

Italians Vote Against Euro-Austerity But Lean Toward Jacobinism

by Claudio Celani

March 1—On Feb. 24-25, Italians elected a new Parliament. The good news is that the vote was a plebiscite against the EU-dictated austerity. The bad news is that the popular outrage against austerity is in danger of being channeled into a protofascist movement. The fragmented political outcome of the vote makes no stable government possible. This is bad news for the euro system, whose bailout strategies are based on assuring the implementation of austerity programs. However, it is also bad news for Italy, as the most likely perspective is that the voters will have to go to the polls again, after a few months of a fragile government and a worsening economic and social situation. That makes the danger of a fascist takeover a very concrete perspective.

Let us look into the good news first. Mario Monti, the former Goldman Sachs advisor-cum-prime minister, who was installed as EU-*Gauleiter*, is out. After having destroyed the Italian economy in just one year, Monti had thrown off the technocratic hat and founded his own political party, hoping to become the “third force,” and the decisive player in a center-left coalition government. Monti received less than 10% of the vote, and is now irrelevant.

With Monti out, the idea of having a EU-receiver-ship government in Rome as an alibi for the ECB-run euro bailout schemes has evaporated. In case of a new run on Italian bonds, the ECB cannot come to the rescue by implementing its OMT (Outright Monetary Transactions) policy, i.e., purchase of sovereign bonds, because that program is tied to harsh austerity measures. After the Feb. 25 vote, no Italian government will implement those measures. Thus, the death knell is ringing again for the euro.

“The electoral earthquake has been perceived in Berlin,” wrote the French daily *Le Monde* on Feb. 27, quoting a “minister of the Merkel government” who said, “It is an evident signal that with mere austerity

programs you do not get a durable popular consensus in Europe.”

Luxembourg’s Foreign Minister Jean Asselborn summarized the panic, describing the Italian elections as “a catastrophe for the euro and the European Union.” Furthermore, as Ambrose Evans-Pritchard wrote in London’s *Daily Telegraph* on Feb. 27, “The great fear is that the European Central Bank will find it impossible to prop up the Italian bond market under its Outright Monetary Transactions (OMT) scheme if there is no coalition in Rome willing or able to comply with the tough conditions imposed by the EU at Berlin’s behest. Europe’s rescue strategy could start to unravel.”

It was not only Monti, but all the parties that supported the former prime minister’s austerity cabinet, which were severely punished. The Democratic Party lost one third of its votes, and Silvio Berlusconi’s PDL party lost half. The Christian Democratic Party UDC, which had joined Monti in a coalition, almost disappeared.

Most of those votes went to the real winner of the elections, comedian Beppe Grillo’s M5S (Movimento Cinque Stelle/Five Star Movement). With 25.55%, the M5S is the largest party in the Lower House (Chamber of Deputies). Second came the Democratic Party with 25.42%, and third the PDL with 21.56%.

Italian voters also punished other parties hit by scandals, such as the Lega Nord, which saw its vote halved in Northern Italy. The Lega scored a limited victory by electing its secretary general Roberto Maroni as governor of the Lombardy Region. Former Economy Minister Giulio Tremonti, who has campaigned for Glass-Steagall and had his own slate campaign under the Lega Nord symbol, made it into the Senate. The Lega was part of an electoral alliance with the PDL, and thus its votes are counted as part of the center-right coalition.

Due to Italian election laws that give a majority



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The big winner in the Italian elections was the clownish Beppe Grillo and his Five Star Movement. Grillo pretends to be a man of the people (as Mussolini did), but pushes austerity and war: "We will be poor, but united," he says.

bonus to the largest coalition, M5S has been granted fewer seats than the center-left coalition led by Pier Luigi Bersani and the center-right coalition led by Berlusconi (109 vs. 345 and 125, respectively), but it is decisive for a majority in the Senate. Here, the center-left coalition got 105 seats, the center-right 98, Grillo 54, and Monti 18. A majority in the Senate requires 158 votes. Thus, neither the center-left alone, nor with Monti, has a majority in the Senate. Coalition leader Bersani must seek an alliance either with Berlusconi or with Grillo. Democratic Party voters would approve a coalition with Grillo, and not with Berlusconi, but Grillo has made clear that he wants no alliance.

Grillo will use the impasse to dictate the program to a transitional government, his strategy being to go for early elections and win an absolute majority.

And this brings us to the very bad news. The paradox is that while the Italians voted EU-*Gauleiter* Monti out, and Berlusconi back onto the stage (good news for some), unless this window of opportunity is used to implement a Franklin Roosevelt-like program to reverse the economic crisis in the immediate days ahead, the mass-strike movement that determined that election result will be channeled in support for a fascist dictator-

ship. Grillo aims at implementing such a dictatorship, starting with imposing the agenda for the next government.

