
Mario Lettieri

Parliaments Should Act on These Issues

Hon. Mario Lettieri is a member of the Italian Chamber of Deputies. He delivered these remarks to the Berlin seminar on the morning of June 28, after Lyndon LaRouche's keynote (published in last week's EIR), and the questions and discussion that followed it. Lettieri spoke in Italian, with consecutive translation. The moderator was Michael Liebig.

First of all, I'd like to thank you for the invitation to take part in this very important meeting.

Following the very wide-ranging and profound presentation by Professor LaRouche, I've had to change my plans for

my intervention, and shift in a different direction. The themes that have been introduced are extremely relevant, and they require of intellectuals and professionals in every part of the world—but particularly in the United States—a particular commitment, in order to solve the problems that have been identified.

As a Member of Parliament, and on the invitation of Paolo Raimondi, whom I'd like to greet here, as you probably know, I proposed to the Parliament of my country, Italy, a proposal for the reform of the financial and monetary system. The Parliament in Rome, on April 6, approved the proposal that I had presented, and it committed itself as well, to appeal to the government to become active internationally, in order to build a new financial architecture, in order to prevent future speculative bubbles, and also to prevent future financial crash scenarios. This proposal also called on the government to sustain the real economy, as Mr. LaRouche developed the idea today, and therefore to take all necessary initiatives to convoke an international conference at the level of the heads of state and governments, in order to define a new, and more just, world economic and monetary system.

My initiative was actually prompted by the scandals in Italy of Parmalat and Cirio, which you've heard about, as well as the very big scandal in the United States over Enron, and of course the Argentine bond issue, where, for the first time, a sovereign state was defaulting. I believe that these things are merely the tip of the iceberg, of a much greater, much graver, and larger phenomenon, which of course Mr. LaRouche has developed today, but which is not taken into consideration adequately, generally. In every country, particularly in the developed countries, we see more and more, every day, the negative effects of the financialization of the economy, the transformation of economic processes into financial processes; the concentration of power in very few hands; the lack of equality in single countries, and among various countries, and of course, even the lack of equality among continents—here, I'm thinking of the case of Africa, which was also cited.

I won't speak of the situation in Africa. However, I must say, I live the crisis of Africa as a great drama, a great personal drama. But, I will not speak of the disease, the war, and social dislocation.

Disastrous Effects of Outsourcing

What I do want to do, is to stress one aspect that was raised by Mr. LaRouche: And that is, the outsourcing of production out of the United States and Europe, because this is also hitting Italy quite hard, right now. It has led to the impoverishment of the social structures, and unemployment, as well as a chain-effect of the following type: Instead of having investment going from northern Italy, which is relatively developed, into southern Italy, where it is greatly required, investment is going from northern Italy to Romania, to Poland, to Slovenia, to Tunisia, and to Turkey. And I can already anticipate that



EIRNS/Wolfgang Lillge

Lyndon LaRouche (left) and Hon. Mario Lettieri at the Berlin seminar. Lettieri made an impassioned appeal to the audience and to other parliamentarians: "I want to emphasize the dramatic situation. If we do not address these issues at the required level, there's the risk that the new generations will find themselves in a dark age."

tomorrow, when the conditions are improved in these various countries where investment is being made, there will be the tendency to look for other areas where one can outsource production, where the wage levels will be even lower.

As is known, many negative effects have been seen in the countries of the West, deriving from the imports of cheap products, from China for example, where wage levels are much lower and therefore products can be produced and sold at much lower prices. Entire economic sectors are being hit by these cheap imports—for example, the textile sector. In Italy, the textile sector used to be a very prominent one, very productive. But now, it has fallen into a serious crisis, not only in Tuscany, but also in the southern part of the country. So the problems are not at all local, and do not just affect a single country, but they are much more complex, and affect the entire globe.

From what I've heard, it's very clear that the international institutions, thus far, like the World Bank, the IMF, the World Trade Organization, as well as the G-8, have not demonstrated an adequate understanding of the complexity of the problems. And as Mr. LaRouche presented it, it also appears to be the case that these governments themselves are either unaware of this fact, or are influenced by the fact of this so-called "bestial capitalism," and the big financial banking systems that actually are controlling the economies. These are not the great industrial systems that we had in the past, which were extremely productive. But, we're dealing here with banking systems, financial systems which are based on purely speculative activities, whereby huge masses of money, of funds, are transferred from one place to another within a few minutes,

bringing great profits to those who invest them, but impoverishing entire countries.

