
Italy

LaRouche group sparks fight vs. privatization

On Oct. 28, two senators of the conservative opposition National Alliance party, Riccardo Pedrizzi and Michele Florino, introduced an interrogation into Italy's parliament, based on a statement of the Solidarity Movement, the collaborators of Lyndon LaRouche, demanding that the government stop a George Soros-controlled speculative takeover in the privatization of the Banco di Napoli, the largest state-controlled bank in the Mezzogiorno, the southern region of Italy.

A few weeks before, the government of Prime Minister Romano Prodi and Treasury Minister Carlo Azeglio Ciampi opened the floodgates for a wild new phase in the privatization of the state sector, as demanded by their political and financial sponsors in the City of London. The Prodi-Ciampi team chose to go for the privatization of the Banco di Napoli, to break any resistance to privatization, and to introduce a new mode of privatization, which is an out-and-out gift to speculators.

Shortly after the government announcement, Paolo Raimondi, president of the Solidarity Movement, following up on his previous legal brief against international speculator Soros, presented to the state prosecutors' offices in Milan, Rome, Florence, and Naples, a declaration exposing the dirty maneuvers behind the privatization. The statement pointed out several considerations:

First, the adviser appointed for the privatization of the Banco di Napoli is Rothschild Italia, whose directors were among the organizers of the famous meeting of June 2, 1992 on the *Britannia*, the royal yacht of Queen Elizabeth II, where the financial oligarchs of the City met with their Italian counterparts to plot the privatization process. One of these directors, Richard Katz, is also on the executive board of Soros's Quantum Fund.

Second, asset stripping: Through the dismantling of the Banco, more than \$8 billion worth of bad loans would be given to a new financial holding, the Reviban, to be shouldered by the state and taxpayers, while the best part would be sold to the international financiers.

Third, the loss by the Banco during 1995-96 of almost \$4 billion could not be explained, as the government and the press had reported it, simply as a result of mismanagement or high wages, but is due to bad speculative derivatives operations carried out on the model of the French Crédit

Lyonnais, the European bank most exposed on the derivatives market, which suffered a \$20 billion loss.

In the meantime, the Prodi-Ciampi government, to bypass the opposition, transformed the privatization proposal into a parliamentary decree, which has already passed the Chamber of Deputies and is expected to be approved in the Senate. Umberto Bossi's separatist Northern League presented in the parliamentary session over 1,000 proposed changes to the government privatization plan, thereby blocking any serious discussion, and giving the government the context for winning a vote of confidence on the Banco di Napoli issue.

The two National Alliance senators used the Solidarity Movement statement, denouncing "the risk of worrisome speculation . . . where George Soros casts his shadow," and the role of the Rothschilds on the *Britannia* and in the privatization process. Their move received coverage in some of the opposition national papers, such as *Il Giornale*.

The broader significance

The significance of the fight over the future of the Banco di Napoli goes beyond the importance of the bank itself (which, with about 600 branches in the Mezzogiorno and \$35 billion in deposits annually, is nonetheless considerable). If the Banco were sold off in the way the financiers are demanding, it would become the model for the more appetizing Stet (telecommunications), Enel (electrical power), Autostrade (highway network), ENI (oil), and other state-owned firms.

The way the privatization of the Banco di Napoli has been carried out, has already provoked resistance, because it violates even the bad rules of earlier privatizations, and reflects a state of desperation among the big financial speculators, who are ready to kill anybody to grab some collateral to continue to play in the gambling casino of the derivatives markets. "*Vita mea, mors tua*," the motto of the gladiators of the Coliseum in the Roman Empire, is the way of life of the financial oligarchs.

On Oct. 28, Vincenzo Maranghi, the manager of Mediobanca, complained to shareholders assembled in Milan that Mediobanca has been excluded from the privatization process. Mediobanca, of Enrico Cuccia, has been known for operating in complete silence for the past 50 years, but Maranghi said: "I wanted to get rid of a small stone in my shoes, which are not appropriate for yachting, because I did not take part on the *Britannia* gathering." Mediobanca has been the arm of the big financial oligarchs, such as the Venetian Assicurazioni Generali, Lazard Frères, and the City of London, which have managed all the key economic and financial deals since the end of World War II. Till now, Mediobanca has been a guest at the dinner table; it must be very unpleasant to suddenly discover oneself to be on the center of the table, but now as a bloody piece of meat torn to shreds by rabid dogs.