III. The End of the EU Empire

Italian Citizens Defend Their Constitution

Elke Fimmen of the Bürgerrechtsbewegung Solidarität (BüSo), the German political party founded and led by Helga Zepp-LaRouche, interviewed Liliana Gorini, chairwoman of Movisol, on Dec. 6.

Elke Fimmen: Good evening. My name is Elke Fimmen. Today I am speaking with Liliana Gorini in

Milan about the failure of the constitutional referendum in Italy on Sunday, Dec. 4. Liliana is the chairwoman of the Movement for Civil Rights and Solidarity—Movisol—the *BüSo's* sister organization in Italy.

To many, the outcome of the referendum was seen as the third shocking revolt against an Establishment which doesn't care about its citizens—following the Brexit vote in Great Britain and the election of Donald Trump in the United States. The EU finance ministers downplayed the result, saying it represents no danger to the Euro system, that everything is under control. That is obviously not the case, because the banking system throughout Europe and in the transatlantic sector as a whole is totally bankrupt. Just today the Italian bank Monte dei Paschi di Siena announced that it had triggered the first phase of a partial "bail-in" and on December 31 would convert a billion euros of so-called "subordinated" bonds into bank stock. That is supposed to save Monte dei Paschi. The situation is thus highly unstable, with potentially dramatic results for all of Europe.

Hello, Liliana.

Liliana Gorini: Good evening.

Fimmen: You said before the vote that it would turn out to be 60-40 percent against the referendum, i.e. against Prime Minister Renzi's proposed changes in the

constitution. So first of all, congratulations on the success of your forecast

Gorini: (laughing) Yes, that is the first time that I've been so accurate, and I am very happy that it happened that way, but I was rather sure it would, because the Italians have had their fill of austerity measures. They saw that Renzi's proposal accepted all this austerity and cutbacks, and above all, they saw the Constitution as a defense of Italy's sovereignty. For example, there are several articles in the constitution which amount to a precise defense of labor and of citizens' savings. And for this reason. JP Morgan had wanted the Italian constitution set aside—and not only the Italian constitution; these bankers wanted to get rid of all constitutions, especially those which were born out of opposition to fascism.

Fimmen: Yes, that also answers the question as to why this referendum went the way it did, and why so many citizens—almost 70 percent of the electorate resident in Italy— participated in the election, and then



Italian voters soundly defeated Prime Minister Renzi's constitutional reform.

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voted against the proposal so decisively. It's actually unusual for people to be able to see right off the bat the reality behind such questions—and I've also seen the ballot—questions which are presented rather deceptively, claiming that they will simplify everything, lower expenditures, and do various other things which they won't do. Therefore you have to say that the Italians have voted very intelligently.

Gorini: it's true that this was a good indication of Italians' intelligence, because the issue was really deceptive—the Five-Star Party had petitioned the constitutional court to invalidate that deceptive question, which it didn't do; the propaganda of the Renzi government, which sent out the ballot with a letter from Renzi to all Italians living abroad—there are four million such voters—was unbelievable, and was totally against the law. And it was obviously deceptive: for instance, it claimed it would abolish the Senate, but actually, it would have kept the Senate while ending the election of the Senate by the voters.

The constitutional changes would have also abolished the National Council for Economics and Labor (CNEL), a typical free market measure, since this was one of those institutions which should actually define investment policy; this measure would also be a lead-in to the European Union's exercising more power over Italy.

The result was thanks to the efforts of various movements—including Movisol, which campaigned for a "no," and the Five-Star Party. For example, I attended a conference in Alba on banking separation, Glass-Steagall, on November 12; I spoke with a parliamentarian of the Five-Star Party who afterwards, with her colleagues, launched a last-ditch rail campaign, i.e. they went throughout all Italy on trains, and explained to the people, one after another, why the Constitution is so important, and how national sovereignty would be abolished under the change. That was very important. Thus the campaign for a "no" was important because the propaganda was totally opaque.

