From Oct. 27 to Nov. 1, delegates from eight nations attending the conference on “Asia-Europe Economic and Trade Relations in the 21st Century and the Second Eurasian Bridge,” visited four Chinese cities to inspect the actual conditions of the New Eurasian Continental Land-Bridge in China, and to discuss its present and future development with national and regional Chinese leaders.

Helga Zepp-LaRouche, the founder of the Schiller Institute who is known for her unique role in promoting this project in Europe, Africa, and the Americas, was a keynote speaker at the first-day session of the conference in Beijing.

The international conference participants came from Russia, Germany, Slovakia, Hungary, the Czech Republic, the Netherlands, Japan, and South Korea. The Russian delegation was led by Prof. M.L. Titarenko, director of the Institute of Far Eastern Studies of the Russian Academy of Sciences, and chairman of the Russian-Chinese Friendship Association.

The conference was sponsored by the Foreign Affairs Bureau of the Chinese Academy of Social Sciences, and the governments of Jiangsu and Hebei provinces. Jiangsu, where China’s central Yangtze River flows into the Yellow Sea, is the location of the port of Lianyungang, the “eastern terminal of the new Eurasian Land-Bridge,” the great rail network which extends from China’s Pacific ports, via Kazakhstan, Russia, Belarus, Poland, and Germany, to the port of Rotterdam in the Netherlands. Hebei, which surrounds the capital district of Beijing, is located on the Bohai Sea, and is the center of development for China’s northeast. Conference discussion continued in Nanjing, the capital of Jiangsu, and Qinhuangdao, China’s second-largest port, in Hebei province; participants were given extensive tours of harbor, rail, air, road, and industrial facilities in Lianyungang and Qinhuangdao. Such rigorous inspection tours are integral to China’s method of government and economic development.

In each city, conference participants were greeted by prominent officials. In Beijing, they were received at the Great Hall of the People, the seat of China’s central government, by National People’s Congress Vice-Chairman Cheng Siwei, who is also chairman of the China Democratic National Construction Association, one of China’s political parties, for an exchange of views of China’s policies, its current role in the world, and the international economic and political situation.

While Chinese participants made clear the importance of the Land-Bridge project for their national and international development, discussion at this conference, as in other institutions in Beijing, reflected the heavy impact of the international financial crisis. The unique reliability and accuracy of EIR Founder Lyndon LaRouche’s economic forecasts has now been established among leading Chinese circles. In particular, the value of both Lyndon and Helga Zepp-LaRouche’s views was established by Zepp-LaRouche during her previous visit to China in September 1997, when she delivered a precise and very timely warning to both officials and scholars there, about the then-loomeng financial and economic collapse of Southeast Asia and Japan.

In Beijing, the conference was attended by officials of the Chinese State Council, Ministry of Foreign Economics and Trade, Ministry of Science and Technology, the State Planning Commission, and leading representatives of the CASS Institutes of Economics, Finance, East European, Russian and Central Asian studies.

Zepp-LaRouche spoke on the “Principles of Foreign Policy in the Coming Era of the New Eurasia Land-Bridge,” in which she warned of the meltdown of the global financial system, which, at the same time, provides “a unique and unprecedented chance, to replace the unjust principles of the old political and economic order with new, just ones, which will allow the survival and well-being of all nations on this planet.”
Zepp-LaRouche described the history of the current crisis over the past 30 years, and the principles of the nation-state which must be used to finally defeat the power of the international oligarchy which has brought the world to this point. She stated that a program of global reconstruction for the benefit of all nations on this planet, a program whose centerpiece must be the Eurasian Land-Bridge and similar great projects, “will only be successful, if it would be combined with a new cultural and moral renaissance,” based on what is the best of all great cultures.

Lianyungang’s Mayor Xia Geng spoke on the history of the Land-Bridge policy, and its role as a “key development era” in the Ninth Five-Year Plan for National Economic and Social Development and the Long-Range Program for 2010. He noted the current “challenges of globalization” and “intensified . . . frictions” in the world economy, which make “the promotion of cooperation and exchanges along the Land-Bridge,” and giving “full play of the economic mutual benefit of the New Eurasian Continental Land-Bridge,” of ever-greater importance.

The Russian speakers reported to the Chinese on the problems posed to the Land-Bridge development by the economic crisis in Russia, and that cooperation between the two nations is essential to counter this situation.

The conference then travelled to Nanjing, China’s historic southern capital, where a second session was attended by more than 60 provincial officials, economists, and industrial leaders. Jiangsu, a key agricultural province, is also where China’s modern industrial economy was founded earlier this century. Speakers here included Yu Xingde, Executive Vice-Governor of the province, and Schiller Institute scientific adviser Jonathan Tennenbaum, who spoke on “A Project-Oriented Approach to International Economic Relations.” He called for cooperation to develop the Eurasian infrastructure corridors, mass-produce nuclear reactors, and build a series of “model cities” along the Land-Bridge.

Before leaving for their inspection of Lianyungang, the conference delegates visited the memorial and burial place of Dr. Sun Zhong Shan (Sun Yat-sen), the leader of China’s first republican revolution against millennia of imperial rule, in 1911. Dr. Sun himself, when visiting the beautiful hills outside Nanjing, chose this as the place where he wanted to be buried; it is now a much-visited national monument.

The conference proceeded 300 kilometers to the 65-year-old port of Lianyungang, which had been chosen by Dr. Sun Yat-sen to be the site of the “Great Eastern Port” in his infrastructure development plan for China. Local government and harbor officials described their plans for building four new sections of the port, double-tracking the railroad, and expanding its container facilities, and showed the conference delegates the monument marking the “Eastern Terminus of the Eurasian Land-Bridge,” dedicated by former Prime Minister Li Peng. Lianyungang is also the site of the International Information Center for the New Eurasian Continental Bridge.

