

Italy Can Contribute to a New, More Just World Economic System

Sen. Gian Guido Folloni was Italy's Minister for Relations with the Parliament in the first government of Massimo D'Alema (1998-99). From 1994 to 2000 he served several legislative terms as a Senator. From 1982 to 1990 he was the editor of the Catholic daily Avvenire. His background is rooted in the Christian Democracy party of Aldo Moro and Giulio Andreotti. In 1998, he was vice president of the Parliamentary Association for Euro-Arab Cooperation. Folloni is now responsible for relations with Far Eastern and Arab countries in the Foreign Affairs Department of the "La Margherita" party, which is the second most important party in the Italian opposition coalition. He is vice president of the Institute for Asia in Rome, and has signed the call for an Ad Hoc Committee for a New Bretton Woods initiated by Helga Zepp-LaRouche. Senator Folloni gave this interview to Paolo Raimondi in Rome in the middle of June. It has been translated from Italian.



EIR: You recently visited China and several Arab countries, and you made an assessment of the international geopolitical situation, from a European and Italian standpoint. Can you give us your evaluation of current Europe-China and U.S.-China relations under Bush II?

Folloni: I believe that the current situation in international relations often leads people to risk forgetting about the underlying dynamics of change. Thus while a war, trade conflicts, and a financial crisis appear to be isolated events, in reality, the system is rapidly evolving toward a new set of international relations. The true change under way is a change in the checks and balances in this system, from an economic, political, and military standpoint. There are new actors on the scene, and their presence, which is very relevant in terms of population and new economic and political effects, tends to call the old equilibria into question. . . .

I have personally experienced how Asia—China and India in particular, but also other areas—will be players of pri-

mary importance in the international system within a few years. This is certainly true from an economic standpoint, as emerging markets, but also as areas of investment—not only for medium-level technology, but also for high technology. Not only for available labor, but also for financial resources and their mobility. As happened many centuries ago, this new presence moves the center of gravity of international relations, which for the past two centuries has been the Atlantic, back to the Eurasian region.

In this context, the Mediterranean becomes a sort of navel of international relations. It is no coincidence that major crises and conflicts—which until 15 years ago were more in South America, for example—are now in this more dense area of international relations, the Mediterranean and Middle East.

This policy is affected by two other factors: the position taken by the U.S. Administration vis-à-vis these changes, and second, Europe's difficulty in taking on a political role in this international situation; that is, the European Union as a whole, not as single countries. The first and second [G.W.] Bush Administrations, with only minor differences, considered it useful for America to play the role of the sole superpower, with the consequence that the new equilibria are discussed from this standpoint, requiring a role for the United States outside of all international agreements. This is proved by the American tendency to avoid all international gatherings where the U.S. could be asked to provide explanations for its decisions and actions, such as the rejection of the International Criminal Court, or the decision to stay out of the environmental agreements, leaving the U.S. free to decide the nature and degree of environmental protection, and also to avoid—in the name of national interest—any legitimization of the UN system.

For example, this is the origin of the Iraq conflict. America demands the right not to discuss such issues with other nations, not even with the countries on the UN Security Council; it considers certain issues as questions of national interest. At the same time, at the UN Security Council, America demands that all other countries behave according to standards fixed by the Council itself. Saddam Hussein was asked to obey the demands of the Security Council, but then the U.S. decided to proceed with the war even without the Council's consensus.



The Strait of Messina, Inc.

Senator Folloni underlines that the Mediterranean has become a zone of crisis, due to the policy failures of both the United States and Europe. Here, an artist's conception of the proposed bridge over the Strait of Messina, linking Sicily to the Italian mainland—a great infrastructure project that could help transform the situation. The bridge, with the longest span in the world (3,300 meters) will extend Europe into the heart of the Mediterranean, linking Europe to Africa. Construction is scheduled to begin in 2006, and it will be open to traffic in 2012.

Europe has not equipped itself with political weight in correspondence with its market of 25 nations and 500 million people which are moving toward the same currency. The euro is a de facto currency of reference on the international markets—not de jure, but de facto. Together with the currency, a united Europe should develop political, security, and diplomatic instruments. A debate has begun on security, which does not imply a re-evaluation of old military alliances, but gives Europe a larger responsibility and autonomy, particularly on its own continent and in relations with the rest of the world. The Galileo Project is very important; this is an autonomous communications network which will also provide a non-unilateral perspective in international relations. A unified communications system implies a unique international point of reference. If there is another option, then the system can become multipolar.

So far, Europe has given little weight to positive relations with Asia, China, and also the Russian Federation. I believe that, even in the context of differences and even critical aspects in Europe's relations with these entities, it is important to create a forum for discussion with these areas, which represent points of reference in a multipolar system, in order to have a process of dialogue and work on the contributions which these entities can provide to a redefinition of the international system. This weakness manifests itself in the European Union's inability to express a unified and important position in the ongoing debate over the reform of the UN system; this system has been called into question by the United States,

not only with the alternative alliance of the so-called "coalition of the willing" in the Iraqi conflict, but also in the Bush Administration's demands for reforms that serve its unipolar interests.