The agenda of the next government was indicated by the *Financial Times* on Feb. 27, and has been reiterated by other relevant sources, such as financier Carlo De Benedetti and journalist Barbara Spinelli, both leading members of the European supranational elite. The agenda includes the elimination of traditional parties, through "cutting the cost of politics," e.g., eliminating public financing and electoral reimbursements for parties; and reducing salaries for Members of Parliament. It also includes a new election law and a law against "conflict of interest" (aimed against Berlusconi).

A transitional government which would implement those reforms while the economic and social crisis continues to unravel would mean the definitive end of political parties, and would guarantee an election triumph for Grillo in the next elections.

Rumors are that State President Giorgio Napolitano is working to have a facsimile of Monti run such a transitional government, which would adopt the Grillo-British agenda. The name of Giuliano Amato, the author of the Lisbon Treaty, has been floated as possible leader

of a technocratic cabinet. Napolitano would use again the blackmail of “the markets” to force Parliament to support such a transitional government.

A diplomatic incident has already formed a bond between Grillo and Napolitano. Grillo said that Napolitano had won his respect through the way he reacted to German Social Democratic Chancellor candidate Peer Steinbrück, who had stated that “two clowns” had won the elections in Italy. Napolitano had cancelled his planned dinner with Steinbrück on Feb. 27, during Napolitano’s visit to Berlin.

Grillo’s platform has long been blessed by the Obama Administration. First, U.S. Ambassador to Italy David Thorne had a private meeting with Grillo, and sent a laudatory report to Washington, months ago. Secondly, Obama’s campaign strategist Michael Slaby met Grillo’s campaign strategist and controller Gianroberto Casaleggio last December in Rome. “We had a talk. I listened to his ideas on individuals’ power, on how persons can participate. These are interesting things for everybody, and in fact my position has been more [one of] listening to someone who is trying to include people.”

Then, on Feb. 28, Thorne organized a meeting between Secretary of State John Kerry and a group of personalities who were supposed to explain to him the “Grillo phenomenon.” According to an account in *La Stampa*, former Prime Minister, EU Commissioner, and Goldman Sachs alumnus Romano Prodi gave the main briefing. “Kerry and Thorne were well prepared on the Grillo phenomenon, which has dominated the rest of the discussion. According to sources who participated in the meeting, nobody demonized the [Five Star] Movement, and Prodi gave a detailed briefing on its organization.”

The Obama Administration, Wall Street, and the City of London have known for some time that Grillo does not represent a threat to the financial establishment. Grillo, contrary to widespread accounts, is not even opposed to the euro. His voters might be, but he never called for Italy to leave the euro. He called for a referendum, knowing that in order to accomplish that, the Constitution must be changed. For Italy to leave the euro, you don’t need a referendum or constitutional change: You need a government law and a Parliament vote. *Basta*.

Indeed, Grillo’s economic guru was interviewed in *La Stampa* today, saying that they are against leaving the euro, and that concern number one is the “ecological footprint.”

“‘We never said that we want to leave the euro; it would be a bloodbath, and we would end up like Argentina,’ says Mauro Gallegati, a professor of Macroeconomics at the Ancona University. ‘There are two options: either a real political-monetary Union or two euro zones, one for Germany and stronger countries, and another one for weaker countries.’ Gallegari is currently working on a paper with Joseph Stiglitz, ‘which should condense the economic philosophy of the M5S: If we want the whole world to expand at the current levels of the United States of America, we would need 4-5 more planets as big as the Earth.’”

Grillo does not have a clearly defined program. However, his anti-growth, anti-science, and neo-malthusian ideology is well explained in a book he wrote with his web-manager and controller Casaleggio, entitled *We Are in a War*, published in 2011. Grillo-Casaleggio say that a world war is inevitable, and that that world population will collapse to 2 billion. Grillo’s opposition to industry and infrastructure projects, such as the Turin-Lyon high-speed railway, is consistent with this genocidal target.

Grillo is not even against austerity, contrary to what his voters believe. The municipality of Parma, where his M5S took over the administration last year, has been cutting the budget worse than Monti has done at the national level. They even laid off the Parma Theater orchestra, and this in Giuseppe Verdi’s hometown, in the bicentenary of the great composer’s birth!

“We will all be poorer but more united [*solidale*],” Grillo recently said. As under Mussolini’s Fascism. Mussolini slashed workers’ wages but built a system of Spartan welfare. Italians were poor but “*solido*.” And marched behind a clown.

The only way to avoid a repetition of that, would be to use the current window of opportunity for a government that implements an FDR-style program of economic recovery, with visible results in a matter of months. This can be achieved by marching out of the euro, establishing a sovereign credit system and protections for national credit, national currency, and national production, and starting a few large projects able to halve unemployment in six months. Unfortunately, no leader and no coalition is standing up for that.

“What is happening in Italy is just the beginning of a much more radical change,” Casaleggio said in an interview with the London *Guardian* March 1. “It’s a change that is going to touch all democracies.”