

Italy's New Government Is a House Divided

by EIR Staff

On June 11, the new Italian government met under the premiership of Silvio Berlusconi, four weeks after the general election victory of the coalition of center and conservative parties of "Casa delle Libertà" (Freedom House) over the left "Olive Branch" coalition, by a large majority. There have been four weeks of intense international political warfare over the future Italian strategic and economic orientation, where two totally opposed policies and philosophies clashed openly.

On one side, there is the genuine interest of the Italian nation, present among leading forces in both the new majority and the opposition parties, which intend to play an important role in building up a Eurasian alliance for economic development and stability, and a new international monetary system, a New Bretton Woods. On the other side, Anglo-American geopolitical forces around the Bush-Kissinger-City of London interests intend to sabotage this perspective, and make Italy another element of instability in Europe. The new government emerges as a compromise in this fight, a compromise which is highly unstable; never has an Italian government been internally so strongly polarized.

The new government coalition is dominated by the Forza Italia party of Berlusconi. It also involves the conservative National Alliance both of Gianfranco Fini (Deputy Prime Minister), the regionalist Lega Nord of Umberto Bossi (Minister of Reform), the Christian Democratic Center (CCD) of Pier Ferdinando Casini (new president of the Chamber of Deputies), and the Christian Democratic Union (CDU) of Prof. Rocco Buttiglione (Minister for European Union [EU] Affairs), as well as a small Socialist Party led by Bobo Craxi, the son of the late, onetime Premier, Bettino Craxi. Berlusconi has stuffed his government with leaders and representatives of all the many factions in his coalition.

Attacked by Slanders and Kissinger

It should have been clear to any intelligent observer that the intense slander campaign and hostility against a new Berlusconi government — with slogans like "Berlusconi's media dictatorship," "the neo-fascist or post-fascist National Alliance," "Bossi is like [Austrian right-winger] Haider," etc. — has nothing to do with genuine worries about democracy in Italy, but is motivated by the intention to minimize the international position of Italy and its new government.

This became clear when Henry Kissinger came down to

Rome on May 22, to dictate the new foreign and defense policy. Sir Henry met with Berlusconi and his Foreign Minister, former World Trade Organization (WTO) director Renato Ruggiero, for 45 minutes, long enough to make clear to Berlusconi that his proposal was not optional, but an undebatable "insurance" for his continued political existence. Kissinger then spent a further 20 minutes alone with Berlusconi, giving him instructions on how to deal with his so-called "conflict of interest," by divesting his television stations, as demanded by all the Anglo-American press, following the line put out by the London *Economist*.

Sir Henry was in Rome to preside over a meeting of the advisory board of the consulting firm "Booz Allen & Hamilton," which he chairs, and of which Ruggiero is a member. The firm is massively involved in defense and military technology deals all over the world, particularly in the U.S.A. Not surprisingly, Booz Allen & Hamilton was then immediately hired by Berlusconi to work out solution of the "conflict of interests" case.

Every political person in Italy knows exactly the meanings and the implications of such an interference. Indeed, the role Kissinger played in the international campaign against former Italian Premier Aldo Moro, has been formally investigated as well as debated. Italy has not forgotten that then-Secretary of State Kissinger, in the period immediately before the Red Brigades kidnapped Moro on March 19, 1978, had threatened the Christian Democratic leader with grave consequences, should he continue his policy of East-West rapprochement.

In the recent period Paolo Raimondi, the president of the International Civil Rights Movement-Solidarity, LaRouche's organization in Italy, has issued a number of statements denouncing Kissinger's interference, and calling on Italian political forces to reject a "limited sovereignty" for Italy.

Britain and America's Men in Government

Ruggiero has been, throughout his career, a faithful civil servant for the international financial establishment, for globalization, free-trade liberalization, and deregulation. While he was general director of the WTO in 1995-99, he claimed that he had successfully concluded three major deregulations: the global liberalization of telecommunications, of informatics, and of financial services. Queen Elizabeth II awarded him a knighthood as a Knight Commander of the Order of St. Michael and St. George. A member of the Trilateral Commission, Ruggiero has been and still is on the board of numerous international banks, financial institutions, and corporations, including FIAT, headed by Giovanni Agnelli, a close friend of Kissinger and the main sponsor of Ruggiero in Italy.