Renzi has obviously promised much that he could not deliver, and the people voted against Renzi's lies. This vote was not, as Merkel said—I heard her interview with the German ARD station today—an internal matter; it was a referendum against the European Union's dictatorship. One woman said this outright in response to an exit-poll. I heard the various questions which were asked, and she said, I voted "no" because I want to retain my sovereignty.



Xinhua/Jin Yu

Senators vote for the 2017 budget in Rome, Italy, on Dec. 7, 2016, giving final approval and clearing the way for the announced resignation of Prime Minister Matteo Renzi.

Fimmen: That is really a really important process—that the population understands what it's all about; and I have read that there was one-surely more—but one prominent constitutional expert. Prof. Caracciolo, who showed that at least four articles of the new constitution would place EU law on the same level as constitutional law. And, as you said, this would explicitly be a prelude to achieving the goal of this constitutional change—with, I believe, 47 changes in the constitution—which changes would "profoundly streamline the multi-faceted system of governance between the EU, the Italian state, and local autonomous institutions." And thus it would really effectively degrade the parliament into purely an executive organ for Brussels; and thus it's very important that it has been thrown out.

But you also spoke about the lies, and said that the

population simply didn't believe any more that there should now be "great reforms" like what has already been carried out in Italy over recent years through EU policies, through the rescue of the banks—policies which Renzi never really questioned. He had had something of a showdown with the EU over the budget, but that was not really effective in defending Italy. Or, how do you see it?

Gorini: Yes, that's true. And so people could not believe in this confrontation between Renzi, and Juncker and the European Union, because during the three years he's been Prime Minister, they have seen that he actually has carried out all the EU's diktats.

Just today, a study by Italy's statistics agency ISTAT, reported that one fourth of the Italian population lives in poverty. The cutbacks, especially in health care, are dreadful, and I know this from personal experience, because I have also had medical problems. Everything is either paid for privately, or not at all, and there are cutbacks everywhere. People saw Renzi's whole campaign—also on the earthquakes, where he said he wanted to defend the schools, and that they would be rebuilt—as election propaganda, and nobody believed it. Renzi went around the earthquake regions in his private helicopter, and people don't believe him any more after three years. You must realize that Italy has practically received the "Greek treatment" from the European Union. And for two years Renzi has made fun of Greece. So no one believes him.

Fimmen: That—along with his embrace of Obama and Merkel recently, when Obama once again came to Europe—surely hasn't contributed to people seeing him as a potentially independent figure, and that is obviously a real problem.

The question is, what will happen now? Because the Italian president at first refused to let Renzi resign, saying that he should remain in office to get the budget adopted. But there are also these fundamental questions about the budget: What is the state of Italy's sovereignty? Can you really invest? Can you do something which is useful for the country? Or can you only bow to the EU's diktat? And the question is, what are Italy's options for bestirring itself and creating new maneuvering room? How do you see this?

Gorini: Yes, this is obviously difficult now, because Mattarella, the President, has actually frozen Renzi's resignation until the budget has been decided on, and it must obviously move very quickly—tomorrow, for ex-

ample, it will be debated in the Senate, and then in the Chamber of Deputies. The idea is that it must be voted on by Christmas and be finished with, and then another government will take over until there are new elections. But the "no" front is against this; they want new elections and early elections, as quickly as possible—that is, the Five-Star Party and the Lega Nord want new elections.

And it seems that Renzi does, too. He has not resigned as chairman of the Democratic Party, and apparently he also wants new elections, because he thinks that his career is still not over; he thinks that he has 40% (laughing) of the vote, which is ridiculous, because most of the people who voted "yes" were not Democratic Party voters. They were people who feared that either the Lega Nord or the Five-Star Party could come into the government, and they especially were afraid of the warning from the *Financial Times*, which wrote before the elections that if the "no" won, eight banks would collapse. That was a typical Mafioso threat from the City of London.