I know that this position is not shared by all Americans, and that there is a vigorous debate which I think should be followed more carefully in European capitals; but this situation is blocking the construction of international instruments required at the present time. The idea that a new UN system can become a forum where cultures and emerging societies formulate proposals for cooperation and government at the international level, instead of a club of superpowers, has gained too little support and credibility. It should become a sort of government of a new international system.

EIR: In the framework of the international system you just spoke of, we must mention that we are in a systemic financial crisis. In this context, LaRouche, *EIR*, and our movement have documented this crisis and launched a campaign to create a new monetary system, a New Bretton Woods, which has also been discussed in the Italian Chamber of Deputies. This strategy is crucial for defining new relations among China, Europe, the United States, and the rest of the world.

Folloni: Yes, in recent years, it has become evident that after the end of the Bretton Woods agreements, the international economic system has come to such a critical point that the countries that benefitted from the old Bretton Woods system have to decide, for example, to forgive the foreign debt of other countries. This decision was intended to keep these countries as part of the international market, otherwise everyone would have been negatively affected, including the developed countries; and to redress an unbalanced situation in international economic relations. The end of the old Bretton Woods system is also forcing the stronger economies to again define, for example, the [currency] exchange parameters between developed and developing countries. I believe that just forgiving these debts every once in a while is not the solution; rather, it is urgent to sit down and define, among nations, the rules for a more balanced economic system.

My hope is that the awareness of a need for a New Bretton Woods will lead, as soon as possible, to the implementation of a more adequate policy toward the countries of the developing sector in particular, and to a willingness to face the conflicts

manifested in more aggressive market policies. We are accusing China of working too much and thus undermining our productive systems on the international markets. China produces what we also want to produce, but at a lower cost. At the same time though, we are not willing to discuss a new equilibrium among different economies which would allow China to have economic growth without engaging in economic warfare.

During my visits to Asia and the Middle East, I have tried to understand all of this, by taking the part of one who looks at the West and monitors Western policies and decisions. From that standpoint, you get the impression that the West has a double standard in its economic policy: In the West there is the will, including through diplomacy and military and security interventions, to protect their own economies by slowing down the growth and development of less-developed countries. A few years ago, I was struck by reading a report of a leading U.S. think-tank on the level of consumption of the planet's resources. The report emphasized the impoverishment of the Earth due to a situation in which the planet is unable to regenerate itself, based on the current level of consumption and development. The report admitted that there was a great imbalance in consumption, and concluded that if China wanted to provide 1 billion peasants with a high level of development, then the planet's environment would collapse, unless there were some sort of reshaping of the system of consumption and a redistribution of technologies. China should be given the chance to develop itself with modern technologies which do not harm the planet. . . .

From the South, or from Asia, one gets the impression that in the West there is a tendency to create a club of rich countries that want to slow down the growth of the economies of developing countries. For example, oil resources: The West is trying to maintain control over oil reserves, while also limiting the potential energy of developing countries. Soon China and India together will have almost half the world's population, which poses a problem of democracy, because an international system which claims to be democratic cannot write off half of the world's population as having a limited voice, while other nations with much less population make decisions for everyone.

EIR: At the beginning of this year, *EIR* and LaRouche organized a seminar on these questions—and a second seminar will be held in Berlin at the end of June—where we discussed the necessity of a new, just agreement on raw materials in the context of a new global strategy of development, with international leaders and experts. On these issues, it is necessary to go beyond simple analyses, and wage a battle, a political campaign.

Folloni: Yes, I think that a battle on this front could involve viewing important developing countries, such as China and India, as primary actors that could have an authoritative voice regarding decisions on a balanced redistribution of raw mate-

rials. I'm also thinking of the Arab world, with its important oil and other types of resources. They could use their contribution to the world economy in order to have a stronger voice regarding energy and the resources of the planet.

The other important actor could be Europe, which has abandoned its colonial past and has so far not shown a neo-colonial tendency, while we see neo-colonial tendencies from the other side of the Atlantic. Europe could continue the policy initiated after World War II, of internal and external cooperation and development, and thus could have an important role in a new international economic system. Europe is thinking, after expanding to 25 members, to now build up a so-called "circle of friends" around Europe, and I think we must go beyond this too, toward the Asian continent and other continents, with a policy based on integrated cooperation.

EIR: In your discussions in Asia and the Arab world, what did you learn about how leaders there perceive the ongoing discussions on 1) the reform of the international monetary system, in the context of the present financial crisis, and 2) large-scale infrastructure development projects?

