

The Arithmetic of the Iraqi Elections

The situation in Iraq is highly insecure due to the uncertainty of the outcome of the elections held March 8, and the prospects for forming a viable government soon. The election results gave the al-Iraqia List, an alliance of different sectarian and secular groups under former Prime Minister Ibrahim Allawi, 91 seats; the Dawlat al-Qanun (State of Law), also an alliance of different Shi'a-Sunni groups, but of Shi'a dominance under Prime Minister al-Maliki, 89 seats; the Iraqi National Alliance (of Shi'a Islamist groups and clerics of Ammar al-Hakim and Muqtada Assadr), 71 seats; and the Kurdish alliance of President Jala Talabani and Masoud Barzani, 42 seats. None of these parties are capable of leading a government or formation of a government, according to the Iraqi Federal Court. A bloc of different parties needs at least 163 parliamentary seats, of the total 325, to form a government, but then needs the support of 217 members of Parliament to pass through the appointments of the Prime Minister, the President, and the Speaker of Parliament.

Therefore, a lot of horse trading is going on among the different blocs. The most likely outcome is that the current prime minister, al-Maliki, remains in power with his Dawlat al-Qanoun, the Iraqi "Shi'a" alliance, and the Kurds in one bloc. The problem this will create, is that the majority of Sunnis, who have had a share in the recent government, will be left out, leading to increasing sectarian tension.

Ironically, the fate of Iraq, in a similar fashion to that of Lebanon, is not decided by internal power-sharing acrobatics, but by the strategic conflicts among world powers, and among regional powers. Therefore, Iraqi leaders in the Shi'a and Kurdish groups made a pilgrimage to Tehran to discuss the formation of a power alliance with Iranian leaders! Allawi and the Sunni groups are in discussion with Saudi Arabia, Syria, and other Arab nations.

However, ultimately, the fate of Iraq will be decided by developments in the United States around the policies of President Barack Obama, not only in Iraq, but all over Southwest Asia and the world. The fight by sovereign nations against the British Empire has been and will remain the decisive factor in world politics.

Until that larger fight is decided, Iraq will remain on the edge of a volcano of both internal and external explosions.

Who Really Won the Italian Elections?

by Claudio Celani

April 1—On March 29, the conservative coalition led by Italian Prime Minister Silvio Berlusconi won four regional elections, despite widespread predictions that it would lose. However, if one looks more closely at the results, the real winner was not Berlusconi's Partito della Libertà (Party of Liberty), which had a lower percentage, in comparison with the last elections, but his coalition partner, the Lega Nord (Northern League), which doubled, and even tripled its votes in some cases. And, as the London *Times* acknowledged in an article March 31, the big winner was Economics Minister Giulio Tremonti. In fact, Tremonti, although nominally a member of Berlusconi's party, is the League's most trusted ally in the government; and, in recent years there has been more consonance between Tremonti and the League than between Tremonti and his own party.

The reason, which explains the fact that the Italian ruling coalition *gained* votes (in contrast to the collapses of ruling parties in elections all over Europe, as, most recently, in France), is that Tremonti and the League have intersected, so far, what Rosa Luxemburg called the mass-strike process. Not accidentally, both Tremonti and factions in the League have oriented toward the leadership of Lyndon LaRouche: Tremonti has endorsed LaRouche's New Bretton Woods and bankruptcy reorganization proposals; and LaRouche representatives in Italy have been regular guests recently of political talk shows on the Lega Nord's national radio station, Radio Padania.

True, the League is a populist party with lights and shadows—some, indeed, very dark shadows. But that is, as Italians would say, "*quello che passa il convento*," (literally, "what the convent offers"), meaning that you cannot determine the precise character of a mass-strike. The League is seen as a party that defends the national territory against "the others," i.e., globalization, and also, "the caste" of politicians, bankers, and bureaucrats who have betrayed the population. League voters represent the middle class, including small and medium-size industry, but also workers. They see the country's

productive structure being destroyed by globalization and the euro, the European single currency system, which has taken away economic sovereignty. This sentiment, however, sometimes alternates with populist impulses that seek scapegoats instead of solutions, including racist elements.

Added to that, the League’s “federalist reform,” a project to redistribute power between the central government and the regions, is a big question mark. Originally a radical demand (“We want all the money and decisions to stay at the regional level”), the concept changed when pro-federalists realized that, in some fields, such as energy and infrastructure, policies must be formulated, implemented, and funded at the national level. The LaRouche movement has started educating some layers of the Lega Nord about the concept of national credit creation.

Another aspect of the population’s rejection of the political institutions, which are clearly not dealing with the profound economic crisis, is the extremely low voter participation in the elections, 64%. This turnout would be extraordinarily high for a U.S. Presidential election, but by Italian standards is abysmally low. In fact, there was a 8% drop from the last election.

Inside the opposition, the center-left Democratic Party lost votes, to the jacobin party Italia dei Valori (Italy of the Values), led by former “Clean Hands” prosecutor Antonio di Pietro, and to the new “Five Stars” flagellant list, led by comedian Beppe Grillo, which had a major breakthrough in the Emilia-Romagna region.

