# A blueprint for a neo-fascist Europe

by William Engdahl

"We must re-define the problems. We are past the time we can afford to disagree. To disagree, of course, is a basic part of democracy. . . . We can no longer afford democracy."

Mussolini in 1922? No. This was the director of a new organization created on March 9 in Denmark, to prepare that country for the most radical restructuring of the European Community (EC) since its creation in the 1950s.'The changes required for 1992 represent the biggest challenge since World War II," continued Erik Rasmussen, executive director of the Forum for Industrial Development, created to prepare Denmark for full participation in the Single Europe Act: 1992. "Parliament cannot solve the problems by itself—neither parties of the left or the right. We are into the 11th hour. We must work together." The Forum, consisting of industry, labor, and government representatives, is already being attacked in the press as a "new kind of corporatist [i.e., fascist] state that must be stopped."

In Italy, the short-lived government of Giovanni Goria fell in early March. Christian Democratic party head Ciriaco De Mita has agreed to form a new government. His preconditions are that all parties agree beforehand, in writing, to back De Mita's "government of program" for the next four years, that is, until 1992. De Mita has stated that the purpose of his government will be to initiate a radical series of changes to financially ready Italy for 1992's single European market, in terms of wage levels, taxation, and curbing of the right to strike.

## The asset-stripping of Europe

After years of ineffective debate, a little-noticed White Paper, "Completing the Internal Market: 1992," was approved by every EC member country during the summer of 1987. That document proposes to destroy social security and employment protections built up over decades.

"Unifying this market presupposes that Member States will agree on the abolition of barriers of all kinds, harmonization of rules, legislation, and tax structures, strengthening of monetary cooperation, and the necessary parallel measures to encourage European firms to work together," stated a senior EC bureaucrat. "The Single Europe Act envisions creation of a single market for goods, services, capital, and people by 1992. All this rests on the liberalization of capital movements within the EC."

Put bluntly, a trade and tariff confederation of sovereign nations put together for mutual advantage after the devastation of World War II, is in process of becoming a supranational dictatorship, run by remote-control from Brussels and Strasbourg. It will hold life-and-death control over the future of agriculture, industry, national credit policies, national banking policies—every facet of economic life in Western Europe. And, make no mistake, it will do so as dictated by Moscow.

"People don't yet fully understand what's going on; '1992' is the most profound change since creation of the European Coal and Steel Community" in the 1950s, said a senior spokesman for London's S.G. Warburg and Co. Individual countries "must either take 1992 as an entire dish, or pull out of the EC. It's a one-way street. I don't see it stopping."

All border controls will vanish, all restrictions on capital flows and labor migration will end. All restrictions on flow of persons will end. Terrorists and drug runners will move freely. "Resources, both of people and materials, and of capital and investment, flow into the areas of greatest economic advantage," says the White Paper.

In sum, national sovereignty will come to an end.

## The competitiveness debate

The "1992" process is being driven forward at astonishing speed, more so after the Oct. 19 warning that a new world depression is imminent. "This is the worst possible time to be pushing ahead with this liberalization of capital markets," exclaimed a leading European banker. "To liberalize capital markets just as Europe is facing the threat of a new depression is poison for the economies of Europe. Financial markets already have grown 10 to 20 times larger than the market for financing of real trade flows. These purely speculative financial flows will now be unleashed. Europe will undergo the same process that the U.S. economy has undergone in recent years under the 'Ivan Boesky junk bond' destruction of corporate industry."

"The single most important motive behind 1992, is the fear that Europe is losing it's industrial position to Japan and the U.S.," according to Simon May, a former aide to ex-Prime Minister Ted Heath in Britain. "Under 1992 we will go to super-concentration in all areas—banking, telecommunications—there will emerge a few very dominant players. There will be great dislocations. Britain will play the strongest role in finance."

The man credited as the mastermind of the 1992 process, Lord Cockfield, is a British civil servant appointed by Margaret Thatcher. As an aide stated, "The whole point about 1992 is deregulation, not re-regulation by Brussels."