

# Tremonti: Globalization Led to First World War

*La Repubblica*, Italy's second-largest national newspaper, published March 17 an interview with Giulio Tremonti under the headline: "Globalization creates poverty, let us defend our production. Tremonti: another Bretton Woods for the world order." The article has a small box explaining that, "The Bretton Woods agreements were signed in July 1944 by 44 anti-fascist nations. They included fixed exchange rates, convertibility of the U.S. dollar into gold, and the birth of the World Bank and the IMF. In 1947, the treaty on trade followed."

In the interview, Tremonti says among other things: "This crisis is a crisis with a capital 'C', unfortunately similar, in many aspects, to 1929. Until now, there has not been a panic, only because public intervention took place, not after financial crashes, but one moment before them. We can get out of it only through a new Bretton Woods, by re-writing the rules of the world order."

"Citing Goethe: 'This is not the end of the world but of a world.' The end of the marketist world, the bankruptcy of economists who have either legitimized or misunderstood what was being created: [they are] furious Templars, who are now shouting under the ruins of their mental temple."

How long will the crisis last? "This is a global, structural crisis. It is not limited to finance, but includes the economy; not limited to the U.S.A., but includes the rest of the world. The liquidity crisis is becoming an insolvency crisis. The technical instruments so far used have a limited usefulness.... We need a concrete and symbolic discontinuity: a new Bretton Woods. In 1944, a new world economic order was founded, and the time has come to replace global disorder with a new global order. The sooner we organize a Bretton Woods, the earlier the crisis will be over."

Rebuking former European Union commissioner Mario Monti, who wrote that globalization had already begun in 1914, but was "interrupted by the war," Tremonti says: "What we call now globalization, in 1914, was made by 'high finance' but above all, by colonialism, by mass emigrations, and by the violent conflict among mercantile powers. In 1914, it was not the war to terminate globalization, but, combining with other causes, it was that 'globalization' that unleashed the war, devouring itself.... Maybe we live in a time that needs more humanists and historians and fewer economists."

Tremonti defends himself from those who accuse him, with verbal tricks, of "protectionism." He says that he is not "protectionist" as such, but a "liberal" who believes in "rules that create, correct, and defend the market." In his book *Fear and Hope*, Tremonti says, he wrote that "Europe must imitate America: protect its industrial production against unfair competition."