

# Italy's Vote for New Monetary System Can Start Coalition To Stop the Collapse

*A report on the historic Italian Chamber of Deputies vote of Sept. 25, from Helga Zepp-LaRouche's appearance on "The LaRouche Show" Internet radio broadcast on Sept. 28.*

**Helga Zepp-LaRouche:** Another extremely important development happened in Italy this week. The Italian Parliament took a majority vote, on a resolution on the question of the New Bretton Woods—to have a new financial architecture. This is the result of long, long years of our work. As a matter of fact, the LaRouche movement is active in Italy since almost 30 years, and we have many, many political friends in the Church, in the different political parties, in the industries, in various associations, and so forth. And, as you know, Lyndon LaRouche has been in Italy many times, invited by chambers of commerce, and similar institutions. And, in Italy, you have more people who study Lyn's ideas seriously, who read everything they can get ahold of, and who understand that Lyn is one of the outstanding thinkers of our present time, and who love him for that.

So, what happened, is that, already a couple of years ago, we had several parliamentarians introducing a New Bretton Woods resolution. And as the crisis is becoming worse, and people actually see this system is going down, everything is in a meltdown: Argentina—Argentina is very important for Italy, because many Italians, in the last century, emigrated to Argentina. And now, many of these people, in the second, third, fourth generation, come back to Italy, because they can no longer live in Argentina, because everything is collapsing; the country is sinking into chaos; hundreds of thousands of people are living off garbage; the banks have frozen savings accounts; and the whole country is really going down the drain.

Now, for Italy—which has lots of trade and other relations with Argentina, and many family connections, and so forth—it's like the horrible sign on the wall, [of] what could be the fate of the whole world, including Italy! So therefore, a big part of this resolution in the Parliament, was really to take certain emergency measures to defend Argentina.

## News of Italy Vote Spreading

Lyn had proposed, already a year or so ago, when the Argentina crisis exploded—he had proposed a six-point program, how to defend the Argentine people against the usurious banks and the IMF. So, a lot of that went into this resolution. And then, it expanded into the whole need to have a New Bretton Woods system, a new financial architecture.

And one of the Deputies who was a sponsor of the resolution, Deputy [Giovanni] Bianchi, whom we have known for many years, said to the Parliament when he was motivating the adoption of this resolution, that they should listen to the prophetic words of "Mr. LaRouche," who was absolutely correct in predicting the collapse of the speculative bubble, and who had proposed a New Bretton Woods; and that they "could not leave him to be the only voice," for such a New Bretton Woods. And then, there was a vote, and it was passed by a majority.

Now this is very, very important; because Italy, as you know, is the fifth-largest economy in the world, and it is the first country of the G-7 states to go with Lyn's proposals explicitly. Now, this is very big. And we have now, a policy of the whole international organization: We're spreading the news about the Italian development. We have it out among all the parliaments. We have many contacts in many countries, in parliaments, who already signed previous appeals for a New Bretton Woods, and our aim is to replicate this before it is too late.

Every day, the markets are going down: You have new horror-shows, new fraud investigations, new stock market



*The hall of the Italian Chamber of Deputies, where the watershed vote, demanding a new international financial system, took place on Sept. 25. The Italian call is particularly directed toward nations of Ibero-America.*

meltdowns. Just yesterday, they announced that they will close down the Nemax in Germany—the bourse for the New Market; they just closed it down, because it collapsed to a ridiculous 300 points or so. And, people know there is only one alternative, and that is, the New Bretton Woods proposal by Lyn.

So, I think this is very optimistic news, especially because, in another area of the Eurasian Land-Bridge, namely, in the Southeast Asia and East Asia, our ideas are being put on the map, too. You know that, when Bush declared North Korea to be part of the “axis of evil,” this has sent shock waves through the countries of East Asia. And in the recent period, there was a coordinated effort by Kim Dae-jung, the President of South Korea, who made agreements with Kim Jong-il, the Chairman of North Korea, that they would go with the “Sunshine Policy” to try to move the two Koreas toward unification, to build the missing railway link in the Demilitarized Zone between South and North Korea. And then, to make sure that North Korea is not being singled out.

