

question quoting at length from *EIR* and *L'Italia*, and asking the government about the meeting on board the queen's yacht. After that, the story, this time a real scandal, broke out widely in the press.

Another member of Parliament, Raffaele Tiscar (DC), has raised a similar interrogatory, quoting *EIR*'s dossier. A member of the government, Treasury Director General Mario Draghi, has admitted that he was on the yacht, but claims that he left early—unlike other cabinet members who stayed. *EIR* has learned that the cabinet member Draghi referred to is Beniamino Andreatta, present budget minister and leader of the radical privatizers' faction. This information was used by Parlato for a third parliamentary question.

Even Giulio Andreotti, a man famous for his "flexibility" (i.e., compromises with the Anglo-Americans), started to accuse "international financial circles" of being behind the attacks against him and the DC. The leaders of the DC groups in the House and the Senate sent a joint request to the Rome prosecutors to investigate a suspected "conspiracy" against "republican institutions."

Such steps break the controlled environment established by the Anglo-Americans, which forces Italian leaders to fight one another in the belief that their enemies, or those who pull the strings of the destabilization, are to be found inside the country. This is only partially true, since they are so only by being, as LaRouche said, assets of Anglo-American networks.

Before Easter, when *L'Italia* magazine again quoted *EIR*'s analysis of the destabilization of Italy, *La Voce Repubblicana*, the organ of the Republican Party, a party which has always supported the IMF line for Italy, responded with fury, attacking the editor of *L'Italia*, while quoting only from *EIR*—although without mentioning it. Indeed, *EIR* has touched exactly the right nerve.

The credibility achieved by LaRouche and his movement has brought 63 members of the Italian Parliament to sign a call to President Clinton to free the American political prisoner. The signatures were presented on April 2 in the Italian Parliament, by Emma Bonino, secretary general of the Radical Party, and by Flaminio Piccoli, a senator and historical leader of the Christian Democracy (*EIR*, April 16, p. 30). "The campaign against LaRouche," Piccoli said, "occurred largely because he annoyed the big American corporations, because, had he become President, he would have limited their power." "I am convinced," Piccoli said, "that many of the things occurring in our country are due to mistakes by political responsables, but largely also led and directed by those who are interested in weakening Europe."

If they want to save their nation, Italian leaders will have to turn their resistance into a policy that will promote a real economic recovery, by abandoning the IMF's recipes, as well as illusions of about a European free-market zone, and instead adopting LaRouche's "Productive Triangle" approach.

How the 'revolution' in Italy unfolded

by Claudio Celani

The London Economist calls it a "revolution" that has broken out in Italy, and cheers at the destabilization of the Italian state that has developed over the past two years. In the chronology that follows, we trace the assault on Italy, the efforts that certain nationalist forces are making to block it, and the role that EIR and Lyndon LaRouche are playing in that battle.

1992

Feb. 17. Beginning of "Operation Clean Hands" (*Mani Pulite*). Mario Chiesa, a Socialist Party-connected manager of a home for retired people, is arrested while taking a kick-back of 7 million lira (\$4,000) for a cleaning contract. Using a recently introduced "American-style" criminal code, such as plea-bargaining, the magistrates offer him his freedom in exchange for revealing the names of others who are eventually implicated in the corruption case. Chiesa is reported to be head of a local masonic lodge. The "sting" against Chiesa was carried out by Carabinieri police captain Roberto Zuliani, who will lead all subsequent "Milanogate" operations, in tandem with Judge Antonio Di Pietro, until November. To obtain "proof" from witnesses, the investigators simply keep them in jail until they talk. Often "confessions" are recorded in the absence of any defense lawyer.

March. In the middle of the election campaign, Socialist Party leader and former premier Bettino Craxi, announcing his candidacy for leading the next government, gives an interview to *Corriere della Sera* in which he pushes for a big infrastructure development plan for Italy.

March 12. Salvo Lima, the most powerful Christian Democrat in Sicily, is assassinated by the mafia. Flaminio Piccoli, a senior Christian Democratic leader, writes that the murder reflects a "strategic design" in the interests of someone who wants an Italy removed from Europe.

March 21. Grand Orient master Giuliano Di Bernardo orders the dissolution of the American covert freemasonic lodge Coliseum. Di Bernardo announces that he will vote for Claudio Martelli, Craxi's rival in the Socialist Party (PSI).

March 29. One week before the elections, the *Economist* magazine of London invites Italians to vote for the Northern League. The Italian state must be reduced to "rubble," the magazine says.

