

Soros bets on 'ex'-communists to help turn Italy over to the world casino

by Claudio Celani

Big international finance capital is voting Democratic Left (PDS) in Italy. The right wing which can't get further to the right—the financial speculators of Wall Street and the City of London—is betting on the Italian left, the renamed Italian Communist Party to be precise, in the March 27 general elections.

The great elector of Achille Occhetto, secretary general of the "former" Italian communists, is none other than George Soros, the king of speculators, the man who in September 1992 collapsed the British pound and the Italian lira, making a cool \$2 billion profit. This was revealed by Giuseppe Turani in an article in *La Repubblica* newspaper on Feb. 4. Turani has inside sources: The major Italian partner of Soros, Isidoro Albertini, is a bosom buddy of Carlo De Benedetti, the owner of the paper for which he writes.

Turani reports: "It is said of [Soros] that before the last administrative elections, he came to Italy and contacted spokesmen of the Italian left, to get a personal assessment of the 'danger' represented by them. After these meetings he went back to America and reportedly decided that the Italian progressives pose no danger to Italy and therefore he decided to oppose any maneuver to bring down the lira." Obviously Soros never does anything which does not suit him. If, as Turani states, he decided to shore up the lira, it is because he can make money on it. And if, in fact, "Soros has thrown a kind of security net around Italy," that is because the Ciampi government has done everything which the "markets," alias Soros and speculative finance, wanted: The ex-boss of the Banca d'Italia, the central bank, has not only implemented ferocious austerity, which no other government had been able to do, but he has institutionalized a mechanism for increasing transfer of wealth out of Italy. With the start of the conversion of the public debt into international debt (the well-known issues of Treasury bonds in dollars and other currencies), Ciampi has applied the principle of privatization in the broadest possible sense, transforming public debt into private debt, i.e., into the hands of international speculators.

Thus Italy's public debt, already enormous but manageable under the state's jurisdiction, has been put into the circuit of the international gambling casino of so-called "derivative finance," the roulette wheel where people bet on the future ups and downs of stocks. After the experiences of the Ferruzzi food conglomerate, the German Metallgesellschaft, and

the Spanish Banesto, which went bankrupt thanks to derivatives roulette, Ciampi and his banking ministers have handed over to Soros and company an entire nation as their partner in the next round.

The extraordinary report that Soros had sat down with Occhetto's henchmen was confirmed to *EIR* by a London banking source well versed in Italian affairs. Not only that, but out of the get-togethers an actual pact was cemented between the PDS and City of London representatives who met in London and Rome, along these lines: Soros and international finance think that the concessions offered by the left suit them better than those which a centrist or right-wing alternative lineup would offer. The left guarantees that Italy's State Holdings, and in particular the "family jewels" contained in IRI (the big public holding company) and ENI (state hydrocarbons), will be privatized. At first, the state will keep the majority of shares or majority control of them; but what counts is that productive companies will be asset-stripped and sold off one by one. Acting through fiduciaries, Soros and his allies will gradually enter into ownership of blocs of shares. This takeover bid is already under way, reports Turani: "In recent weeks many operators from Piazza Affari [Milan's 'Wall Street'] swear that they have seen his hand behind several operations on the lira and the major stocks listed on the Milan stock market."

Who should step in to lend Soros a hand but Moody's Investor Services. At the moment when Credito Italiano, Banca Commerciale Italiana, and the IMI were privatized, Moody's downgraded the Italian banks' ratings, causing their market values to drop. Hence, anyone now buying up these stocks will get them for much less than the savers who were promised by the Italian government that their value would go up "after" privatization.

But the PDS's real job is to dismantle the public employment sector and the pension system, a gold mine for the speculators in hot pursuit of liquidity. A new player, the Pension Funds, which will arise out of the dissolution of the present pension institutions, will sit down at Soros's gaming table, not to win, of course, but to get plucked by the card-sharps disguised as derivatives financiers. Of course the PDS will lose votes because of the social effects of the crisis which it has helped make worse, and it is prediscouted that the left-wing regime will be used up and thrown away. Then

Soros and his banker friends will focus on other, more classically free-market political formations, to finish off the job of demolition.

The romance between the PDS and international finance also got a helping hand from the U.S. ambassador to Italy, Reginald Bartholomew, a Kissingerian hawk who set up PDS leader Giorgio Napolitano's trip to the United States. Napolitano presented himself as president of the Chamber of Deputies, but in reality he was acting as a PDS salesman, announcing, to the satisfaction of a Georgetown University audience on Feb. 11, that the left has already decided to back former central banker Carlo Azeglio Ciampi's candidacy for prime minister. What better guarantee could there be for an unbroken continuity with the policy which has enriched Wall Street so far?

