

and per square kilometer of land area. That is the proper moral function of the state.

Now, I'll come to my concluding point.

### Emergency Action

Since we have to make an emergency decision soon, and since we must convince many people to support those decisions, we must keep our radical changes to a limited amount. At leisure we can make other improvements later, but the form of the emergency action to be taken on short notice must be relatively simple and clear. Therefore, the best model we have available that's appropriate, that people know about, is the example of what was done by Europe and the United States during the period from the close of the war into the middle of the 1960s. The system of fixed exchange rates and protectionism, which is characteristic of the period 1946 through 1958 in particular, is the model which is required as an emergency basis for the crisis we face today. The difference is, that today, unlike 1946, we must carry the policy to the degree that President Franklin Roosevelt had intended for the postwar period, before he died. Which comes back again to the Jubilee question.

President Roosevelt had intended, as he warned Churchill, that at the end of the war, the United States would use its power to ensure that there was the instant dissolution of all colonial systems: Portuguese, Dutch, British, and French. When Roosevelt died, London's 10 Downing Street took over U.S. foreign policy. This process was completed before Roosevelt was in his grave. This time, we must do what we did in 1945-1946 on monetary reform to rebuild a war-torn, ruined planet. This time, we must create a just world economic order, as Roosevelt had intended.

This means that groups of developing nations must have equal authority in the revised monetary system. This is not merely a matter of formalities of law. The issue here is, the world is now in a very dangerous situation, demographically. Presently, the planet—as in India, as in China, as in Southeast Asia, as in Africa, and so forth—we have a war-torn, strife-torn, impoverished world, in which nations presently are not able to sustain acceptable qualities of life for the individuals who are now living.

For example, take the question of Middle East peace, which is now in jeopardy. Now, there can be no peace in the Middle East, because there's not enough water available for everyone. A decent standard of life does not exist in the Middle East unless there's adequate water. The water does not presently exist, and will not exist. But nonetheless, we in the advanced nations have the technology to enable the Middle East to produce fresh water in sufficient quantities, and quality, to meet not only the needs of the present population, but to transform the desert gradually into a prosperous area of growth—as in the Mezzogiorno, or in central Sicily. Sicily was once a very prosperous area. We have the technology and know-how to do it again: bring back a semi-desert area into a

prosperous area of agricultural habitation.

So, with the aid of the technology which we in the United States, Europe, and Japan, and to some degree the former Soviet Union, have, if we turn that technology and continued progress into an engine of technological progress, we, of nations which were traditionally the more economically developed, can aid the nations which were more poorly developed, to develop true equality, through long-term credit, to provide them with our sale to them of the technology they need, without which they can not meet the requirements of their own populations. This is true in the western area of China, this is true in India today, this is true in Africa, it's true in the Middle East and elsewhere. Therefore, we must have a twofold, sim-

## Hon. Michele Rallo: Globalization Is Leading to a Social Explosion

*The following are the remarks of Italian Member of Parliament Hon. Michele Rallo, at the "Towards a New Bretton Woods" conference in Rome, on June 23.*

My name is Michele Rallo, and I am a Deputy elected in Sicily, on the list of the National Alliance party. Together with my colleague [Hon. Alberto] Simeone, I recently presented an interrogation to the Prime Minister, to which a response (although only verbal) was given, which led to the beginning of a debate in the House of Deputies.

I would like to use this occasion to emphasize two aspects of this presentation which I found particularly interesting: The first, is a surprising convergence—or maybe not so surprising, since there's actually an order to these things—between a very thorough analysis which comes from an economist, Professor LaRouche, and analyses, certainly less thorough, and less well-known, which come from the political world, which I, in a certain sense, represent.

I am a parliamentarian elected from the farthest district of Sicily, and as such, I am witness to a state of things which is recognized, by myself and others who think the way I do—we are, unfortunately, a minority—as going in a direction that coincides with the one delineated by Professor LaRouche's analysis.