April 5. Parliamentary elections. The Lombardy League is the winner, but the traditional parties could still maintain



Former Prime Minister Giulio Andreotti, considered to be the most powerful man in Italy, is now under investigation for alleged ties to the mafia. He blames people in the United States for the assault under way against the Italian political system.

a limited majority to form a new government. Bettino Craxi is the main candidate for the office of prime minister.

May. The scandal enters its third month, with the charging of two leading figures in the construction industry. Six other prominent people in the industry have already been charged. Enzo Papi, managing director of Fiat's large building subsidiary, is detained. In all, 26 businessmen, municipal officials, and local politicians have now been arrested on corruption charges.

April. Francesco Cossiga resigns as President of the Republic. The new Parliament will have to elect a new President before voting for a new government.

May 23. Judge Giovanni Falcone is assassinated. The U.S. FBI offers to aid in investigations. Justice Minister Martelli accepts. Former New York U.S. Attorney Rudolph Giuliani intervenes, suggesting that the death penalty be applied.

May 25. Oscar Luigi Scalfaro is elected President of the Republic.

June. The outgoing minister for public works is served notice by Rome's magistrates that he is under investigation. Craxi agrees to withdraw his candidacy for the post of prime minister. Giuliano Amato, also a Socialist, forms a government.

June. Moody's decides to downgrade Italy's rating, un-

dermining the stocks and bonds of the Italian state and private companies traded on the stock exchanges.

June 2. Secretive meeting takes place on board Queen Elizabeth's yacht *Britannia* in the Tyrrhenian Sea, of the top financial and economic leaders of the Anglo-American establishment, with high-level managers of the Italian state and private companies, and high officials of the government, to plan the privatization of the Italian state-run companies.

June 11-12. Meeting at the Agnelli Foundation, in Turin, to discuss "macro-regions," and the possibility that the northern Italian region defined by the Po River (Padania) could become an entity in itself. Among the participants is Northern League ideologue Gianfranco Miglio.

June. The number of accused prominent businessmen and politicians rises to more than 40. Police announce that a prominent Socialist, Deputy Moroni, killed himself after going to see investigators.

July 17. The Italian government announces that it does not intend to guarantee the debt of the state company EFIM outside of Italy (about \$6 billion). The government offers to repay 80% of the debt, at a lower interest rate. The government's argument is that by having given loans at a market interest rate, the creditors knew they were taking a risk. International banks refuse to negotiate on this basis.

July 19. Judge Paolo Borsellino is assassinated in Palermo.

July. Chamber of Deputies agrees to waive parliamentary immunity of five MPs. A total of 13 MPs and former ministers are now under investigation by Milan magistrates. Nine more are being investigated in other parts of the country. Salvatore Ligresti, the king of construction in Milan and one of Italy's richest men, is arrested. He will stay in prison for several months, until he decides to confess.

July 27. *Lombardia Autonomista*, organ of the Lombardy section of Northern League, reports that the American magazine *Telos*, edited by Paul Piccone, dedicates 80 pages to the League, pushing it as a model for the rest of Europe, "an alternative to the more and more discredited central state."

Aug. 13. Moody's downgrades its rating of the Italian economy from AA-1 to AA-3.

Aug. 23. U.S. Schiller Institute leader Amelia Robinson speaks in Rimini on the LaRouche case, receiving coverage in the national press.

August. International speculation against the Italian lira and other European currencies begins.

Sept. 13. After the first wave of massive attack, the Italian government and the Bank of Italy decide to devalue the lira by 7%. The stock exchange in Milan is closed down. Italy leaves the European Monetary System (EMS).

Sept. 16. Black Wednesday. After a second, stronger wave of speculation, the Italian lira is devalued once again. The British pound and the Spanish peseta are also devalued and leave the European Monetary System (EMS).

Oct. 3-6. Goldman Sachs predicts a “stabilized” value of the lira for 990 against the deutschemark, in 18 months.

Oct. 6. The Northern League’s Bossi invites Italians not to buy Treasury bonds at the next public auction, and instead to invest their money abroad. The government asks magistrates to investigate whether Bossi’s statements constitute a crime.

Oct. 9. The International Monetary Fund (IMF) orders an investigation of international capital flows, to be conducted by a group chaired by Lamberto Dini.

Oct. 10. Goldman Sachs opens an “operational office” in Milan.

Oct. 13. Moody’s announces that they are “watching” the position of Fiat. The operation involves Fiat subsidiaries such as Fiat Finance and Trade, Fiat Deutschland, Fiat Finance U.S.A., and Fiat France, all of which presently have the maximum rating, “prime one.”