Folloni: In the Mediterranean region, countries are asking to be included in the process of the enlargement of Europe. Non-Europeans know they cannot get into the European Union, but they want to be part of the process of building infrastructure networks in their own region.

On the monetary level, non-Europeans perceived the beginning of the euro as an opportunity to redefine international equilibria. Everybody has decided to invest in euros instead of dollars. I was surprised when already three years ago, at the Amman airport, you could buy things with euros and get change in euros, too. The euro is considered an element that can be used to re-define the international economic system. Europe is seen as a chance to participate in redefining international relations. The Chinese have also transferred part of their monetary reserves to euros, and they got a good deal, because in a short period of time the euro has gained value compared to the dollar. Attention to the dynamics of the economic and financial crisis on the one side, and to the shift among the currencies that could lead us to a redefinition of equilibria, is very keen in all the countries I visited.

EIR: How do you see in this context the crisis of the Maastricht system?

Folloni: Maastricht was useful for European countries, in the sense that it introduced the idea that one has to be in shape and prepared for the new competition to which all countries are exposed in a globalized world. For Europe, Maastricht has been what a diet, or mental training, is for an athlete; but then the race still has to be run. In this respect, the Maastricht parameters are like a cast that blocks the dynamism that Europe is required to develop in the new international economic system. I believe that a reform of

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Maastricht should be carried out, not so much to take care of some situations where the rules have been broken, but to redefine the necessary positive processes for a Europe that should become a global player in the new international economic system. Maastricht may have played a useful role up to a certain point, but now it should step aside and make room for a new agreement which will make Europe a real, unified political and economic subject.

EIR: You have been a very outspoken critic of the neo-conservative “Clash of Civilizations” theory and strategy. You have held a number of conferences on these matters and written a lot on this subject. How do you see the implications of the continuation of this policy today, and what can be done to help those in the United States who are fighting against this tendency of degeneration and war?

Folloni: There could be a clash of civilizations; I have always been against those who want to see a clash of civilizations as the way international relations are regulated; those people begin to wish for and participate in defining the parameters of a clash of civilizations, as the pivot of a new structure of international relations. I believe that Europe—and this is a long-term problem—has not been able to bring our American ally to recognize the profound differences existing on these matters. . . . I believe that we must carry out a dialogue with our allies more: There is a big debate in the U.S., and we should not only declare our loyalty to our American ally, but also begin a serious dialogue with the United States about what kind of equilibrium best guarantees peace and development in the world.

EIR: Indeed, we cannot forget the teachings of President Franklin Delano Roosevelt, with his visions and projects from which we also benefitted in the period of reconstruction after World War II. The fight over these ideas is very relevant now in American politics.

Folloni: I was really struck by the way in which Bush’s re-election showed a separation of the electorate of the East and West Coasts, from the electorate of most of the interior states. That is, the locomotives of the American economy voted one way, while rural America, the soft underbelly of the U.S., voted for George W. Bush. Why is this? Because the rough and simplistic alternative to Roosevelt’s policy brandished by the neo-cons and interpreted in a certain way by Bush,

responds to the idea of conserving privileges, with the fear of facing the question of whether you’ll have enough to eat or a car to drive every day. It’s blindness in facing the future. It has to do with the fact that when we speak of oil and scarcity of resources, we can either see it as a necessity that we should share with the rest of the world, or as a threat to the living standards one enjoys. It seems to me that the neo-cons and the Administration found votes and support from people who are afraid of losing something, and do not want to look at the future with the commitment to solve problems, which are not only American or Chinese or European, but belong to all of humanity.

EIR: The last question is on Italy. You are a leader of the Margherita party, and soon Italy is going to be in an election season, which will end with a vote next Spring, at the latest. . . . Also, how sensitive is [opposition coalition leader and former Prime Minister] Romano Prodi to these issues?

Folloni: Regarding the delay in building a stronger Europe, the position taken by the Italian government in the past few years has been particularly problematic. In all my trips to Mediterranean and Middle Eastern countries, I met many people who expressed their surprise that Italy has abandoned its historical policy of being a “bridge.” Italy should not only maintain this policy, but enlarge it. If it is true that the Mediterranean is at the center of international relations, Italy is in a strategic position to continue its historical policy of being a bridge, and taking on a prominent role in the European Union. I hope that Italy—this government and the next government—understand that this is an historical opportunity. We can then imagine the development of the Mezzogiorno [Italy’s South], not as if it were a welfare-recipient aided by the North, but as part of a territory which is a crossroads for the European and Mediterranean economies, and also the Asian economies, whose goods and products will pass through this area. We are going to have joint ventures to recover and develop the Mediterranean region. This enhances the policy of the European Union, and gives us opportunities which we did not have in the past. . . .

I believe that a Romano Prodi government would definitely see the old Eurasian road as an axis of growth in political and economic relations at the international level, and will dedicate a lot of attention to making sure that Italy promotes it.