But it will surely take a while; new elections will apparently occur in March or April. And in the meantime we will campaign; I have already written an editorial, a declaration, in which, as head of Movisol, I clarify the key points for a new government.

The Five-Star Party is also currently debating what its government program should be, which it has not yet determined. They have the potential to actually become the government, and they would like to emerge as the ruling party. And therefore, we have asked all our contacts in the Five-Star Party to make banking separation—which they also have introduced into parliament—the first plank of this government program, because, as everyone says, the fate of Monte dei Paschi di Siena and the bank emergency must be the first point of action. And without banking separation, all the debts which come from derivatives, will be shifted onto the shoulders of the citizens through bail-in, or through bailout by the state. In either case the citizens will pay the tab.

The Fundamental Change on the Agenda

Fimmen: Yes, precisely. That is, I think, absolutely crucial, and also links the situation in Italy with that of the other European countries—obviously also that in the United States, where there is a huge debate and the possibility of putting through Glass-Steagall. But also in Germany, where Glass-Steagall must absolutely be



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second point.

German Finance Minister Wolfgang Schäuble

put on the agenda, because we have—with Deutsche Bank, the bank which is entangled with the most derivatives in history—a really huge elephant in the room.

This need to actually implement a fundamental reform—not a pseudo-reform and not just any phony measures—is now really on the agenda, and I think that the many proposed laws for Glass-Steagall, for banking separation, which exist in Italy, due primarily to Movisol's initiative, are now obviously totally crucial.

The whole financial system is totally linked and entangled together. That also explains the hysteria of people like (German Finance Minister) Wolfgang Schäuble, who meddled inappropriately in the Italian vote. He said the Italians should vote "yes"; but now, following the recent EU Finance Ministers' summit, he was one of those who downplayed everything, and said, "No, no, no reason for panic; there is no danger for the Euro; it is all under control, and you can proceed as before."

This only shows the degree of hysteria, because the old paradigm is really ending, and thus I believe we are really coming to a point very soon at which this fundamental reorganization is absolutely on the agenda.

Can you say something in this connection about the other measures which Movisol advocates, such as collaboration with the Silk Road, with Russia, and also the development of Africa, since the refugee issue really represents a very acute problem for you in Italy?

Gorini: Yes, sure. That is our "four points." We have a short program similar to Lyndon La-Rouche's "four laws," an emergency program for the government. That, first of all, calls for bank separation, which is the most urgent, due to Monte dei Paschi. And you're right that you have to do the same with Deutsche Bank, as Helga Zepp-La-Rouche and Lyndon LaRouche have proposed: first, Glass-Steagall, and then secure the accounts of these banks, but only if you have first done away with the derivatives.

The second point is obviously the reconstruction of the earthquake regions, and the point is also that the European Union's diktat cannot be accepted. Because the EU has opposed the budget, and demands that these schools and new buildings not be built according to anti-earthquake standards. That is really criminal. They want hundreds more people to die. That is the

Then, cooperation with the Silk Road and Russia, and the immediate abrogation of the sanctions against Russia, which Renzi actually had proposed at the beginning. But then, at the meeting in Berlin with Merkel and Obama, he retreated on this point, and accepted the sanctions. That must be reversed; sanctions not only destroy the German economy, but also our industry, and especially agriculture in northern Italy. And the people—industrialists, and small and medium-sized firms—are really very enraged at Renzi on this point as well.

And the fourth point is, in Italy's case, investment in science and culture. Because culture is very important in our country, and Renzi has made huge cutbacks.

Fimmen: Yes, I think we have now discussed a few things, and now our viewers should have a better understanding, and more in depth, of what this referendum was really about, and why it was an important milestone in burying the old paradigm, and creating a new era of reconstruction, the construction of the real economy, and an actual future again; and absolutely exploiting this opportunity.

Liliana, thank you very much for this interview, and I hope that we will have the opportunity to speak again soon.

Gorini: My pleasure, and all the best to you. Keep it up!

Translated from German.