### Moves by Eurasian Powers

This is very much the concern of Russia. President Putin went to Pyongyang, and offered Russian help in the construction and modernization of the rail through North Korea, so that, you can soon travel all the way from Pusan in South Korea, to North Korea, to China, to Russia, to Europe. And at the same time, a delegation went from Rome—of industrialists—to Pyongyang, and they announced that there is now a consortium of French, Italian, German industrialists, who not only want to help with the modernization of the rail in North Korea, but who want to build another line, all the way from Korea, through Eurasia, to Trieste in Italy.

So there is a tremendous motion. And this is also supported now, by Koizumi from Japan, which is a complete shift in the Japanese-Korean relations. And all of these leaders totally, totally agree, that the Eurasian Land-Bridge and the New Silk Road is the way to keep peace, and to have a war-avoidance policy.

So, what I’m trying to say, is that, while the meltdown is going on; while the war danger is escalating; there are motions of very important forces around the world, who go in the direction of Lyn’s policies: the New Bretton Woods and the Eurasian Land-Bridge. So, I’m actually very optimistic, because people understand that the alternative to war, is building the peace; building peace for economic development; and having a peace policy, as a counter to this Clash of Civilizations.

### Latin America Now Moving

**Caller:** You had mentioned that, with this breakthrough, this flank breaking through in Italy, with the introduction of this New Bretton Woods program, that we’re immediately pushing to have a similar type of resolution introduced in as many as 12 different nations. And we’re working on that



*Rail corridor construction opens the two Koreas’ long-forbidden border. Gates are open at the DMZ after 50 years—to allow the construction of new rail lines up the whole peninsula, the Eastern end of the “New Iron Silk Road” across Eurasia. This is a major objective of LaRouche’s New Bretton Woods monetary reform.*

immediately. What’s going on with that in Europe and other parts of the world? I know now we have youth organizations, in places like the Philippines, and we even have some young people now in places like Nigeria. You have student groups on campuses and things like that. Are there any recent developments on that?

**Zepp-LaRouche:** What we have been doing in the last two days, is to get the resolution from Italy translated into all languages, and we are circulating it together with the call for a New Bretton Woods, which has an important tradition, because I had issued in the past six years, two calls: One was an appeal to President Clinton; and when it became clear, that Clinton was, unfortunately, neutralized, because of the Lewinsky affair, [we appealed for] an Ad Hoc Committee for parliamentarians to just form themselves, to make such an emergency conference. These calls were signed by more than 500 parliamentarians from 40 countries, and even an even larger number of leaders from various civil organizations, and trade unionists, and industrialists and so forth. So, we are recontacting many of these. Some of them are not parliamentarians any more; therefore we have other, new ones. So, right now, we are in the process of really, in-depth, spreading this proposal.

The point is, that a similar development is coming from Latin America, where recently there was a very successful conference in Guadalajara, commemorating the 20th anniversary of [then-President José] López Portillo going with Lyn’s proposals in 1982. On Sept. 1, 1982, President López Portillo had started to implement Lyn’s program for the Latin American-wide infrastructure integration—which at that point was called *Operation Juárez*. And, he introduced exchange controls; nationalized the banks; he gave out development credits for very concrete projects.

And at that time, we could have gotten the world on a

completely different track. But, at that time, Argentina and Brazil did not act in solidarity with Mexico. And Britain then launched the Malvinas War, which threw Argentina far, far into the crisis. And now, people can see that the lack of solidarity in going to with LaRouche's proposals, [as] implemented by López Portillo, is the reason why now, not only Argentina is collapsing, but Brazil and the whole the Latin American continent is being "Argentinized."

So, out of this Guadalajara conference, where you had participation from Argentina, from Brazil, came the idea that we need a new, global economic forum. You only have two such forums: One is the famous (or infamous) Davos Forum, in which all the key monetarists meet once a year; and then you have the oligarchical, counter-controlled forum of Pôrto Alegre, in which the so-called "anti-globalization" forces are organized—but it's actually controlled by the very same forces as the Davos Forum.

