

Italian government bends to Wall Street marxists

by Claudio Celani

While the Italian nation has been hit by an anomalous earthquake, which started on Sept. 25 and has sent out major tremors every second day, the political fate of the country seems to be suffering from similar shocks, provoked by the insane Maastricht Treaty for the creation of a European single currency union. Like the physical earthquake, which, contrary to past experience did not scale down after its initial blast, the “fall and rise” of the government of Romano Prodi at the beginning of October represents the first of many “big shocks” to come.

The government crisis was triggered on Sept. 29, when a party belonging to the government coalition, the Party of Communist Refoundation (Partito della Rifondazione Comunista, PRC), announced that it would not vote in favor of the government’s proposed budget. The PRC has no cabinet members, but its support is indispensable (at least in one of the houses of Parliament) to the left-center government coalition known as the Olive Tree.

The PRC, a self-defined “working class party,” declared that it would not accept the cuts in pensions contained in the budget—one of the measures planned to adhere to the Maastricht “parameters.” The PRC then increased the price for its continued support of the government, demanding not only that the budget be withdrawn (virtually impossible), but that the government include further measures, such as 1) the creation of an agency for the development of Italy’s south, the Mezzogiorno; 2) reduction of the work week to 35 hours; 3) keeping state shares at 51% in strategic companies that are to be privatized.

Faced with the PRC’s ultimatum, the government tried to strike a deal, offering to negotiate a “correction” of the budget in Parliament, but the PRC delegation kept a hard line and broke off negotiations, announcing their decision to withdraw support from the coalition.

British destabilizers vs. LaRouche

Behind the apparently pro-labor move by the PRC, there is, however, a different reality. The end result of its action, as it was afterwards realized, was to destabilize the potential for formation of a pro-national bloc of forces, including part of the government coalition, parts of the opposition, the Catholic Church, and the trade unions. This is not a formal parliamen-

tary bloc, but a convergence of forces on issues of national interest, catalyzed by the leadership provided by Lyndon LaRouche’s political movement.

Although *EIR*’s readers are familiar with the British destabilization of the Italian nation, let us briefly review its key features.

In 1992, the British “Invisible” Empire unleashed a frontal attack against the Italian nation, on three levels:

1. On the financial level, with George Soros’s speculative attack which pushed the Italian lira out of the European Monetary System and devalued the currency by 30%. The same strategy was repeated in March 1995. The shock, and the threat of its repetition, was instrumental in binding the country to the Maastricht budget-balancing “guidelines.”

2. On the political level, with the promotion of the secessionist Northern League (Lega Nord), a fascist, jacobin party, to become the first party in northern Italy, in terms of electoral strength.

3. On the judicial level, with the “Operation Clean Hands” political persecution of pro-national factions, put in place by Prince Philip’s Transparency International.

Since then, these three levels have been kept operational, in order to keep Italian political forces under constant blackmail and force them to help demolish their own institutions.

Thanks to the LaRouche movement, these three levels of destabilization have been exposed as a coherent picture, in the context of the worldwide financial collapse, and pro-national forces willing to fight have been provided with a focus and a war plan. Lyndon LaRouche himself paid two visits to Italy during 1997, meeting with representatives of Parliament, the Church, and the business community.

As a result, among other things, Soros was put under investigation in Rome and Naples, and *EIR* and LaRouche’s ideas have increasingly been supported by leading politicians and print media.

A *punctum saliens* was recently reached, when, in reaction to the Northern League separatist escalation, the trade unions, supported by the Catholic Church, decided to make a show of force, by calling for a national mobilization on Sept. 20. The demonstration was extremely successful, bringing 1 million persons into the streets of Milan and 100,000 in Venice. The Venice demonstration, although the smaller one, was

particularly important, because this city has been designated by the Northern League as the future “capital” of their rump state called “Padania.” This is no accident, since the historical (and oligarchical) Republic of Venice is a model for the League.

In the Sept. 20 demonstration, trade union leaders identified in their speeches the defense of the nation-state with the defense of the welfare state. Free-trade policies were put on the same level as separatist threats.

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Prior to the demonstration, Sergio Cofferati, leader of the largest trade union, the CGIL, had given an interview in which he denounced the political parties for their failure to defend the nation-state. Cofferati stated: “Only the trade unions and the Church, from the standpoint of an organized defense on the territory, are holding. And it is not by chance that the Church and the trade unions are the two main targets of [Northern League leader Umberto] Bossi’s frontal assaults.” Cofferati revealed that, just as during the rise of Fascism, many trade unionists and their families had received threats from Northern League circles, Mafia-style.

The unions’ decision to identify the fight for the nation-state with the fight for the welfare state enraged pro-British commentators like former diplomat Sergio Romano, who wrote the next day in the daily *La Stampa* that the trade unions had to be stopped at all costs, even if this means “giving a voice to the League.” Romano accused the unions of arrogating to themselves the traditional role of the Armed Forces in the ultimate protection of the nation, and spoke of the danger of a “regime,” because the government is “pro-labor.”

