

# Glass-Steagall Fight Spreads in Italy

by Andrew Spannaus

In the week since the public announcement of Sen. Oskar Peterlini's Bill No. 3112 to establish a Glass-Steagall-style separation of commercial banks and investment banks in Italy (see *EIR* Feb. 17, 2012), several significant steps forward have been taken in the campaign to ensure adoption of this fundamental measure for the survival of the economy in the short term. Now, added to the original 11 co-sponsors, 5 additional Senators have lent their official support to the Peterlini bill, from several different parties, meaning that of the eight caucuses in the Italian Senate, representatives of all but one have so far signed on to the bill.

A number of the new names come from the only major party that had not yet been represented, the People of Freedom (Pdl), led by former Prime Minister Silvio Berlusconi. Significantly, Sen. Mario Baldassarri, the chairman of the Finance Committee, is now supporting the measure. In June 2009, Baldassarri had invited Lyndon LaRouche to address an informal session of that Committee, on the subject of his proposal for a New Bretton Woods financial system.

On Feb. 16 and 17, two events took place that focused public attention on the Glass-Steagall bill, both involving the Lega Nord (Northern League) political party. The Lega Nord is the only major party with representation in Parliament that opposes the current technocratic government of Prime Minister Mario Monti, which is imposing waves of austerity and

free-market reforms that have already forced a considerable contraction of the country's economy in the past three months.

The Lega broke onto the national political scene in the early 1990s as a separatist party with populist anti-immigrant rhetoric, which played well in various parts of the country's more prosperous North, as the economic crisis worsened. Over the years, the party's anti-globalization orientation, despite often being driven by base rhetoric, has made the Lega the only major party which is anti-free-market and not afraid to say it. This position has led an increasing segment of the party to support the proposals of the LaRouche movement, currently headlined by the push for Glass-Steagall.

A two-hour radio show on Radio Padania Libera featured Liliana Gorini and Andrew Spannaus of Movisol (the LaRouche movement in Italy), who were on air for the entire time, and shorter interviews with Senators



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*The campaign for Italy's Glass-Steagall bill is gathering momentum, as its sponsor, Sen. Oskar Peterlini (left), joined by Movisol organizers, pushes for its passage. In the photo below, Movisol leaders Andrew Spannaus (left, in white jacket), and Liliana Gorini (far right) organize in Milan.*



Movisol

Peterlini and Fabio Rizzi and MEP Mario Borghezio of the Lega. The entire program was dedicated to the issue of Glass-Steagall and the recent introduction of the bill in the Senate. Peterlini represents the South Tyrol People's Party (Svp), which is allied with the Democratic Party (Pd) at the national level, and thus, normally, a political opponent of the Lega.

Peterlini thanked the LaRouche movement for having campaigned for years for a financial reform and for co-authoring the draft Glass-Steagall bill. Host Roberto Ortelli said that former Italian Economy Minister Giulio Tremonti's new book *Emergency Exit* has given a big boost to the Movisol campaign. Tremonti's book, Ortelli said, includes the full text of the original 1933 Glass-Steagall Act, "so that people have another source, in addition to the Movisol website, to look for it." Then, Ortelli asked Peterlini, whom he called a hero, to report on the features of the bill. Peterlini explained why we need banking separation, from the standpoint of the need for a functional banking system that collects savings and issues productive credit to the economy. Asked what chances the bill has to be approved, he said that

while there are many bills introduced in the Senate, only those bills go forward, which reflect issues at the center of the public debate. He thus solicited Radio Padania to keep public attention high, and accepted Ortelli's invitation to appear on the show every week to give an update on the bill's progress.

### Conference in Besozzo

On Feb. 17, Senator Rizzi hosted a conference in the town of Besozzo, in the province of Varese, not far from Milan, where he has been the mayor for 15 years. This event also featured two Movisol reps, Spannaus and Massimo Lodi Rizzini, who gave the first two speeches before a crowd of over 150 citizens and activists from the local area, as well as others who had heard the event announced on Radio Padania the previous day. Rizzini began by exposing the lies used to perpetuate the monetarist system which has destroyed the physical economy and is currently being used in a desperate attempt to maintain the enormous speculative bubble by the world's leading central banks. Spannaus then presented the solutions, centered on Glass-Steagall and large-scale infrastructure projects around the world.

Rizzi and Sen. Massimo Garavaglia, also from the Lega, and the vice chairman of the Senate Finance Committee, thanked the Movisol speakers and stated their support for the Peterlini proposal. However, they both stayed true to the "practical" character of most politicians, saying that although Glass-Steagall is certainly the answer, it's unlikely that it will ever actually be implemented, so it's important to concentrate on lesser measures as well. Notably, both the Senators and the activists in the audience repeatedly defending national sovereignty—not normally supported by the Lega, which pushes an anti-central government message—in the face of the assault on the populations of nations such as Italy and Greece by global financial interests and their lackeys in the European Union.

The response from the audience was enthusiastic, with questions for Rizzini in particular, regarding the nature of the financial system and how to deal with the unpayable debt that is hanging over the economy. Numerous audience members asked what they could do to change things, leading to a discussion of the need to think big, and to mobilize to force the institutions to take up the issue of real global financial reform immediately.

Lyndon  
LaRouche

On  
Glass-Steagall  
and  
NAWAPA:

The North American Water and  
Power Alliance

"The greatest project that mankind has ever undertaken on this planet, as an economic project, now stands before us, as the opportunity which can be set into motion by the United States now launching the NAWAPA project, with the preliminary step of reorganizing the banking system through Glass-Steagall, and then moving on from there."  
"Put Glass-Steagall through now, and I know how to deliver a victory to you."

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