Parameters for a New Bretton Woods

Therefore, we absolutely have to review the entire financial and economic system, and the policy of development. I hope that the United Nations and the EU will play a role in this concern. Mr. LaRouche has displayed a not positive predisposition to the European Union, and here I must dissent: Because, I believe that the EU—which was recently hit very hard by the “No” vote in France and the Netherlands on the Constitution—I believe that the EU still can play a role as if a single state, in the process of creating a new and more just monetary and financial system internationally.

There are several new facts that must be registered worldwide, which are positive. For example, I see a process of democratization in countries of Latin America, and also in those Eastern European countries or those in the former sphere of the Soviet Union, and I would like to greet the representatives of these countries here, today. Another important fact to note, is the new role of Asian countries, like China, India, and Korea, in the world economy. The United States is also apparently beginning to note their presence, at least on the market, and these countries will have to be given a larger political weight in world politics. And also, in my view, they must be brought into the process of creation of a new monetary and financial system worldwide.

Well, it's very obvious, that when we're talking about building a new international financial-monetary system, a New Bretton Woods, we cannot exclude great countries like China, India, and others which have an extremely important demographic weight, as well as an economic function in the world economy. This also goes for the countries which were formerly in the sphere of the Soviet Union.

Freedom and the Role of the State

Now, there are just a couple of problems I would like to raise, in conclusion. You have stressed the role of the state in your remarks, which has raised a couple of problems—in fact, I saw, in some of the questions asked here, that this issue can be problematic. These questions have stimulated my question now: How can you link the freedom of the economy, the freedom of a company to move as it will, economically, in order to return to a productive economy, where it produces tangible wealth, not speculation, and also generates employment—how can you link this freedom of the economy, free economy, to the role of the state? Because I have seen how an excessive role of the state, for example in Eastern Europe, can lead to a degeneration of the economy. And I think we have to identify a third way, in which we can guarantee that a free economy can coexist with a strong state.

In practice, we have many weak governments, which are incapable of generating investments for productive activities. But, on the other hand, we also have governments which are

subjected to the control of powerful international financial institutions, and they have acted in such a way as to produce the scandalous cases that I mentioned before—Parmalat, Cirio, Enron. These are brutes, which managed to escape the rules of the game. They managed to avert the regulations that are established in any one country. And there are too many big financial processes, and groups, which are able to evade any kind of regulation. What we need is regulation on a worldwide scale. However, we have not even been able to reach agreement at the level of the European Union. And even within Italy, there is disagreement still on the question of the reform of the savings system. At the EU level, we need, absolutely, regulation, in order to prevent further scandals, and I have spoken about the possibility of introducing a tax, something like the Tobin tax, which would be a way of regulating and at least identifying speculative flows.

Now, before I finish—and thank you for your patience, listening to these disconnected thoughts—I want to make an appeal: And that is, that everyone has to make a very serious effort, at the level of every parliament, as well, to deal with these issues. It has to be said that the individual parliamentarian often doesn't have the time, or is not able for other reasons, to reflect on this *very dramatic* situation we are living through—and I want to emphasize the *dramatic situation*. If we do not address these issues at the required level, there's the risk that the new generations will find themselves in a dark age. So, I am calling for a common commitment, which right now is not there at the level of most institutions. We must call on all, to fight for the common good, and also with a good dose of utopian outlook for a better world.

Thank you.

LaRouche Responds on the Question of Freedom

Liebig: Once again, thank you Dr. Lettieri. And, as you raised a number of very significant questions to Mr. LaRouche directly, I would propose, in concluding this morning's session, that Lyn directly responds.

LaRouche: Let me start with one thing, an observation on this question of freedom, as he referred to it in a number of points in the report.

Some years ago, I saw the opportunity of, or the challenge of meeting the potential of a youth movement inside the United States and elsewhere. Now, the need for the youth movement comes largely from what happened in Western Europe and the United States under Harry Truman and Co.—or, under Henry B. Luce and Co.—in the creation of a fascist organization called the Congress for Cultural Freedom, which I've called the Congress for Cultural Fornication.

This institution, which presumably was to educate people in the United States, in particular, Western Europe, and to