I refer especially to the problems of globalization. These problems have generated, in southern Italian society, and in particular in Sicily, a state of impoverishment

ple policy for emergency action. Other improvements can come once we have started on the emergency action. Then, the parliamentarians can have time to discuss those things.

But, we must have immediate executive action to deal with this crisis. There are two things: the question of the form of the reorganization, the emergency reorganization — the experience of the United States and Europe from 1945-1946 into 1958-1966 is a good example of what that must be, the form. But, it must include a just participation of the so-called developing nations, not just the so-called advanced ones. Secondly, we must accept a long-term mission, of at least 30 years to begin with. The new monetary and financial system of sovereign nation-states, must use the power of the nation-

state to generate on this planet a mass of tightly regulated credit, at low prices, with the purpose of extending credit of up to 30 years, for long-term infrastructure development, and in the short term for actual private entrepreneurial development, on a global scale. A global enterprise which means the promotion of scientific progress, at an accelerated rate. And also, the transformation of this planet, so that the discrepancy, the moral discrepancy, between the poor of the world, and the nations which are more stably provided — that must end. We must bring global justice at last, if we wish to have a world in which there are sovereign nation-states which live at peace with one another, for the common benefit of all mankind. Thank you.

of the population which determines a very serious social and economic crisis — much more serious than it may seem.

For some time now, I have been saying that large metropolises, such as Palermo and Naples, are on the verge of an insurrectional explosion. Not an organized explosion, not aimed politically to achieve any specific result, but merely the effect of an economic crisis which by now has reached unsustainable levels, and which, I think, could even explode before the financial crisis which Professor LaRouche was mentioning.

Regarding the political world in general, I think, unfortunately, that in Europe and in Italy, the drama of the current situation is not understood by our ruling class. I am less optimistic than Professor LaRouche about the reaction which, in a certain sense, is emerging in Europe. Because I think that the vast majority of the European ruling class, with respect to the problem of the globalization of the economy, and the introduction of an artificial and artful financial system, which is the principal subject of Professor LaRouche's analysis, is divided essentially into two groups. In the first sector, are those who hold that this process is useful, and they even suggest that it be reinforced; and in the second, there are those who do not think that the globalization of the economy and the financial system is good, but believe that it is inevitable. Therefore, it is necessary to suffer under it, while making a few attempts to alleviate the problems with some medicines, although the disease cannot be defeated.

### **Strengthen the Resistance**

Unfortunately, I think that the movements of resistance to this political, economic, social, and financial scenario are very limited. They are limited to a small elite of politicians and economists, in a group which runs across the political spectrum, from the left to the right. The majority of the European and Italian establishment though, has con-

vinced itself that we must continue more or less in this same direction. It is my hope, my wish, naturally, that the critical minority be strengthened, and I fully agree with what Professor LaRouche said, including what he said after the first question; that is, I think that, more than from the political world, the engine which may form the critical barrier against this — negative, I think — tendency, is the Catholic world, and in particular the figure and the work of the Holy Father.

I say this not as a Catholic, I say this as a layman. I say this as a layman, because as a layman, I recognize that the personality who has the moral authority, recognized certainly in the West, but also largely in the whole world, apart from among many fundamentalist movements in various confessions, is this Pope. Not the Papacy as an institution; this is a Pope who has succeeded in giving also an extremely strong political value to the institution which he embodies, and I think there is hope that, in the future, a movement may emerge which can bring us to rediscover economics as something real, made of the progress of populations, and the progress of less fortunate populations. Certainly, even in the best situation, I'm not thinking of an egalitarianism among nations. There will certainly always be nations and countries which are more or less wealthy, more or less developed; but I hope that the enormous, absurd, immoral inequalities which are present in the world today will be eliminated. And I hope that Europe will be able to extricate itself from this situation, which sees it as the weak link in the chain. In my view, the attacks carried out by the reigning political-financial system today, are directed especially at Europe. There is an attempt to weaken this continent, and what it represents politically, economically, and morally.

I thank Professor LaRouche for what he said today, and what he has been saying for a long time, and I hope his words will find an ever more attentive and important audience. Thank you.