IMF demands cuts in health care

Who will benefit from the Fund's "secret" program? The insurance giants, repositories of oligarchical family fortunes.

The International Monetary Fund released a "confidential" report at the beginning of 1986, which was leaked in the pages of the Italian press. More blatantly than in the United States, where the same IMF demands are being imposed in the guise of the Gramm-Rudman bill, the supranational Fund's report assaults what it calls the "welfare state" of Italy, and demands cuts in social expenditures such as pensions and the health care system—not only there, but in all "advanced-sector" OECD countries.

According to Italy's largest newspaper, *Corriere della Sera*, the IMF report "is inserted in a comparative analysis of the social expenditures that are being made in the most industrialized countries of the West, which will be discussed in one of the next IMF meetings. Because there is a crisis of the 'Welfare State,' the problem of social expenditures represents the most important factor of potential destabilization, since the energy problem, economic stagnation and inflation seem to be solved for the moment [sic]."

This is the IMF "gift" for the new year to the OECD and the Third World. The IMF study forecasts the explosion of social expenditures, which it expects to double in the coming years. According to the IMF, Italy's social spending currently represents 26.5% of the country's Gross Domestic Product (the GDP is estimated at 700 trillion liras, about $419 billion). The social expenditures will reach 30% of the GDP in the year 2000 and 40% of the GDP in 2025, the IMF predicts.

The IMF is merely using such spurious linear projections as a pretext to destroy the economies of sovereign nations, to create social upheaval, and reduce the population. This policy, long in effect in the Third World, is being brought now to Europe and the United States with a vengeance.

In a situation where the collapse of living standards and urban infrastructure means that the population is threatened with an outbreak of AIDS and other diseases on a pandemic scale, the IMF is demanding cuts in health services. The IMF's report warns against the cost increases in the health system, complaining that expenditures on health have reached 6.3% of the GDP in Italy, and will reach 7.4% in 2000 and 14% of the GDP in 2025, if current trends continue in a linear fashion.

The IMF document further demands cuts in pensions, claiming that some retired people still work and therefore get both their salary and a pension. This is not the case, of course, of the large majority of pensioners, and in any case pensions in Italy are already very low, by comparison with the rest of Europe.

Even the figures provided by the IMF itself show that Italy's social expenditure level overall is below that of Germany and France.

The IMF argues that the Italian population is dissatisfied with the social-security and health system of the state, and therefore the report anticipates a "privatization" of health care, with Italians shifting their resources over to the private insurance companies.

This will tend to create a parallel private social-security system, in the hands of the private insurances giants like Assicurazioni Generali and RAS-Allianz. Enrico Randone, chairman of the Venice-based Assicurazioni Generali, began eight years ago to build a private alternative to the state health and security system.

The resources which this represents are enormous, and will tend to consolidate the political power of Europe's old family fortunes, the *fondi*. The insurance and reinsurance companies are among the most powerful financial and political forces in Europe, and are heavily involved in drug-money laundering and other crimes.

The IMF in its report is quite optimistic about the prospects for cutting expenditures for education. The baby-boom is over, and the student population will decrease, allowing a reduction of the percentage of the GDP allocated for schools, from 3.8% of the GDP in 1985, to 3.3% in the 2000, to 2.8% in 2025. The fact that this will mean fewer qualified workers and scientists in Italy's next generation, does not concern the Fund's supranational planners.

The IMF demands surfaced just as 70,000 doctors from the hospitals in Italy's state sector were out on strike, demanding more investment in hospitals and equipment, and asking for their contracts to be changed to allow them to increase their earnings by receiving private patients in public facilities.

The doctors' strike can go in one of two directions: Either it will accelerate the process of disintegration, or the doctors will realize that the real enemy is the International Monetary Fund, and will mobilize to defend the Italian population's right to a modern health-care system.