

Italian Parliament Endorses Call for New Monetary System

by Claudio Celani

In an historic breakthrough, on April 6 the Italian Chamber of Deputies (the lower House of Parliament), approved a motion calling on the government to promote “an international conference at the level of Heads of State and Government, to globally define a new and more just monetary and financial system.” The motion had been drafted by Paolo Raimondi, representative of the LaRouche movement in Italy, together with Rep. Mario Lettieri, who had introduced it with fifty colleagues from almost all Italy’s political parties. It is a faithful representation of both the analyses and proposals put forward by American economist and political leader Lyndon LaRouche, to whom legislators supporting the motion repeatedly referred as the initiator of the campaign “for a new Bretton Woods,” during the Parliamentary debate.

The Italian government, according to the constitutional rules governing Italy’s parliamentary democracy, is bound to obey the Parliament’s deliberations. Although this is never automatic, but obviously subject to political dynamics, the vote on April 6 was just the “first step,” as several legislators stressed, in a process of discussion and deliberation on the international financial and economic system, which will continue in Parliamentary committees in the coming weeks. The vote on the motion introduced by Lettieri and his colleagues, came after a fierce battle, during which a government attempt to emasculate the motion was successfully beaten back. The debate had resumed after a two-week pause due to the Easter holidays, and the regional elections which took place on April 3-4, during which Parliament remained closed.

At the beginning of the second phase of the debate, the government representative, Undersecretary for Parliamentary Affairs Cosimo Ventucci (not an elected deputy), intervened by proposing to remove five lines of the proposal,

which would have completely eliminated the call for the government to take action to convoke an international conference to reform the international monetary and financial system. Ventucci’s attempt was rejected by a broad array of legislators, from the opposition as well as the government coalition. In particular, representative Alfonso Gianni, from the opposition party Rifondazione Comunista (PRC), and Luigi D’Agrò, of the Christian Democratic Union (UDC) party, part of the governing coalition, led the pro-LaRouche and anti-globalization forces to defeat the government attempt. Remarkably, both Rep. Lettieri, and others who intervened in the discussion, referred to the just-deceased Pope as the moral leadership on issues of economic justice.

Government Tried To Destroy the Motion

After Ventucci presented the government proposal to change the motion, Rep. Gianni took the floor, rejecting the proposed changes, and pointing out that this would completely change the substance of the motion. Gianni, an economist respected by many of his opponents for his competence, reminded the original supporters of the motion, including Rep. Lettieri, that the “heart” of the text, as inspired by “American leftist Democratic circles,” was precisely the issue of convoking an international conference. “The kernel of this motion is that we must ‘remake Bretton Woods,’ that is, hold again an international conference, at the level of Heads of State and Government, to reach an agreement on the financial and monetary system. This is the ‘heart’ of the motion: If we erase—as the government cunningly is trying to do—this part of the motion, there is absolutely nothing left!”

Gianni pointed out that the proposed changes to the resolution would justify the government continuing to act only

within the framework of institutions such as the IMF and the World Bank—those very institutions whose failures are exposed by the motion itself. “The date that all historians of world economic history indicate as the beginning of modern globalization, the era we live in, is precisely the era which signifies the end of the Bretton Woods agreements, and of dollar convertibility to gold.” Therefore, “the heart of this motion, which I know well—and I know its source, American leftwing Democratic circles—is exactly this: Either we organize an international conference reproducing those rules, requested . . . by the great legal experts who founded the United Nations after the League of Nations, by reforming international law and moving things ahead, or we have achieved nothing!” Gianni then announced he would withdraw his support if the text were altered in line with the government suggestions. Gianni’s forceful intervention aborted the government’s efforts to undermine the resolution.

Government Retreats

As subsequent debate showed, many colleagues from the opposition, as well as from the government coalition were ready to follow Gianni’s example, which isolated the government, and set it up for a possible defeat. This was avoided by a “preemptive withdrawal” announced by Undersecretary Ventucci. The government, Ventucci said, does not believe that international political conditions will allow “the organization, in the immediate future, of an ad hoc international conference of the kind presented by the authors of the motion; the government, however, has no objection to an action which

intends to undertake the necessary initiatives to achieve, as soon as possible, with other nations, the convocation of an international conference at the level of heads of State and Government.”

At that point, Ventucci proposed to reintroduce the five lines, minus the words “similar to the one held in Bretton Woods in 1944.” Next, according to usual procedures, a spokesman for each Parliamentary faction delivered a “vote declaration,” that is, a short speech motivating their “yes” or “no” to the motion. All speakers, with one exception, congratulated the government for having changed its mind, and for supporting the final text of the motion. Notably, Rep. Marco Zacchera, a foreign policy spokesman for Alleanza Nazionale (AN), a government party, welcomed the government opinion and the bipartisan consensus reached. “We have honored the Pope today,” Zacchera said. “How often did the Pope say that government leaders of the world must meet and discuss these issues!” Furthermore, Italy has ambitions to get a permanent or semi-permanent seat at the United Nations, which means “it must intervene on these aspects, taking positions.”

The Debate

A colleague of Zacchera’s, Sandro Delmastro delle Vedove, drew open applause from both his camp and the opposition, when he reminded people that, due to the “usurocratic” regime of the International Monetary Fund, the Argentinian bankruptcy is threatening a “war among the poor,” i.e., the Argentinian people and Italian families who lost their saving accounts. Usually he disagrees with Gianni, Delmastro said,

The Political Context for The Parliamentary Debate

The vote on April 6, of the Italian Chamber of Deputies on the motion for a reform of the international monetary and financial system, took place in the midst of an extraordinary historical circumstance in Rome. In what has been described as the greatest event in the history of Christian Rome, millions of pilgrims from all over the world were pouring into the Italian capital to render homage to the just deceased Pope John Paul II, in a grand demonstration of love for an extraordinary world leader. While Italian legislators were referring to the teaching of the Pope in the Parliamentary debate, four million people had already reached Rome, and millions more were expected in the subsequent days leading up to the funeral on Friday, April 8. A kilometers-long queue of an estimated one million people was slowly moving towards the Basilica of Saint Peter, where the body of “Karol the Great” was on view.

At the same time, Rome’s three airports were receiving non-stop more than 200 foreign government and state delegations, which were forming the largest gathering of world leaders ever seen in history. For the first time, an acting U.S. President rendered homage to a deceased head of the Roman Catholic Church. “George W. Bush is praying in front of the body of the Pope who fiercely opposed his preventive war,” commented the Italian First Channel television news.

A second circumstance of national relevance, whose implications affected the proceedings of the Parliamentary debate, was the severe defeat suffered by Prime Minister Silvio Berlusconi’s party, Forza Italia, in regional elections April 3-4. Forza Italia’s defeat determined the loss of six out of eight regional governments by the ruling conservative coalition. In a total of 13 regions where Italians went to the polls, the conservative “House of Freedoms” got two and the opposition “Olive tree” coalition won 11 governments. Nationwide, about 6% of the vote shifted, foreshadowing a probable victory of the opposition in the general elections next year. —*Claudio Celani*

but this time he fully agrees with the critics of the IMF. “The government has the duty, when it is a matter of 1 million small investors being defrauded and robbed, to start a process such that, at the international level, we rewrite rules—you do not want to call them Bretton Woods? We’ll call them something else—because markets are not able to rule themselves and the last decade has openly demonstrated this.”

Next, Alfiero Grandi, a member of the Democratici di Sinistra (DS), the largest opposition party, spoke. He supported Gianni’s intervention and added ironically that “recent decisions on international employment positions,” referring to Wolfowitz’s nomination as head of the World Bank, do not “suggest optimism” for the possibility of the World Bank changing for the better. “We can discuss how important it is to bring back the Bretton Woods agreements which, in the interpretation I gave, by signing the Lettieri motion, have the meaning of bringing back the importance and the influence of that experience. What we face now, in fact, is not less challenging and important than what occurred more than fifty years ago. I believe, therefore, that we could have kept the reference to the Bretton Woods agreement, but I will not make an issue of it. The motion keeps its validity and we will vote for it.” The discussion does not end today, Grandi said. At the end of July, Parliamentary Committees will resume the discussion on how to intervene and govern international financial processes, Grandi said, and in which international fora the issue shall be discussed.

A critical moment came when Antonio Leone, the representative of Forza Italia, Prime Minister Berlusconi’s party, took the floor. Leone had earlier introduced another motion, which apparently was intended to be a distracting factor. Its text, in fact, did not at all address the need for a reform of the international monetary system, and instead encouraged the government to continue with the “good work” already accomplished in defending family savings. Leone announced that he invited his group, and the whole government coalition, to vote for his motion, and to abstain on the Lettieri motion (an abstention is almost a green light, as it technically allows the vote to be successful even if it does not reach the majority).

Rep. Gianni then intervened again, and asked the government representative, Ventucci, to definitively confirm that he had changed his mind. “Of course, that is completely different from what you had made us understand earlier,” Gianni said. The Chairman of the session, deputy chairman of the House Fabio Mussi, interjected: “There has been a correction during the session. The government has changed its mind.” “Then,” Gianni said, “since words have weight, if the words have changed, the substance has changed.” “Since the concept of similarity is different from the concept of identity, we do not make a principle issue on similarity. If the Undersecretary of State does not like the similarity with Bretton Woods, so be it! What is more important is that we have an international conference at the level of heads of state and government. If this is in the resolution, as I believe it is, I correct—not due to my fault—my vote in a favorable sense.”

Next, Rep. Gabriella Pistone, from the opposition party Comunisti Italiani (PdCI), motivated her support for the motion, stressing that “the discussion was useful because it convinced the government to change its mind.” Mrs. Pistone was followed by Luigi D’Agrò, a member of the government party Unione dei Democratici Cristiani (UDC). D’Agrò, who participated in a conference at the Vicenza Chamber of Commerce a few years ago, where LaRouche was the main speaker, is well acquainted with the new Bretton Woods issue. He was outspoken in calling for “not introducing any change” in the motion. He reminded people of the devastating effects that international speculator George Soros had caused against the Italian currency in 1992, and suggested the government get the European Union to support the initiative to convoke an international conference to reform the monetary and financial system.

The debate was then concluded by a short intervention by Rep. Marco Boato, from the Green Party, who simply announced a favorable vote by his faction. The motion was put to a vote, and it was approved with 187 in favor, 5 against, and 159 abstentions. Those figures show that many members of the government coalition voted with the opposition.

Documentation

The Parliamentary Debate

The following is an edited version of the discussion which occurred on Rep. Mario Lettieri’s motion for a New Bretton Woods (n-00320) and the government alternative (n-00431).

President: I invite the representative of the Government to express a position on the motions on the agenda.

Cosimo Ventucci, Undersecretary for Relations with the Parliament: Mr. President, the Government accepts the Antonio Leone n. 1-00431 motion and also the Lettieri and others n. 1-00320 motion (subsequent new formulation), on the condition that the following words are removed from the dispositions of the latter: “to reach, as soon as possible, together with other nations, the convocation of an international conference at the level of Heads of State and Government similar to that held in Bretton Woods in 1944”—a reference which seems too far off to me. . . .

Mario Lettieri: Mr. President, I immediately say that I accept the reformulation proposed by the Government. . . .

President: Hon. Lettieri, to be completely clear, I would specify that the Government has proposed a reformulation that calls for the cancellation not of two lines, but of five lines of the dispositions of your motion; to be exact, from the words “to reach, as soon as possible” to the words “Bretton Woods in 1944.”