Futurist oligarchy

The major oligarchist lobby which is backing the leftists in Italy is the De Benedetti-Benetton-Visentini group, directly hooked into Soros via Isidoro Albertini, the dean of Milan stock brokers (by the way, before Albertini, the number one on the Milan exchange was Aldo Ravelli, now retired, whose daughter was Communist leader Occhetto's first wife). This Venetian-run lobby backs both a certain "left" and a certain "right"; in the laboratory of the lagoon, in fact, it controls both Venice's "progressive" Cacciari administration and the Northern League opposition, whose slate was headed in the last election by Visentini's niece Mariconda.

This lobby recently set up the Businessmen's Club which, besides collecting votes for the left in the business world, works to "sell" the new image of the left to public opinion. The club's spokesman is Marina Salamon, Benetton's ex-mistress and the manager of a company in his group, as well as a member (no one knows in what capacity) of the Cacciari municipal government. In the club, besides Luciano Benetton and Salamon, are Olivetti Corp.'s Franco De Benedetti (his brother, Carlo, stayed out on account of his well-known legal problems), and the industrialists Paolo Marzotto, Lino Romano, Carlo Buzziol, and Averna, from the company that makes Averna bitters.

Scratch a little, and behind the image of an enterprising middle class emerges that of the oligarchy, whose power is concentrated in finance and the mass media, i.e., in manipulating public opinion. The De Benedetti group's clout is well known: Olivetti general manager Carlo De Benedetti owns the nationally circulated daily *La Repubblica* and the news-weekly *L'Espresso*, the two major players in the collapse of the First Republic of Italy, thanks to their role in turning the anti-corruption actions of the Milanese magistrates into a political trial-by-media of the Parliament. De Benedetti is, like his comrade Benetton, mainly a financier and only secondarily an industrialist. The few productive activities carried out by Olivetti and the Benetton group have primarily relocated abroad (only 20% of Olivetti's total turnover in-

volves the Italian market), in keeping with "globalization" strategies [cf. William Engdahl, "Globalization Wrecks Industry and Labor Force," *EIR*, Dec. 3, 1993], i.e., the search for production sites where labor is cheapest. Benetton and the other textile industrialists in his Businessmen's Club make consumer goods which require low-skill labor and have an intrinsically minimal value, but with prices maintained artificially high by the "image" campaign for which the group has become famous.

Curiously, while an entire political and business class is being wiped off the map by suspicions stirred up by the mere report that someone is under investigation, the fact that Luciano Benetton is going on trial in the Fiorucci corruption case does not even make the news, and the United Colors financier continues to act as the champion of the New.

"Operation Clean Hands," the Milan corruption probe, has barely touched this sector of the oligarchy, which has certainly taken advantage of the protections afforded by Italy's political system as much as, if not more than, other major private and public groups. A dazzling trove of conflicts-of-interest among these oligarchs lies unmined by the magistrates: Consider the fact that Bruno Visentini, president of the Olivetti business machines giant, in his capacity as Italian finance minister forced all Italian merchants to acquire a tax receiver machine. Or the persistent rumors that the Benetton group was getting rich in the days of the lira devaluation, rumors which could easily have been confirmed by the investigation announced at the time by the government, but which never came to anything. All of Soros's clients got rich, while Ciampi at the Banca d'Italia was burning 60 trillion liras and Italy's currency was being devalued by 30%. Soros played the game with money made available to him, among other sources, by Citibank—the same bank which provided Benetton's managing director, Aldo Palmeri.

Curiously, too, the investigations into the illegal slush fund of the Sisde secret services, which sent tremors through the highest institutional levels of Italy, never revealed that the owner of the Banca di San Marino, where the "black funds" were deposited, is none other than Luciano Benetton. A probe into why Benetton bought that bank, known to experts as an "empty shell," just before the scandal erupted, and into possible ties with the so-called rogue sectors of the intelligence services, may perhaps hold some surprises in store. One could read a whole series of events which have shaken Italy in the last 12 months in a new light, starting with Ciampi's naming as prime minister and other decisions which lead some observers to think that someone is heavily conditioning the decisions made in the Italian presidential palace.