The delegates also inspected the construction site of the Lianyungang nuclear power station. This joint Russian-Chinese project is building what will be the largest nuclear power station in China. The first 1,000 megawatts-electric reactor unit is scheduled to go on line in 2004, and at least three more units will be built in rapid succession. Work to clear and finish the site is going on at an intense rate, to complete the preliminary stage of construction in record time.

The final session of the conference was held in the 100-year-old port of Qinhuangdao. This is China’s second-largest port, and its leaders want the harbor and city to play a new, greater role in the coming century as the “double bridge-head” linking the Siberian Continental Bridge (Russia’s Trans-Siberian Railroad) and the New Eurasian Continental Bridge. However, the port director noted that Qinhuangdao has been affected by the economic crisis in Asia, with its revenues 2% lower this year than last, particularly because of the industrial collapse of South Korea.

Qinhuangdao has the cultural advantages of a long history, and is the place where the Great Wall comes down to
the sea. It is also China’s “summer capital,” where the national leadership gathers every year at the beautiful beach resort of Beidaihe.

The conference was addressed by Hebei Province Vice-Governor Guo Gengmao, the Mayor of Qinhuangdao, and the director of Qinhuangdao Port Authority. Schiller Institute representative Mary Burdman spoke on “Why Europe Needs to Build the Eurasian Land-Bridge.” She described the critical economic and political state of western Europe, especially the high levels of unemployment, and the real story of how the European Monetary Union and “euro,” are the forced creation of the Thatcher, Mitterrand, and Bush governments in 1989-90, to destroy the possibility of reunified Germany playing a central role in Eurasian development. Only such great projects as the Eurasian Land-Bridge, she said, can counter the present crisis and the fraud of British Prime Minister Tony Blair’s “Third Way” to economic depression.

The conference participants were taken on an inspection cruise of Qinhuangdao Harbor, in the same boat used by China’s leaders for such visits, and to see the world’s largest coal-dumper, which can overturn three rail cars full of coal at once, onto conveyor belts taking the coal, Qinhuangdao’s biggest export, onto ships headed for south China, Southeast Asia, and Korea.

The breakdown of Sweden’s ‘middle way’

by Michael Ericson and Tore Fredin

After visiting Sweden in the late 1960s, a political scientist said, with reference to the Swedish welfare model, “I have been to the future, and it doesn’t work.” Indeed, in the general elections on Sept. 20, Sweden, the land of the Social Democratic “middle way,” saw a popular revolt, although admittedly a rather mindless one, against the policies internationally known today as British Prime Minister Tony Blair’s “Third Way.”

The election turnout had three main features: First, the collapse of support for the ruling Social Democratic Party, which lost one-fifth of its voters since the last election, and ended up with 36%, a record-low since the 1930s. Second, despite a big effort during the election campaign to form a “Mittens Rike”—“a kingdom of the middle”—the Center Party, which during the last legislative period was part of the parliamentary coalition in the government of Social Democratic Prime Minister Göran Persson, lost as much as one-third of its voters, as did the Liberal Party; both ended up just above the 4% limit required to gain seats in the Parliament. Third, clearly reflecting the polarization among the voters, the old communists (who nowadays just call themselves “the Left”) and the small Christian Democratic Party almost doubled their number of votes, each ending up with more than 10% of the vote, an all-time record.

Persson, a big fan of Blair, last year had adopted a super-green platform, as a basis for forming a coalition government after the election with the Center Party, at that time supporting the Social Democratic minority government. That project failed miserably, to some extent because of the aggressive pro-growth campaign by the LaRouche forces in Sweden against that green fascism. Already in the beginning of the election year, the Center Party had to break up its marriage with the Social Democrats to have a chance to survive the election.

A red-red-green government

After the Social Democratic election losses, Persson faced his biggest challenge in decades: His great green vision was totally crushed, and his potential coalition partners in the middle had been all but destroyed. What to do? In a mode that could best be described as, “When reality hits, bring back the good old days,” he turned to the old communists and to the green Environmental Party to negotiate forming another Social Democratic-led minority government. That government was subsequently formed, on a platform based on pure wishful thinking; after just one month, it has already started to run up against reality.

The handling of the international financial crisis is indicative. Not a single word was offered during the election campaign on the international financial disasters, except by the European Labor Party (EAP), the party of the LaRouche movement in Sweden, during its very visible campaign for a New Bretton Woods system. Similarly, not a word was uttered during the two weeks of the budget negotiations, the critical part of hammering out the red-red-green government platform. But, just a week after the budget was presented to the Parliament, the Finance Minister started saying that economic growth rates would be lower than predicted in the budget, due to “the problems on the international financial markets”—to which the communists and the greens responded by demanding that the Finance Minister not put out the new figures, because that, by law, would require a new, revised budget.

A bigger issue threatening this government is the European Monetary Union (EMU). So far, Persson, just like Blair, has kept his country out of euroland—but, also just like Blair, he has made sure that he has the option to join. Therefore, he carefully kept the issue out of the election campaign, but immediately after, he launched a multimillion-dollar campaign to “inform” the population of the “facts” of the EMU. It is, of course, played as a neutral, impartial campaign, but in reality, it is an aggressive campaign designed to reverse the anti-EMU sentiment in the population. To seek shelter in euroland is the only idea he, and the rest of the Swedish elite, have come up with in