
Italy

New fiscal plan is unconstitutional

by Liliana Gorini

On Nov. 29, an unconstitutional fiscal plan was forced upon the Italian parliament by decree. Presented two months ago by Finance Minister Bruno Visentini, president of the Cini Foundation of Venice, of the computer-giant Olivetti's holding company, and formerly of Olivetti itself, the plan was and still is opposed by virtually every Italian party except Visentini's own Republican Party. It is vehemently opposed by the associations of shopkeepers, artisans, lawyers, newspaper sellers, and, in general, the self-employed workers and family businesses which will be taxed 40% of their income if the plan is implemented.

The plan is necessary, according to Visentini, in order to comply with the demands of the International Monetary Fund respecting Italy's foreign-debt payments. It is just such austerity, imposed on more marginal economies of the Third World, which has enabled the IMF to produce genocidal famine conditions in Africa and bring much of Ibero-America to the verge of social chaos, civil warfare, and takeover by drug mafias. Now, through the good offices of Bruno Visentini of Venice, the IMF is treating the nation of Italy as it has treated Third World debtors.

The parliament was ready to vote the plan down and demand Visentini's resignation. But despite this, Italian Premier Bettino Craxi decided to give Visentini the full backing of his government, and to force on parliament a "vote of confidence"—a procedure which is normally used only in emergency cases of parliamentary obstruction of vital proposals like urgent national defense matters, and certainly not simply to please a finance minister. This means an emergency decree implementing the program, and eliminating the amendments and changes demanded by the majority party, the Christian Democracy (DC) and the Social Democratic Party (PSDI).

The decision to cancel parliamentary discussion and proceed to the trust vote was taken in a ministers' meeting to which the PSDI ministers were not even invited!

The procedure used to impose the plan is thus as uncon-

stitutional as Visentini's plan itself.

The main provision of Visentini's program, so-called "inductive assessments," is universally opposed, and the Italian Lawyers' Council decided to challenge it in the Constitutional Court. Despite the basic principle of the Italian Constitution, that every citizen is to be considered innocent until he is proven guilty, Visentini's "inductive assessments" mean that a taxpayer must go to jail if anybody even "suspects" that he declared less than he really earns, and must then try to prove his innocence from a jail cell.

In effect, people could be handcuffed on the basis of the paranoid suspicions of their neighbors, before any legal procedures have gotten under way.

For example, Giorgio Benvenuto, general secretary of the UIL trade union, which has joined the Communist Party and its trade unions in support for Visentini, has unleashed "fiscal brigades," what the press call "Benvenuto's hounds," to prepare a list of "suspected tax-evaders"—going to various shops in Milan and spying to determine their income. A list so compiled, with names and addresses, was posted all over Italy during a general strike called by the Italian trade-union confederation.

Employed and unemployed workers have been led to believe that if the people on the list had paid taxes, the workers would not be unemployed or poor. Benvenuto and the Communists neglected to mention that workers see their income going down because of the International Monetary Fund, which demanded the abolition of the cost of living escalator. And, of course, they also neglected to mention that the cost of living escalator was eliminated with the full approval of the Communists, Giorgio Benvenuto, and the CGIL-CISL-UIL trade-union federation!

Benvenuto and his Communist colleagues in CGIL have found it very convenient to divert the attention of their membership from the austerity imposed on them. Demanding that all of Italian society suffer from their perfidy, and in widely broadcast support for the fascist, technocratic dictatorship of Bruno Visentini, they have launched a political and economic civil war between the "employed" category of the Italian working class, their membership, and the "self-employed" categories.

The major shopkeepers' associations, Confcommercio and Confesercenti, have called a nationwide general strike for Dec. 11. They will probably be joined by small artisans. Confesercenti had previously been closely linked to the Communists, who are now naturally losing their base among Italy's shopkeepers at a very rapid rate.