So, the world is in an urgent need to have a real economic forum, which discusses physical economy.

### **If World Is for Peace, and U.S. for War. . .**

I think it would be one big task, also, for the United States, to find people. So people should take these three documents together: the Italian resolution [see *EIR*, Oct. 4], the call for a New Bretton Woods [available at [www.schillerinstitute.org](http://www.schillerinstitute.org)], and the Guadalajara call to establish an economic forum [see *EIR*, Sept. 20]—and try to find people, also inside the United States, who realize that the whole American model of economy is out; not only the New Economy, but the mega-bankruptcies, the collapse of the stock market, and so forth. And find reasonable, intelligent, moral economists in the United States; state legislators, if possible, even Congressmen, to join. Because there is no reason why we should not be able to find people inside the United States, who become part of this world motion.

Because the alternative for the United States, obviously is to go back to the policies of John Quincy Adams and the community of principle; because, what could be better for the United States than to cooperate with the Eurasia, with Africa, with Latin America? I mean, these are potentially gigantic markets for American exports.

So, I think what you want, is to look for economists in the tradition of Alexander Hamilton; of the Careys, father and son—the advisers of Lincoln; in the tradition of Franklin D. Roosevelt; and organize them together. Because the problem is, if the whole world is for peace, and the United States is going for war, I'm afraid the world will go to war.

So, the key thing is, to break things up; find voices of reason; and, I'm absolutely certain, that within a couple of days, you will see the first signers of this call. We have, already, six—the first signers, who initiated the call. But the idea is to create the momentum, an avalanche of people who say, "We don't want to go down the drain of economic depression and war, but we want to put an alternative on the table."

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## Breakthrough in Italy

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# Five-Year Fight for A New Bretton Woods

The Italian Parliament's unanimous vote on Sept. 25 for a resolution seeking a new global "financial architecture," in view of the "crisis of the whole financial system," was a breakthrough achieved by more than five years of organizing—in Italy, and internationally—by the LaRouche movement.

The fight began on Jan. 4, 1997, with the first major, public announcement of Lyndon H. LaRouche Jr.'s New Bretton Woods policy. LaRouche addressed a forum of the FDR-PAC in Washington, D.C. laying out a policy orientation for the second Clinton Administration, centering around two proposals: that the U.S. President convene an international conference to establish a "new Bretton Woods system," to put the world economy through bankruptcy proceedings and to reorganize it for productive development; and that the United States join in global projects of benefit to all mankind, with a special focus on the Eurasian Land-Bridge program.

The challenge was immediately taken up in Italy, where Sen. Publio Fiori, leader of the opposition party National Alliance (Alleanza Nazionale, AN) and former Transport Minister, on Feb. 13, 1997, introduced a parliamentary question to the government, asking whether, in view of the ongoing disintegration of the international monetary and financial system, Italy should undertake emergency measures, such as a New Bretton Woods conference and a tax on derivatives speculation.

The following chronology traces some of the LaRouche movement's key interventions, and the steps taken by elected representatives in Italy, that brought about the historic result that now must be replicated in other countries.

**Feb. 15, 1997:** LaRouche delivers keynote address to a conference of the Schiller Institute and International Caucus of Labor Committees in Reston, Virginia, titled "Toward a New Bretton Woods Conference." He calls for the audience to forge the preconditions to enable President Clinton to convene, with other heads of state of leading nations, a New Bretton Woods conference to create a new, stable, global monetary system to replace the bankrupt International Monetary Fund system.

**Feb. 15-17, 1997:** An "Urgent Appeal to President Clinton To Convoke a New Bretton Woods Conference" is initiated by the founder of the Schiller Institute, Helga Zepp-LaRouche, and Ukrainian economist Natalia Vitrenko, member of the Supreme Rada (Parliament) of Ukraine. In subse-