

strikes in September, when the national contract of the metalworkers has to be renewed. The unions' business association counterpart, Confindustria, is unwilling to concede wage increases which the unions are demanding in order to compensate for inflation. The unions have called for wage increases in the context of more general demands for a job-creation policy and an expansion of the internal market, but have so far avoided a frontal attack on Maastricht, in order not to create problems for the government.

After Romiti gave the signal, Sergio Cofferati, leader of the largest trade union, the CGIL, and with the support of his colleagues Larizza and D'Antoni, leaders of the UIL and the CISL, respectively, demanded that the infrastructure-development program called the "Delors Plan," named after the former head of the European Committee, Jacques Delors, finally be adopted. As *EIR* has reported, that plan is very similar to Lyndon LaRouche's earlier "European Triangle" infrastructure program, issued in 1989.

"I ask, what happened to that plan?" D'Antoni said. "Even at the last [EU] Florence meeting, the issue has been ignored. And through that, Italy has made a double mistake, because the right way to combine financial balancing and employment, is to oblige Europe to adopt an expansion policy."

Return to national banking

The central question is: How to finance investments in infrastructure? Measures urged by CGIL leader Cofferati, who proposed, for example, to use the income from the privatization of state-owned companies, are no solutions. Even if the Maastricht guidelines are rejected, the tax revenue of the state is not enough to generate credit for all the infrastructure investments that are needed. Already last July 26, a government meeting gave a pre-taste of the problem, when government members quarrelled over whether the limited money available should be allocated to enlarge the northern Bologna-Florence highway, or the southern Salerno-Reggio Calabria one. The meeting ended with a compromise: Both will be started—and then we will see.

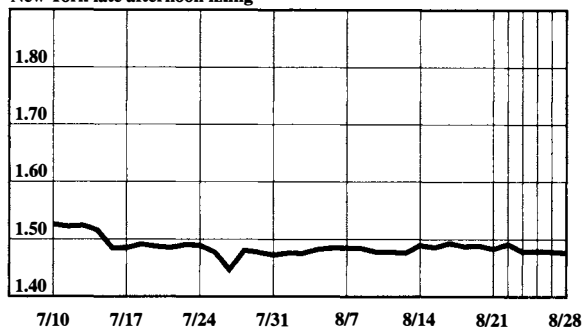
Nor is the scheme to use private financing a real alternative, as UIL leader Larizza, among others, has proposed. As shown by the case of the English Channel tunnel, which went bankrupt, high interest rates demanded by private banks cannot be repaid through tariffs or user fees, which should be as low as possible, or nonexistent, in order to make infrastructure productive.

The only solution is the "national banking" reform proposed by Lyndon LaRouche. Increasing sectors of the Italian political world are looking with interest at LaRouche's ideas. In the most recent example, the magazine *Ordine Pubblico*, which has 80,000 subscribers among law enforcement officers, published a three-page interview with LaRouche, under the headline "We Need a New Roosevelt," in which the American economist explained in detail his economic analysis and his programs.

Currency Rates

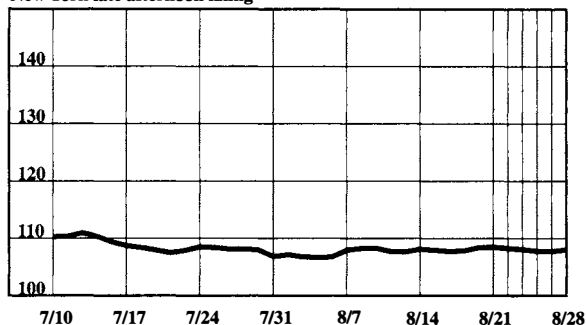
The dollar in deutschemarks

New York late afternoon fixing



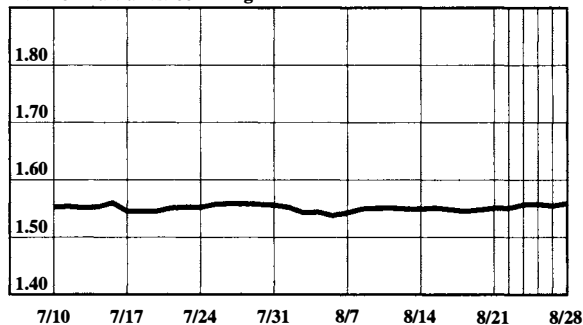
The dollar in yen

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