Antonio Martino of Forza Italia has been appointed the Defense Minister. Martino is a leading member of the neo-liberal Mont Pelerin Society, who considers Margaret



The Messina Straits Bridge project, linking Sicily to the Italian mainland—here, as promoted in the LaRouche movement’s Italian newspaper Nuova Solidarietà in 1997—is now at the center of policy debate in the new Italian government.

Thatcher to be a “moderate stationalist.” One of the “Chicago Boys” and a student of the insane recipes of the University of Chicago’s Milton Friedman, Martino is a personal friend of former President George Bush, and the “American man” in Berlusconi’s camp. In his first interviews, he has made clear that he intends to make Italy the privileged partner of George W. Bush’s policies.

The Opposing Development Policy

But it is in the arena of economic policy and of great infrastructure projects, such the construction of the famous Messina Bridge, that the Berlusconi government has a quite different orientation. Large-scale infrastructure and jobs-creation programs have been the main points of Berlusconi’s political platform during the past elections. In the new cabinet, the two main promoters of this program are Prof. Giulio Tremonti as Minister of Economics and Pietro Lunardi as Minister of Infrastructure and Transportation.

Tremonti has been named the “Super Minister of Economics,” because, for the first time, his office will combine the responsibilities of the past Treasury and Finance ministries. Last year, he elaborated a proposal, beginning with a bridge connecting Sicily and the mainland, across the Messina Strait, and the completion of the main high-speed train lines connecting Italy’s South with its North, and then on to the rest of continental Europe, and the whole Eurasia. He presented concrete proposals to speed up such projects, as well measures to bypass the ecologist and localist roadblocks, which, for decades, have paralyzed the economic modernization of the

main Italian communication and transportation corridors.

Lunardi, an engineer and industrialist, has been called into the government as an expert, and not because of any party affiliation. He is internationally known for his construction expertise. His companies helped build the Mount Blanc tunnel in the Alps and the subways of Lyon and Marseille in France, in Singapore, and in Guangzhou in China. In a number of recent interviews, he explained his very clear strategic concepts of infrastructure. “To become the bridge between the Mediterranean and Europe,” says Lunardi, “we in Italy must complete the three multinodal north-south corridors, along the Tyrrhenian Coast, the Appennines, and the Adriatic Coast. Above all, we must think about the major strategic national works. The major national transportation routes are the north-south ones. The only transversal axis to be taken into consideration at this moment, is the one which connects the Piedmont to the Veneto region, and provides the connection toward Europe, and works as collector and distributor of the north-south routes.”

In Lunardi’s (and Berlusconi’s) perspective, the high-speed train connection between Naples and Reggio Calabria has a very important connection to the bridge across the Messina Strait. That bridge, if the whole project is completed, can join the Eurasian Land-Bridge development, by means of European high-technology, to the African continent, and the rest of the Mediterranean region.

The ongoing discussions on the Eurasian development and infrastructure corridors, are programs which in the past years have been constantly debated in Italy, with the direct participation of Lyndon LaRouche. In April 1997, for example, *EIR* organized an international seminar in Rome, “A New Bretton Woods System—A Eurasian Land-Bridge of Great Infrastructure.” It was addressed by LaRouche, by Publio Fiori, Transportation Minister in Berlusconi’s 1996 government, and by engineer Fortunato Covelli, a leader of the Company for the Construction of the Messina Bridge.

Similar debates are taking place on other key matters, such as credit generation and the energy requirements for big infrastructure projects: whether “project financing” would be enough or if the state has to play a crucial role in credit creation. On the energy side, a number of new ministers, such as Altero Matteoli (Environment) and Rocco Buttiglione (EU Affairs), have demanded renewed discussion of nuclear energy, against the nuclear moratorium imposed more than 15 years ago.

In addition, the concepts and criteria imposed by the Maastricht Treaty, prerequisites for joining the EU single currency, the euro, have been called into question.

Sooner or later, this conflict will become a question of life or death for the government. Italy will have to take into consideration the reality in Washington: Despite President Bush’s declarations of friendship with Berlusconi, the incompetence of the Bush Administration is going to become a major political issue.