Oct. 15. Judge Di Pietro and Captain Zuliani leave for a “study trip” to the United States, organized by the Milan U.S. Information Service (USIS). Members of the delegation include Nando Dalla Chiesa, environmentalist guru Chicco Testa (PDS), sociologist Renato Mannheimer, and *La Repubblica* journalist Cinzia Sasso. They will meet FBI and Justice Department experts and will participate in classes on “new American methods in fighting white-collar crime.”

Oct. 16. President Scalfaro, visiting Berlin, warns of the danger of a dictatorship in Italy.

Oct. 20. Edward Luttwak of Georgetown University’s Center for Strategic and International Studies is in Rome, lecturing Italian officials and military personnel, warning that “the state’s slowness in fulfilling the demand for decentralization could trigger a climate of tension and violence.”

Oct. 21. *Repubblica del Nord*, organ of the Northern League, publishes a report which forecasts the dissolution of the Italian nation into five small states within six years. State Department officials interviewed support this scenario.

Oct. 27. Judge Agostino Cordova starts from Palmi, in Calabria, a wide-ranging investigation into masonic covert lodges, which, he has discovered, are used as channels between politicians and mafiosi. He exposes a series of covert lodges all over Italy. Cordova will seize the central computer of the Grand Orient Lodge. In his hands now is a full list of magistrates who are members of Freemasonry. He will hand it over to Justice Minister Martelli, who has so far tried to stop him by all means, and to the Superior Council of the Magistracy. Cordova issues 129 indictments, including one to Licio Gelli, the exiled former head of the Propaganda-2 masonic lodge, whose activity has never ceased.

Nov. 2. Repubblica press agency in Rome publishes an interview with Lyndon LaRouche on the destabilization of Italy.

Nov. 16. The Amato government presents its plan for the privatization of Italy’s state sector industry. After a radical form of it had been leaked to the press, Amato is forced to

moderate it. It is still, however, a plan to sell off piecemeal important sectors of the Italian public industry and banks. The IMF approves it.

Nov. 27. Conference of *EIR* and the Schiller Institute on the late industrial leader Enrico Mattei, in Milan, receives coverage in *Il Giorno* and *Avanti*, especially on the connections between the assassinations of Enrico Mattei, John F. Kennedy, Aldo Moro, and Alfred Herrhausen.

Nov. 30. Antonio and Gianni Cipriani publish an article in *L’Unità* exposing the destabilization of Europe, and in particular the Nazi-skinhead phenomenon against Germany, which they attribute to the KKK and Southern Jurisdiction masonic networks.

Dec. 6. Freemasonry claims to be victim of a “persecution” by Judge Cordova and calls for help from international “brothers.”

December. Craxi is told he is under investigation by Milan magistrates. Parliament agrees to waive immunity for Gianni De Michelis. Pressures mount on Craxi to resign as PSI secretary general.

December. Northern League wins elections in several cities in northern Italy. Bossi announces that he has dropped the idea of a separatist North and declares that the League is ready to join a “government of technicians.”

December. The lira comes under attack again, this time because of “Italy’s political uncertainty” (*Financial Times*).

Dec. 15. Bank of Italy is considering reintroducing forms of control on capital flows, when the flows become anomalous—i.e., speculative.

1993

Jan. 12. Treasury Minister Piero Barucci and Bank of Italy officials present to the financial community in London, their plan for privatizing Italian public industry.

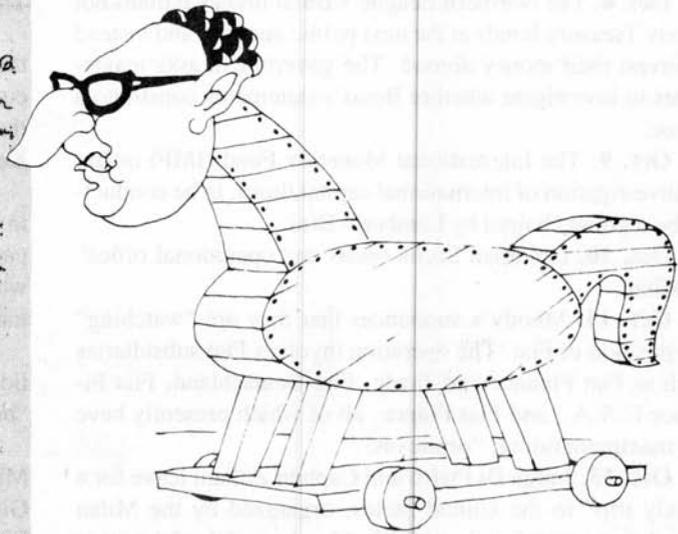
January. Magistrates announce that Paolo Berlusconi, the younger brother of media magnate Silvio Berlusconi, will be put on trial. He is the latest of 35 businessmen and politicians who, magistrates say, will go to trial. Magistrates widen their investigations to include the reorganization of the chemicals industry in 1990. Under investigation are ENI, the Ferruzzi group’s Montedison, and Anas, the state road-building authority. The number of persons arrested since the beginning of the scandal exceeds 100.

