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## Italy

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# Exposed, privatizers scamper for cover

by Paolo Raimondi

On Monday evening, Sept. 19, Antonio Parlato, Undersecretary of the Budget Ministry in the Silvio Berlusconi government, dropped a political bombshell at a crowded press conference in Milan by revealing that “the *Britannia* plot and the derivatives financial speculation to destabilize Italy and its economy are still alive and it is time to stop them once and for all.”

*Britannia* is the name of the yacht of Queen Elizabeth II of England, which was cruising in the Tyrrhenian Sea off Italy's coast on June 2, 1992, when the British financial oligarchs and speculators in the presence of the queen met secretly with some top Italian government officials and managers of the State Holdings companies, to discuss a policy of forced privatization at discounted prices after an orchestrated 30% devaluation of the lira, provoked by the wild attacks of the speculator George Soros and his ilk.

### **EIR first exposed the plot**

*Executive Intelligence Review* was the press agency which first issued a dossier on the plot, exposing it to the national and international media, creating a gigantic scandal. Antonio Parlato, a parliamentarian of the conservative Alleanza Nazionale (National Alliance), was the first politician who took up the fight in Rome with a series of interrogatories and requests to the Italian government to act against the destabilization and to defend national interest.

Parlato, who in the past weeks has also led the fight inside the government against the independence of the Banca d'Italia, the central bank, said that he called the press conference because he could no longer tolerate the fact that people involved in the *Britannia* plot were still dictating Italy's economic, financial, and monetary policies. He reminded the press that recently he had denounced the existence of “secret funds” in the Banca d'Italia, created particularly during the Carlo Azelio Ciampi governorship, and wanted now to name the names of those economists, all British-oriented sympathizers of the Democratic Party of the Left (the PDS, in the past known as the Italian Communist Party), who, while receiving money from the Italian state, are engaged in vicious attacks against the policy of the present government.

### **The draconian Mr. Draghi**

Mario Draghi is the most dangerous, Parlato charged, because he is at the very center of the *Britannia* plot. Draghi is the director general of the Treasury Ministry of the Berlusconi government, incredibly holding the same position that he had in the previous Ciampi government (Ciampi went from being Banca d'Italia governor to prime minister), and which he also held at the time of the *Britannia* affair. Draghi indeed was the highest Italian government official on the yacht and even delivered one of the keynote speeches to present the concepts of the policy of privatization. Parlato reported that, after the *EIR* revelations, he confronted Draghi in the corridors of the Italian parliament and wrung from him the admission that “he just left the *Britannia* when he realized that he was dealing with people who would have been later the buyers in the privatization operations.”

Among the participants from the British side there was also Sir Eric Roll, former governor of the Bank of England and president of the Warburg merchant bank, who came to Italy a few weeks ago to attend a high-level meeting in Cernobbio (Como), to reiterate his support for the past and present activities of Ciampi.

It was shocking to see, added Parlato, that shortly after June 2, 1992, Ciampi and Draghi gave Warburg the mandate to work out the privatization of the Istituto Immobiliare Italiano (IMI), the biggest of the companies under the Italian State Holdings Ministry, involved in all the major strategic sectors of the economy. It was also incredible that this mandate has continued to the present, despite the major changes of the Italian political landscape resulting from the past elections, and the new Italian government.

It was intolerable and offensive, Parlato said, to learn a few weeks ago that the same Mr. Draghi had signed the order to proceed with the payments to Warburg, giving the final green light for the privatization of the IMI orchestrated by this British bank. The budget undersecretary challenged Draghi's decision. A few days later, the Corte dei Conti, the higher control court overseeing government economic decisions, rejected the Draghi-Warburg accord. One must just imagine the screams of Warburg and their derivative speculator friends who are confronted with a definitive postponement of their “asset stripping” of the Italian economy.

### **Morgan Stanley has to apologize**

Parlato reported that he had taken similar actions against Morgan Stanley, also involved in the *Britannia* plot and in the privatization policy. The bank was working to become an official banking house in Italy, while at the same time attacking the Berlusconi government, which is supposed to pay them the money arranged previously by Ciampi. After Parlato's protests, Morgan Stanley was compelled to present its official apologies to the government in Rome.

The list of the names presented by the budget undersecretary also included: Italo-American economist and Nobel

laureate Franco Modigliani (MIT); Luigi Spaventa, the economic tsar in a possible Ciampi-communist government and London's main snitch ("the *Financial Times* gets information and analysis against Italy from Spaventa"); and two known leftist Anglophile economists, Paolo Sylos Labini and Sabino Cassese.

