 as they do at home.

The Swedish delegation, for example, joins with the Swedish Chamber of Commerce and Information Service in New York for a "Queen of Light" ceremony to which their employees and families are invited. The ceremony begins at 8 a.m. with a procession led by the queen wearing a crown of burning candles.

After the procession, there is a serving of coffee and spiced wine, and general gaiety.

On Christmas eve, the Scandinavians enjoy intimate family gatherings with presents and special dinners of ham and fish.

Early Christmas morning they go to church.

The Communist delegations, which are the only ones with most members living together in individual Manhattan buildings, have their public holiday celebrations Jan. 1 in mission headquarters when they welcome the New Year. In the case of the Russians, particularly, this is in accordance with custom in the Soviet Union.

**RICE EATERS**  
 SACRAMENTO (UPI) — Rice supplies the major food for more than 60 per cent of the world's population, according to the University of California Consumer Marketing Information Service.

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