The Leadership of the Mass Strike

When the London *Times* tells the truth, one has to worry that something is being cooked up. On March 31, the *Times*’ chief foreign correspondent Bronwen Maddox wrote: “Italy has fared surprisingly well in the global financial turmoil. Let me be more precise—it is not that Mr Berlusconi has run the economy well, but that he appointed Giulio Tremonti as Finance Minister in May 2008 and had the wit to keep him in place. Mr Tremonti, a good candidate for Europe’s best finance minister, has turned a near-disastrous po-



Livio Anticoli

The big winner in Italy’s March 29 regional elections was not Prime Minister Silvio Berlusconi’s (right) conservative coalition, as widely reported, but the Lega Nord party, and its closest ally in the government, Economics Minister Giulio Tremonti (left).

sition into a survivable one.... For that—but that alone—voters are justified in thanking Mr Tremonti’s boss.”

Maddox, however, misses the main point. Although Tremonti’s policies as Economics Minister (an office combining Finances, Treasury, and Budget ministries) have not improved the economic situation, and he has de facto run a tight budget policy, nevertheless, he has stubbornly refused to give one cent to bail out the banks, and to cut any social entitlement outlays, such as pensions and health. On the contrary, he extended unemployment benefits.

Backed by the League, Tremonti has used all the money he could to assist small and medium enterprises—by offering credit support, canceling debts and taxes—and has fought for a bankruptcy reorganization of the global financial system, gaining an international reputation. His public association with Lyndon LaRouche—certainly known to the most informed section of Italian voters—has improved his credibility.

Several Italian observers, most of them no friends of the Economics Minister, recognize that Tremonti is now strengthened by the impressive Lega Nord victory. “The League has the power, and Tremonti the agenda,” was the headline of an article by *Il Riformista* editor Antonio Polito. *Il Riformista* is the official daily of the opposition Democratic Party. “If we look

at the complex game of succession [to Berlusconi] . . . it is evident that the outcome of the elections is a further strengthening of Giulio Tremonti.” The financial daily *Milano Finanza* writes that “those who approached Economics Minister Giulio Tremonti, yesterday, perceived an unusual euphoria in the Professor. The League . . . has in Tremonti a fundamental political ally.”

The daily *La Repubblica*, owned by George Soros-allied financier Carlo De Benedetti, under the headline “The Grand Padania on the horizon, between Berlusconi and the trusted Tremonti,” called the League a “neofeudalist” element, “made up of localism and protectionism, fears and simplified plebeianism, which sees the utmost danger in globalized society.”

The figures of the League vote are the following: doubling of the vote in Piedmont, from 8.5 to 16%; almost doubling in Lombardy, from 15 to over 27%; doubling in Liguria to 10%, almost tripling in Veneto from 14.6 to 35.2%; tripling in Emilia Romagna from less than 5 to almost 14%; penetrating in the Marche and Tuscany regions with over 6%; establishing a foothold in Umbria, with 4%. The League is now the largest party in Lombardy, where it influences governor Roberto Formigoni; and it won the governorships of Piedmont and Veneto with Roberto Cota and Luca Zaia. Zaia, who will leave the post of Agricultural Minister, received an impressive 60% direct vote.

All of this makes the League de facto a national party, defusing fears of a separatist radicalization.

The Immediate Impact

An immediate effect of the vote is that now, the government coalition has a majority in the State-Regions Congress, in which the regions share responsibility, on such matters as energy, with the central government. Up till now, this shared responsibility was used by the center-left-dominated Congress to veto construction of nuclear plants. The government had announced a plan to build four nuclear plants, but even before the sites were announced, the regions vetoed the plan. The national government then went to the Constitutional Court. Now, with the election results, the regions could very well forget the veto, and the government drop its constitutional challenge, thus allowing the nuclear plans to proceed.

Another implication, is that the League will pene-

trate the banking establishment. In fact, major shareholders of large banks, such as Unicredit and Intesa-Sanpaolo, are the bank Foundations that are expressions of local political power, and control banks that have merged in the past, resulting in the two above-mentioned “global players.” Now that the League controls the political power, it will put its people in those Foundations, who will then sit on the boards of the larger banks.

Take the example of the main shareholders of Intesa-Sanpaolo: Among them, you have Compagnia di San Paolo with 9.8%, Cariplo (Savings Bank of the Lombard Provinces) with 4.6%, and the Savings Bank of Padova and Rovigo with 4.1%. This means Piedmont, Lombardy, and Veneto. Take Unicredit shareholders Cariverona (Savings Bank of Verona) with 4.9% and the Savings Bank of Turin with 3.6%. “Figures at hand, the League pinch is evident, since foundations are expression of local political power,” wrote the daily *Milano Finanza*. “The potentiality is there for a *longa manus* [long hand] of the League to penetrate the foundations.”

The paper reported that, especially Tremonti, who has been strongly opposed by the banks, was particularly happy about this. “If Cota will be elected governor,” Tremonti said during the election campaign, “he will have something to say in the Fondazione Sanpaolo.”

What is the League strategy? *Milano Finanza* continues: “Listen to Flavio Tosi, mayor of Verona, whose municipality is the main shareholder of Cariverona. Power? Posts? No, what the League is concerned with, Tosi insists, is that resources are used on the territory, and not elsewhere. This is the priority, a philosophy that clashes with the logics of the Milanese salons . . . and yet, bankers shall come to terms with this approach. And not only that. There are large infrastructure works worth billions of euros, which will change the face of Northern Italy, like the 157-km-long Pedemontana, the 62-km-long Brescia-Bergamo-Milan or the 94-km-long Pedemontana Veneta, just to mention some major works.”

“Bossi and Tremonti [are] in the driver’s seat.”

Il Riformista quotes the new governor of the Veneto region, Luca Zaia, who, in reference to Unicredit, said: “It is not possible to ask for a loan in Treviso and see them calling the Virgin Islands to get the authorization.”