One thing is sure—Benetton, defined by an insider as "the expression of the new Venetian power," is quietly building a formidable base in the mass media, which could make him the Big Brother of the Second Republic. He already owns *Gazzettino di Venezia*, which under the present director Giorgio Lago, a freemason with a background in Mussolini's

wartime Salò Republic, has acted like the loudspeaker for the regionalist Venetian League. Lago is said to be ready to be recycled as a “progressive” if the Benetton clique buys *Il Giorno*, the ENI newspaper which will soon be up for sale. In Milan, Benetton already owns one daily, *La Voce*, and is setting up its editorial staff, to be headed by the right-wing liberal Indro Montanelli. If the rumors are true that Benetton is in the “pole position” to replace Carlo De Benedetti in the *Espresso-La Repubblica* publishing group, there is enough here to arouse the concern of the anti-trust authorities.

The “left” oligarchy is gearing up to win the election. Backed by the Doxa polling outfit, which is run by Marina Salamon’s daddy, it is well positioned in a campaign which, as everyone knows, will be determined by the polls which condition the candidates.

From Schacht to the New Age

Is it possible that the PDS ruling group may be making a strategic alliance with the “money bosses,” and also underwriting an austerity program which will guarantee their political suicide? Even if some think the Occhetto leadership group has tactical aims (although any talk of “Leninism” is absurd) in allying with the strongest lobbies for their bid for power, the PDS is actually more ideological than the old Italian Communist Party, which believed in the class struggle, but also in industrial development. The PDS leaders have dumped development and kept the class struggle (the enemy is always the productive bourgeoisie), lining up on the side of usury. The Italian “left” (like the “right”) is saturated with malthusian, one-worldist ideology, which says that mass unemployment is the inevitable result of adaptation to the global markets. In the absence of dirigistic government measures, the only investments the “market” allows are those of high labor intensity, and even these only when “compatible” with the budget. With the crumbs left over after having sated Soros’s appetite, the left claims that it can create jobs at the lowest capital intensity. This is called Schachtian policy, in memory of Hitler’s economics minister, Hjalmar Schacht, the first to carry this out on a national scale. Of course, the next productive cycle will show that such investments make the crisis worse instead of easing it, but the “progressives” trust in the unlimited manipulative capacity of the mass media (which they control), to win acceptance for the next phase of Schachtian austerity. Next to this, past Christian Democratic porkbarrels look like the acme of productivity.

Reality will be different and less linear. But this is the line along which the PDS and the “progressive” business world backing it are moving, as confirmed by the program announced by the left electoral cartel, which explicitly calls for cancelling two urgently needed, capital-intensive infrastructural projects: high-speed rail and the doubling of the Appennine loop of the Autostrada del Sole, Italy’s north-south superhighway.

The financial oligarchy is on the same track. Bruno Visentini announced at the party congress of the bankers’ Italian Republican Party that the priority of the left cartel, of which he considers himself a part, is “labor.” Benetton repeated this in *Corriere della Sera* on Feb. 11: “The next government will have to concentrate . . . on the problem of employment.” Marina Salamon, speaking for the Businessmen’s Club, echoed this in an interview with *EIR*, where she said that an employment policy should create jobs in ecology and tourism. Alongside an increasingly cancerous and uncontrolled finance, a “tertiary sector of poor people” will grow.

The most dumbfounding thing is that today such programs can be discussed without being unmasked as charlatany. This is because the free-trade revolution in the economy brought with it a change in fundamental paradigms, that is, how one judges what is productive and what is not. Once this basic distinction is lost, economic theories get further and further away from rationality, and turn into something like astrology.

New Age and slavery

Some have negotiated the passage from politics to astrology with great aplomb. Giorgio Galli, inventor of the “imperfect two-party system” (as he titled his 1960s book on Italy’s Christian Democratic and Communist parties), the theory which influenced generations of political scientists and sociologists who led the cultural assault on the First Republic, converted some years ago to the New Age, the outlook which maintains that millennial astrological changes cause the shifts in a society’s basic values. Galli is today a devout follower of the Age of Aquarius, which supposedly replaces the Age of Pisces, the Christian era, as the two constellations approach each other. The September 1993 issue of the magazine *New Age*, which has an editorial by Galli himself, is completely dedicated to the change in the concept of labor in the Aquarian society.

Galli explains that 2,000 years ago Christianity (the Age of Pisces) revolutionized the concept of labor, which had been synonymous with slavery, and made it into the instrument of human emancipation. According to Galli, however, with the lapse of the mandate of Pisces, the positive content of the Christian concept of labor also lapses, and turns into its opposite: Labor becomes the quest for money and material prosperity, in short, it returns to being slavery. Fortunately, the Age of Aquarius is dawning, which will offer us “a positive transformation of the concept and the value of labor.”

