

Why Helmut Schmidt wants to save the dollar

Who is Helmut Schmidt, and what is making him and his associates so determined in their political commitment to the Franco-German "Grand Design?" According to the British and most of the American press, the European Monetary Fund is a scheme against the U.S. dollar, and Schmidt's "Rapallo" overtures toward the Soviet Union represent a threat to U.S. strategic interests. *Executive Intelligence Review's* first-hand report on Schmidt's political organizing activities proves that the perpetrators of that portrayal are those who really want to collapse the dollar and American policy with it.

Over the past 12 months Schmidt has created the immediate potential for a complete reorientation of the West's military posture toward the Warsaw Pact alliance. When he told the International Institute for Strategic Studies in London last year that military policy was identical with economic policy, he was dead serious. His meeting in May with Soviet President Brezhnev and the resulting 25-year economic and technological cooperation treaty has precisely this significance. Schmidt does not want to turn West Germany and Europe into a Soviet satrapy as Zbigniew Brzezinski and the British maintain; on the contrary he intends to make the Western alliance stronger than ever before by transforming its relationship to its Eastern neighbors.

Schmidt is therefore far more seriously committed to actual Western defense than madmen like NATO Supreme Commander Alexander Haig, and he indi-

cated as much at the just-concluded conference of the Atlantic Treaty Association in Hamburg. Schmidt said that NATO must begin to think of "more ways to establish trust and mutual cooperation with the Warsaw Pact, rather than thinking of ways of conflict and crisis management." The current balance of forces between the two military alliances, he stressed, must under no circumstances be "leveraged to other theaters" in the Third World: doing so, he warned, could spark a full-fledged international confrontation.

A Europe governed by the policies of Schmidt and French President Valéry Giscard d'Estaing — and not by Great Britain's deindustrialization program — is a strong and reliable alliance partner, and this is now turning into a reality. Speaking at the United Nations for all nine European Community members, Schmidt's Foreign Minister Hans-Dietrich Genscher pledged to turn Europe into a center for world economic development, and furthermore pledged to transform the United Nations along the same lines.

Helga Zepp-LaRouche, chairman of the European Labor Party in West Germany, traces in an exclusive background profile the historical roots of Schmidt's current race against time to establish the EMF before world war becomes inevitable. Accompanying her analysis, our specialists in West Germany and New York City under the direction of International Editor Nora Hamerman have assembled the key texts of the Schmidt government's peace and economic development offensive.

Set October deadline for EMF

The European Monetary System, created in July at the Bremen conference of European Community (EC) heads of state, has its de facto lending channel ready to go, according to the governor of the central bank of EC member Denmark. Opponents of the EMS now expect it to start operations next month unless they can unseat, in particular, West German Chancellor Helmut Schmidt, which appears impossible short of war or assassination. The Japanese government is in "daily consultation" with Bonn about consummating the EMS and "dealing with the geopolitical problems

affecting it," Japanese sources confirmed to this journal Sept. 27, terming the EMS "unalterable" at this point.

Meetings between Japanese Premier Takeo Fukuda and Saudi Arabian leaders in Riyadh earlier this month have produced an impressive Saudi-Japanese alliance to exchange oil for technology and "boost the dollar," as the Sept. 27 *Christian Science Monitor* emphasized in a lead article headed "Saudis stand by U.S. dollar despite strains of summit." Saudi Foreign Minister Saud al-Faisal stopped en route to the U.S.