Jan. 14. *EIR* releases a memorandum in Italy on “The Anglo-American Strategy Behind Italian Privatizations.”

Jan. 18. A Northern Jurisdiction of Italian Freemasonry is officially founded, as a split from the Grand Orient. It is called “Real Order” and is led by Michele Moramarco, known as a “spiritualist.” Moramarco agrees with the League federalist project and is connected to “old Catholic” networks.

Jan. 21. A public meeting is organized at the Milan USIS office, to discuss how to reform the Italian system of party financing. Participating is Judge Piercamillo Davigo, mem-

290
 di giovani e non sofisticata alla quale in apparenza
 commisero a frequentare sistematicamente e' anche
 senza gioia: parlamentari (Lui si, anch. or... di Roma
 o a Segni; un insegnamento di De Carolis, Rossi, ed
 altri, forse volentieri accettati). - Insomma mi si:
 che qui, non fu iniziativa dell'ambasciatore ma
 della stessa D. partimento di Stato; un incontro
 di rapporti, che fu' proprio un'Italia ben diversa
 di cui l'altro parla d'ogni fine con una
 un mondo piu' sofisticato e, per coerenza, piu' inter-
 nazionale che si era andato profondando.
 In d'ora, Gardner ha avuto, con la detta visita, e
 posti e tutti incontrati sulla situazione, spiegata con
 la lingua italiana. Gardner e' stato molto corretto. I
 mi ha non fu detto all'uscita la posizione americana



This testament by Aldo Moro was written while he was a captive of the Red Brigades in 1978. In it, he names Henry Kissinger (shown here as the Trojan Horse in a 1983 cartoon by Claudio Celani) as the person orchestrating the demolition of Italy's political system, in favor of one that "speaks English."

Aldo Moro's prophetic warning

In his political testament, written while prisoner of the Red Brigades in 1978, Christian Democracy (DC) President Aldo Moro warned against a new generation of politicians whom U.S. Secretary of State Henry Kissinger was promoting to replace the historical leadership of the Christian Democracy. In that document, which was discovered only last year in the Red Brigades safehouse in Milan, Moro wrote:

... It was a matter of, as far as I found out, a directive

from Secretary of State Kissinger, who out of realism continued to aim at the DC, but aiming at a new, youthful, technologically equipped and no longer that traditional and unsophisticated [DC] to which I belonged. Young parliamentarians begin to systematically frequent the embassy (I know, for example, about [name illegible] and Segni; I don't imagine that De Carolis, Rossi, and others would have been so gladly accepted). So we had here, not by the initiative of the ambassador, but from the State Department itself, a change in relations, which prefigured an Italy which among other things speaks English, is more homogeneous with a more sophisticated and so to speak more international world that was being delineated.

With Ambassador [Richard] Gardner I had, as I said, few relations and all centered on the situation, explained with the greatest objectivity. Gardner was very correct, he always read and explained the American position.

ber of the "Clean Hands" pool of judges. Hooked up via satellite, from the United States, is the chairman of the Federal Election Commission, Scott Thomas.

Jan. 29. Judge Agostino Cordova reveals that Justice Minister Claudio Martelli has so far refused to give him the necessary rooms and computers in Rome to start processing the enormous amount of material he has seized in the anti-

masonic investigation.

Jan. 29-30. Police raid the offices of the Italian Socialist Party and its newspaper *Avanti*, in Rome. Craxi is served with a second notice of investigation by Milan magistrates.

February. Constitutional balance of power is close to being violated when Milan magistrates send police to the Parliament. The news is kept secret for three days, until the

magistrates make an official self-criticism.

February. A star witness, Larini, comes back to Italy. Waiting for him at the border are Judge Di Pietro and Captain Zuliani. Larini's revelations force the resignation of Claudio Martelli, the Socialist justice minister. The number of separate notices of investigation to Craxi increases to six. Craxi resigns and Giorgio Benvenuto is elected by the Craxian majority as new secretary general of the PSI. Martelli is replaced with Giovanni Conso, a well-reputed constitutionalist who, in his first speech, gives a dramatic picture of the economic damage created by the Milan investigations in terms of unemployment and economic paralysis.