The Italian Lawyers' Council also called a press conference to announce a "day of protest," saying they had attempted to call Visentini's attention to the unconstitutionality of his plan, but he had refused to even listen to them. The president of the National Lawyers Council, Giuseppe Valensise, then announced that the lawyers will challenge the program's constitutionality in Italy's Constitutional Court.

'Repeal Visentini's plan'

Edoardo Pontecorvo, a lawyer and adviser to the Italian Lawyers' Council in Rome, gave EIR the following interview.

EIR: At the press conference held by the National Lawyers Council in Rome, you said that Visentini's plan "takes us far away from the Western fiscal system." What did you mean by that?

Pontecorvo: The most advanced fiscal systems, for example, the American or the British, would not accept systems such as the "inductive assessments" foreseen in Visentini's plan. The "inductive assessments" system is uncivilized, because it is not based on any checking of the income source of the taxpayer, but on the uncertain, failing, arbitrary criteria of every imposter. Normally the individual citizen pays taxes in proportion to his real income, but with Visentini's inductive assessments, he can be forced to pay taxes on the suppositions and denunciations of any spy. In this way, Visentini thinks he can solve the inadequacy of the tax offices, which is supposed to check real incomes.

EIR: Does this mean that, for example, Benvenuto's "fiscal brigades" could denounce somebody they want to see in jail, simply saying that he is suspected of evading taxes?

Pontecorvo: Exactly. On the basis of "inductive assessments," anybody can declare, "In my opinion, lawyer so and so earns X amount," and he can be arrested for that. You can also use the inductive method when the tax-payer's legal records are completely in order.

EIR: The Lawyers' Council has announced that it will take this issue to the Constitutional Court. What in your opinion are the chances of having the Visentini plan declared unconstitutional?

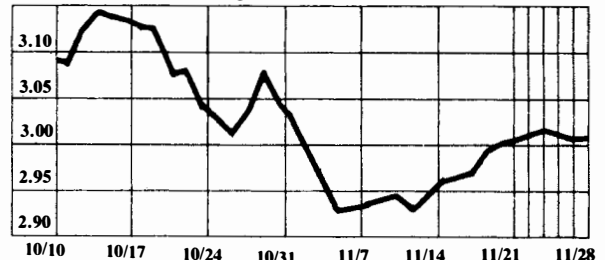
Pontecorvo: Visentini's plan violates various paragraphs of the Italian Constitution, for example, Paragraph 53, which says that "each citizen is bound to contribute to the public expense in proportion to his capacity to contribute"; or Paragraph 24, according to which each citizen has the right to defend his interests. We have been able to achieve the elimination of a paragraph in Visentini's plan which would have forced us to keep a daily book of all our activities, but the plan as a whole is nevertheless unconstitutional.

If we find a judge who has some backbone, we will advance our request. If the Constitutional Court decides it is unconstitutional, the plan should be repealed.

Currency Rates

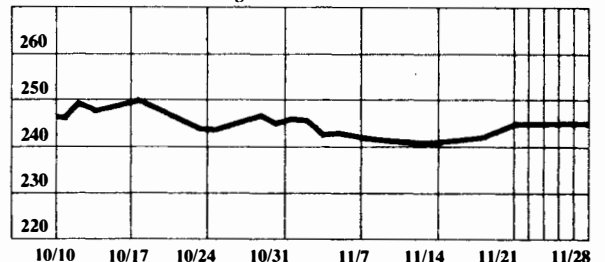
The dollar in deutschmarks

New York late afternoon fixing



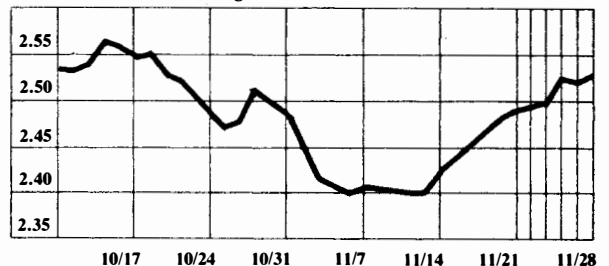
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing

