

Tremonti's best-seller on fear strikes chord

NEWS ANALYSIS

A confrontational book by Italy's finance minister is making waves throughout Europe and beyond, writes Guy Dinmore

As a former Socialist now fighting what he sees as the perils of unfettered globalisation and Chinese domination, Giulio Tremonti, finance minister in Italy's new centre-right government, defies pigeon-holing.

In his fourth term as a minister since 1994, Mr Tremonti has taken aim at big business and overpaid executives, threatened extra taxes on banks and proposed windfall "Robin Hood" levies on oil companies - a plan formally tabled in budget proposals last week.

He has clashed with Mario Draghi, governor of the Bank of Italy, and stepped into a dispute with the European Commission over state aid for Alitalia, the near-bankrupt flag carrier.

At the same time he has signalled he is ready to take on Italy's weakened trade union movement, cut public spending and taxes, and privatise the remaining state-owned industries.

His confrontational style also suggests looming con-

flicts with China, which he regards as expansionist, and Russia's Gazprom, an energy supplier he compares to the British empire's East India Trading Company.

Books by finance ministers do not usually win elections, but Mr Tremonti's *The Fear and The Hope*, a best-seller before the April election, laid the ideological foundations for the centre-right's shift from market liberalism to a more comforting, protectionist message for low-skilled workers and small businesses who see themselves as victims of globalisation.

As deputy leader of Silvio Berlusconi's Forza Italia party and a close friend of coalition ally Umberto Bossi, leader of the xenophobic Northern League, Mr Tremonti was influential in crafting their return to power.

"This book is a must-read to understand why the left was badly defeated," commented Fabio Pamolli, senior economist with Cerm, a research institute.

Under "Fear", Mr Tremonti blames globalisation for the credit and commodity crises. He describes how a weak, inward-looking Europe has hobbled itself with excessive regulations and antitrust measures, leaving itself vulnerable to expansionist competitors.

"The Chinese dragon will possess Europe," writes Mr Tremonti, who sees a "fifth column" of Chinese immi-

grants already on its shores.

A tax lawyer rather than an economist, Mr Tremonti entered politics as a Socialist and has been described as a former Trotskyist.

Sounding like Washington neo-conservatives who made a similar passage to the right, he attacks US realists - particularly Robert Zoellick, head of the World Bank - for failing to "contain" China. "Beware of the new imperialism of China which

is comparable with Germany in the late 19th and early 20th centuries," he warns, before berating Europe for its "suicidal" willingness to drop its arms embargo against China.

Under "The dark side of globalisation", Mr Tremonti lists the failings of the US. He is scornful of Wal-Mart - "the ideological primate of the global mega-supermarket that once seemed absolute" - and sees it as symbolic of an

Curriculum vitae

Giulio Tremonti
Born August 1947
Graduate in law, professor of tax law at University of Pavia
1987 Runs for parliament for Socialist party
1994 Enters parliament, joins Silvio Berlusconi's Forza Italia party
2004 Becomes deputy

leader of the party
2005 Publishes *Fatal risks: Old Europe, China, suicidal market: how to react*
2008 Appointed finance minister in May. He also held the post between 1994 and 1995, 2001 and 2004 and 2005 and 2006



Giulio Tremonti: Europe is a 'politically headless continent' with rules 'that jam our society so that we cannot compete' AFP

economy that invents ways to sell Chinese products but not of producing its own.

Europe is a "politically headless continent" with no industrial or foreign policy but rife with rules "that jam our society so that we cannot compete on equal terms with other countries".

Mr Tremonti, who insists he believes in "the market where possible", writes: "Europe is anything but a 'fortress', the fortress that would be necessary to defend ourselves and to survive without falling in that force field that the new world has turned into."

Euro-scepticism was the hallmark of Mr Tremonti and Mr Bossi in Mr Berlusconi's previous administration, but this time promises to be different. With Italy's economy languishing, ministers say it will play a more assertive role in Brussels.

Mr Tremonti believes he is making waves. Anna Mazonne, editor of *Anthill.eu*, a new English-language periodical aimed at Europe, says: "The euro-sceptics have become euro-protagonists."

Mr Tremonti says Europe must apply antitrust rules to raw-material cartels, such as Opec, but go easy on its own unless they hurt the consumer. The European Union should establish a "great Atlantic area" commercial union with the US and a new, far reaching Bretton Woods system.

In the final "Hope" sec-

tion, Mr Tremonti's deeply conservative side emerges, together with a yearning for a strong state and a tendency to treat his subjects as little people.

His calls for a return to values centred on the family, a philosophy based on "Judaeo-Christian roots" and a clear European identity. "Europe has a confused identity because it is based on a globalised culture based on indiscriminate equality and free import of merchandise and then people," he writes. "The confusion between us and them becomes suicidal in times of globalisation."

He identifies seven passwords to save Europe: values, family and identity, and authority, order, responsibility and federalism.

He deplores the leftwing protest movements of 1968 that he says killed authority and destroyed its symbols, and suggests identity-enhancing flag-raising ceremonies with European, national and regional flags. "It is small and simple things that count because they are the only ones that people really understand," he writes.

Massimo D'Alema, former prime minister and a leading voice on the left, admits his opponent is "brilliant" and has correctly "interpreted a fearful society". However, he says no amount of "Judaeo-Christian baggage" is going to stop the Chinese people from deciding they wanted to eat and live better.