February. A split develops among the "Operation Clean Hands" judges. Judge Di Pietro, after Larini's confessions, announces that the investigations could proceed endlessly and that therefore he is in favor of a "political solution." The other judges do not endorse this view. On the basis of the general consensus around Di Pietro's statements, the government feels authorized to start working on legislation that would no longer prosecute illegal party financing.

Feb. 3. *L'Italia* magazine covers *EIR*'s memorandum on the Italian privatization strategy, exposing the British plot cooked up on board the queen's yacht.

Feb. 19. The *Economist* announces that the "Italian revolution" has begun. The *Wall Street Journal* has three articles on the same line.

Feb. 19. Health Minister Francesco de Lorenzo (PLI) and Finance Minister Giovanni Goria (DC) receive notices of investigation and resign, shaking the Amato government. Christian Democratic leader Arnaldo Forlani's former secretary, Enzo Carra, is arrested. The lira comes under attack. The Republican Party's Giorgio La Malfa resigns immediately after being informed that he is under investigation. More than 50 deputies and senators are caught up in the various investigations.

Feb. 16. Industry Minister Giuseppe Guarino publishes his "plan for strengthening the Italian productive system," in which he advocates restructuring and privatizing public industry, at the same time keeping its control in national hands.

Feb. 20. *Business Week* writes that the Italian case is not isolated, but that corruption is sweeping Germany, Spain, and France as well.

Feb. 21. Amato replaces De Lorenzo with Costa (PLI) and Goria with Beniamino Andreatta (DC). The entrance of Andreatta strengthens the free-market faction in the government. Amato deprives Minister Guarino of his responsibility for the privatization issue; the new privatization czar is Olivetti manager Paolo Baratta. Guarino announces that he is not giving up. His support in Parliament grows.

Feb. 22. Two top Fiat managers, Francesco Paolo Mattioli and Antonio Mosconi, are arrested. The lira is in free fall.

Feb. 25. Moody's announces another review of the Italian debt.

Feb. 26. Standard & Poor's announces a downgrading of the Italian credit rating. Strong reactions come from Scalfaro, the Bank of Italy, the Treasury, and various politicians. The lira rises.

March 2. Craxi is called before a parliamentary committee to decide whether or not to waive his immunity. He reads a memorandum arguing that there is an internal plot against him, but at the end of the hearings, he hands out to a journalist *EIR*'s memo on the privatization fight.

March 2. After his brother is arrested, Ciriaco De Mita resigns from the important chairmanship of the joint Committee on Constitutional Reforms, which is deciding on the new electoral law.

March 3. The general staffs of Lazard and Lehman Brothers are in Rome, meeting government officials and bankers, to discuss privatization. One member of the delegation is former CIA and Pentagon chief James Schlesinger.

March 3. *La Stampa* tells the story of *EIR*'s memo being given out by Craxi, without mentioning *EIR*. Parliamentary deputy Antonio Parlato (MSI) submits a parliamentary question on the issue, quoting from *L'Italia*'s article and mentioning *EIR*. In a meeting of the budget committee of the Parliament, Treasury Director Mario Draghi confirms his participation in the meeting on the queen's yacht, but explains that he left soon after his speech.

March 7. The government approves legislation written by new Justice Minister Giovanni Conso, which makes illegal party finances no longer a criminal offense. The legislation, an executive order, would prevent judges from arresting people before sentence. Another part of the legislation would allow many companies to start construction works again, stopping the enormous damage caused by the Milan investigation, in terms of jobs and money lost to the economy. In reaction to the government initiative, the Milan judges denounce it as "unacceptable." President Scalfaro bows to this unprecedented move and refuses to sign Amato's decree.

March 8. *L'Italia* announces in a release the content of its next issue: major reportage on "the plot against Italy."

March 10. *Corriere della Sera* headlines "Beelzebub on the Yacht," citing *EIR* as the source for the story of the "plot" which is being exposed in the Italian Parliament.

March 27. Palermo judge issues announcement of investigation against leading Christian Democrat and former Prime Minister Giulio Andreotti.

April 2. The Christian Democratic Party presents an *esposto* (legal petition) to the chief prosecutor of Rome, calling for an investigation to determine whether there is a "political conspiracy" afoot to destroy Italian "constitutional institutions."

April 5. Milan judges launch probe against Andreotti.

April 7. Andreotti charges, in an interview published in *Il Giorno*, that some people in the United States are behind the accusations against him. "For the moment, I will add nothing more," he says.