What Romano and others feared, is that, in the negotiations on welfare cuts, scheduled for the following week, the government would back down to the unions’ demands, impressed by their show of force in Milan and Venice. The unions were ready to accept some cuts, but they insisted upon deciding where and how the cuts were to be made. They made clear, however, that they would never accept a welfare “reform” dictated by the financial markets—i.e., the privatization of pensions and abolition of the national labor contract. On the table, was the government’s proposal to reduce checks offered for early retirement, from 6,000 billion lire to 5,000

billion. The negotiations with the unions were going on, when the PRC triggered the crisis, outflanking the unions.

The question is not whether the union line of “fewer cuts” is more pro-labor than the PRC position of “no cuts.” The real question to be considered, in view of the unions’ role in the defense of the nation-state, is what happens if the unions’ prestige is undermined.

What is the PRC?

The PRC split off from the old Italian Communist Party (PCI), once the latter decided to change its name and become the half-social democratic and half-liberal Democratic Party of the Left (Partito Democratico della Sinistra, PDS). The PRC’s two most prominent leaders are Secretary General Fausto Bertinotti and Chairman Armando Cossutta. In the old PCI, Cossutta represented the leader of the pro-Moscow faction. Bertinotti comes from the trade unions. Both men are irredeemable “marxists.” After the disintegration of the Socialist Party (PSI) in 1993, socialist banker Nerio Nesi joined the PRC, and soon became its economic spokesman. Nesi has made interesting statements against derivatives and privatization. The party has a constituency of workers and pensioners.

Fausto Bertinotti, the PRC leader, is also called in the press “Subcommander Fausto” due to his sympathy for the leader of the Zapatista separatists in Mexico. Last year, Bertinotti made a trip to meet “Subcommander Marcos.” The meeting was filmed and the film was used in the electoral campaign. The PRC is the Italian terminal for the Zapatistas, and PRC members are part of European Zapatista-support organizations. Curiously, a Zapatista delegation participated in an “anti-separatist” demonstration organized by the PRC in Venice, one week before the national trade union demonstration. The PRC was joined in the demonstration by proto-terrorist Autonomist groups from throughout the country. Many confused Italians who are frightened by such “anti-separatists,” end up supporting the Northern League.

Between his meeting with Marcos and the demonstration with the Autonomists, Bertinotti enjoyed a visit to the City of London, where he lectured an audience of delighted bankers on his marxist views. Thus, it was no surprise that on Sept. 26, the *Wall Street Journal* signalled its support for the PRC in an editorial, entitled “When the Reds Are Right.” Such an article (published only in the European edition; it would have been difficult to explain for an American readership), was of course a green light for opening the crisis.

For two weeks thereafter, all possible scenarios were discussed for the outcome of the government crisis: early elections, a technocratic government, a grand coalition. The leading theme however, was that whatever the solution would be, it should guarantee that Italy would vote up the 1998 budget in time not to miss the Maastricht train and be therefore “punished” by the financial markets—a total brainwashing debate, in which all political forces seemed to behave as if on a ship of fools.

Then, suddenly, on Oct. 13, the PRC turned around and declared itself ready for a compromise. In less than 24 hours, the crisis was ended. The government announced that it has accepted two of the PRC's demands: the 35-hour week (to become a national law starting three years from now), and the exemption of a certain category of workers from cuts in early retirement pensions. Furthermore, the text of the agreement states that the PRC has agreed "to continue the action for reaching the target 'entrance in the European Single Currency.'"

The 35-hour measure is an anti-industrial policy. It will create no new jobs. Industrial firms will be forced to pay more money, in exchange for no increase in productivity whatsoever. The issue is opposed by both trade unions and business associations, which agree that the matter could be negotiated case by case.

On the pension cuts, Sergio D'Antoni, leader of the Catholic trade union CISL, stated in a radio interview that the new measures "divide the working class."

It is not yet clear how serious will be the repercussions of the deal on the unions, which have suddenly found themselves replaced by the PRC as "workers' representatives."

Another aspect of the PRC coup, is that it may have weakened the political collaboration between Massimo D'Alema, leader of the main coalition party PDS, and opposition leader Silvio Berlusconi, on the issue of defending Parliament from

the Operation Clean Hands jacobins, the Milan "anti-corruption" prosecutors under Francesco Saverio Borrelli. Two members of this team, Piercamillo Davigo and Gherardo Colombo, are members of Prince Philip's Transparency International.

The Berlusconi-D'Alema axis had been consolidated in the works of the Constitutional Reform Committee, also called "Bicamerale," chaired by D'Alema. Now, political commentators fear that the PRC has obtained from its coalition partners a secret promise to carry out an anti-Berlusconi shift in the Bicamerale. This strengthens the pro-Clean Hands faction in the PDS, which has so far opposed D'Alema's dialogue with the opposition.

In the context of a Clean Hands escalation against Berlusconi, against whom several prosecutions have been opened, the new situation could eliminate any room for a bipartisan policy and lead to a failure of the Bicamerale, in which case, pro-British forces have already put in place a chaos scenario: a Constitutional Congress. This would ensure political paralysis and the dissolution of the country.

But all the scenarios through which the British Invisibles manipulate Italian politics, will be worthless, if pro-national forces do not act according to profile. And the LaRouche movement will make sure to let nothing go untried, in order to organize exactly that.

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