“The possibility,” Galli writes, “is that of self-realization.” What is meant by self-realization is explained by other articles in the issue. One especially, signed by Cristina Bassi, states: “The productivity of human enterprises will be measured not on the basis of the material product or service which each one produces, but by its contributions to the spirit.” Citing Anglo-Saxon author Gary Zukav, “Aquarianist” Bassi gushes of “values and behaviors of a new humanity which is

about to be born,” whose power “is now evolving toward the authentic power, that of the alignment of the personality with the soul.” She goes on, “Intuition is the voice of the non-physical world. The multisensorial human being depends much more on intuition than on any other human faculty. In commercial terms this means that intuition will replace rationalism.”

It takes no genius to recognize that this is a doctrine which justifies underpaying labor, exploitation, and slavery. Decoupled from the concept of use-value and need, the Aquarian idea of productivity already applies to Benetton knitwear, whose value is fixed not by the material product but by the image (“contributions to the spirit”) built up by Toscani’s posters, or the clocks which Benetton is about to launch on the market—junk which will sell for sky-high prices not because it is better, but because owning it is a “spiritual” event. The Aquarian doctrine of labor also justifies converting the economy from industry and agriculture, the productive sectors, to ecology, a “sector” which is not productive in itself (and never addresses moving to new and less polluting technologies of production, which require huge investments). As for intuition replacing rationality in commerce, we are already there in the financial markets, where in order to camouflage the looting system represented by financial liberalization, one speaks of the “psychology of the market.”

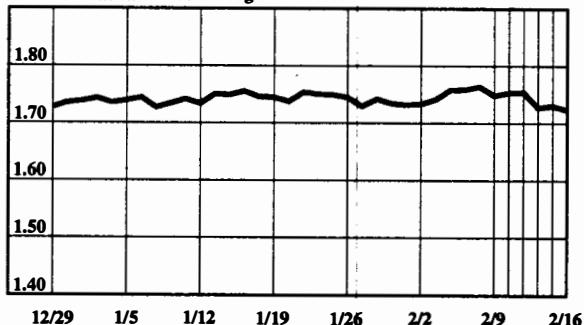
Without overblowing the Aquarians’ influence, their danger should not be downplayed. While he is taken more seriously today in some salons and universities than back when he babbled about the two-party system, behind Galli’s soft New Age language, the true Nazi face of the new cultural paradigms is not hard to discover. His 1989 book on “Hitler and magic Nazism” reconstructed the rise of Nazism as the fruit of esoteric doctrines promoted by sects, such as the Thule Society, and the reasons for Hitler’s popular success. Galli explained that the National Socialist Party’s public ideology corresponded to a Secret Doctrine, derived from oriental and esoteric philosophies, which was believed by Hitler, Hess, and others. This doctrine made the Nazi leaders zombies, completely subject to the influence of outside interventions, such as horoscopes.

Galli wrote that his study was “particularly useful to comprehend the reflowering in our history and in our society of ancient submerged cultures, of which the secret doctrine of the builders of the Third Reich is a negative aspect, but one which should not be neglected.” Hence, only the “negative aspects” of esotericism should be rejected, and all the rest should be saved. Galli has pursued this theme, especially the role of astrology in forming future Nazi leaders, in two subsequent books. It’s only a small step from here to the theory of the master race. Some think this might be the next surprise which Galli has in store—perhaps in the pages of *Padania*, the monthly review of ethnicity for which he regularly writes.

Currency Rates

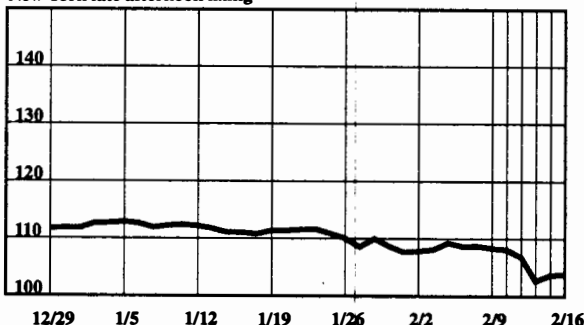
The dollar in deutschemarks

New York late afternoon fixing



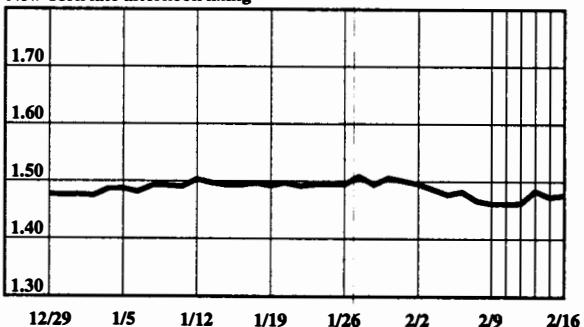
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