Parlato then ripped into the financial derivatives speculators, whose interests were represented on the *Britannia*. He said that the issue of regulation of the derivative market was put on the discussion table the first day his new Budget Ministry gathered in Rome after the formation of the Berlusconi government. The risk represented by derivatives speculation must be faced, after the gigantic losses of Metallgesellschaft in Germany, Banesto in Spain, Crédit Lyonnais in France, and Ferruzzi in Italy. This cancer sucks energy out of the real economy; thus we need a concept for a new monetary system able to supply credit and resources to build up, for example, a network of great infrastructure projects which can generate development and employment.

Parlato denounced the unholy deal of speculator George Soros and the derivatives interests with the ex-communist PDS during the past elections. London and these interests had bet on a victory of the PDS, which would have formed a new government under Ciampi; meanwhile, the erstwhile communists went to the City of London and to Wall Street to get the blessing of the international financial community. In this context it was no surprise to see George Soros trekking to Italy to meet the PDS leadership, and then on Feb. 14, to see Giorgio Napolitano, the PDS shadow foreign minister, going to Washington with the mediation of Italian financier Carlo De Benedetti's friend Isidoro Albertini, to meet Soros again. This attempt by the PDS to build up its "free market" image in these circles could not only kill the nation but the PDS itself.

Parlato also warned that the strategy of the derivatives crowd and Soros is to target pension funds next. This is why on Aug. 18, the governor of the Banca d'Italia, Antonio Fazio, was compelled to issue a directive to prevent the opening of a wild hunting season of the derivatives against the pension funds.

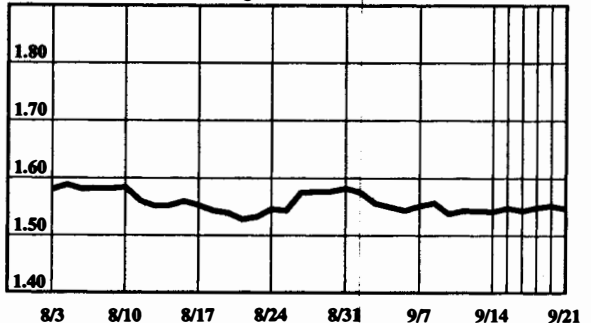
The central issue for Parlato is to remove from the present administration and from the bureaucracy those who are involved in the ongoing "*Britannia* plot," beginning with Mario Draghi, who was also a candidate to be named general director and number two at the Banca d'Italia, and Carlo Azelio Ciampi, who, having lost the chance to become prime minister with the PDS, went back to the Banca d'Italia as "honorary president" with the intention to steer monetary and economic policy as if he still were the boss.

The breaking story in Italy as of Sept. 22 is that after a volley of revelations, Ciampi has been forced to leave the facilities of the national headquarters of the Banca d'Italia in Via Nazionale in Rome and look for another base from which to continue the privatization plot.

## Currency Rates

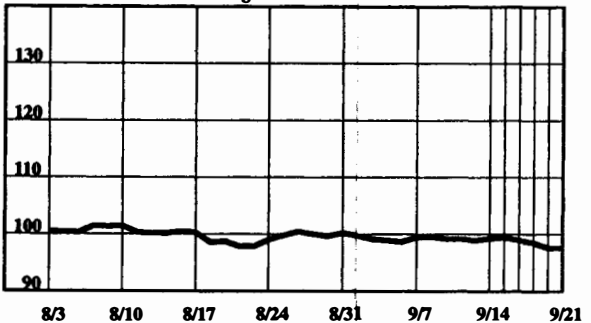
### The dollar in deutschmarks

New York late afternoon fixing



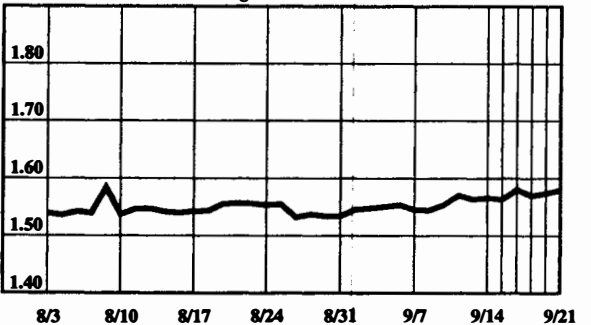
### The dollar in yen

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing

