

ZEPP-LAROUCHE WEBCAST

## The Next Jump in Evolution: The End of Monetarism

*Helga Zepp-LaRouche, chairwoman of the BÜSo (Civil Rights Solidarity party of Germany), and founder of the international Schiller Institute, presented an evaluation of the grave strategic situation, in an international [webcast](#) on Feb. 11, on LPAC-TV; Zepp-LaRouche spoke from Northern Virginia, while Stefan Tolksdorf moderated the discussion from Berlin, Germany. Here is an edited transcript of her keynote, followed by an exchange with a Russian interlocutor, one of a number of questions and answers that followed her opening remarks.*

Good evening.

Actually, this webcast originally was meant to address primarily a European audience, but because of the urgency of the strategic situation, and since I'm presently nearby Washington, I decided to do this webcast in English. And I'm addressing myself to those of you who recognize that civilization right now is in mortal danger. It should be obvious to any thinking human being on this planet, that a continuation of the present policies is possibly leading to the extinction of the human species. And I appeal to you, at least those who agree with me, to join the mobilization, to do everything in your capability, to stop this danger of civilizational collapse.

Now, it is not true that this catastrophe is inevitable, and in the beginning, before I go into some rather heavy material, I want to say, rule out the idea from your thinking that one can not do anything, anyway. This

sentence which is the most spoken sentence in Germany, "*Man kann ja sowieso nichts machen,*" "One cannot do anything anyway." I don't want to address this situation from that standpoint. There are solutions and they can be implemented in time, but it requires a very drastic and dramatic fundamental change of the system, of the global financial order, and an equally dramatic change in the thinking of most people.

### Two Immediate Crises

We are confronted right now with two immediate crises: One is the immediate collapse of the trans-Atlantic financial system, which is already leading to the collapse and the breakup of the euro, as we can see most clearly in the situation in Greece. But if Greece leaves the euro—which it will have to; it has no other choice—this will mean the breakup of the euro and, in all likelihood, the entire EU.

Secondly, we have the immediate danger of a thermonuclear war, triggered by the events around Syria and Iran, but not really focussed on these two countries, but actually aiming at regime-change or destruction, disintegration, of Russia and China.

Obviously, what I'm saying here is not what you read in *Bildzeitung*, or what you listen to in other mass media. But I can assure you, I would not say these things lightly: I'm trying to address the reality of the situation as it is, because only if you look at it in the most rational and most unblocked fashion, can you find



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*As we face the possible extinction of civilization, Zepp-LaRouche said, we could instead be the authors of a new era of mankind, and leave oligarchism, as a childhood disease, behind us.*

the necessary remedy. The name of the game is empire, or more precisely, British Empire.

Now, I know that there are a lot of people who say, “What British Empire? It ceased to exist a long time ago.” But the empire which has been dominating the European, and actually global situation for almost 4,000 years, has a tendency to come back in ever-new clothes, in new shapes and forms, like a slime-mold, and this time, it has another name, called “globalization.”

If you understand under that under the name “British Empire,” is the complex system of central banks, investment banks, hedge funds, private equity funds, insurance companies, the shadow banking, then you know what I mean by British Empire: It is that financial system which has been responsible for the paradigm-shift in the last 40-45 years, away from the production of physical goods, the so-called real economy, more and more to speculation, to the idea of profit maximization, and pure monetarism.

As long as the Soviet Union existed, that system of globalization had certain constraints, because the Soviet Union existed as a second superpower. But when the Warsaw Pact started to disintegrate between '89 and '91, the world had reached a turning point.

With the communist system gone, there would have been the chance for a new peace order of the 21st Century. There was no more enemy, and one could have

used the economic and scientific resources of the entire world to go to the solution of those urgent tasks of mankind which were then there, and still are, namely, the elimination of hunger, the development of the underdeveloped sector, and joint scientific breakthroughs to reach the next level of mankind's development.

Instead, rather than the United States recognizing the chance to go back and reconfirm the principles of the American Revolution which had made America a “temple of liberty and a beacon of hope,” unfortunately, with the Bush Sr. Administration, the neocons appeared, and declared the “New American Century” doctrine, which was the idea to run the world as an empire, based on the “Anglo-American special relationship.”

Now, we from the international LaRouche movement had a plan, which

was the Productive Triangle, and later, the Eurasian Land-Bridge, which would have been the basis for such a peace order, which, however, for reasons which I shortly will mention, was rejected. At that time, the policy of regime-change was adopted in every country which was not willing to submit to this empire. The first expression of such regime-change was the first Gulf War, which started in August 1990, which was called Operation Desert Storm, which had the explicit goal to “bomb Iraq back into the Stone Age”—and it did.

This policy was interrupted between 1992 and 2000 in the eight years of the Clinton Administration, but it remained in the background, in the form of the “Clean Break” policy, which was the idea of having regime-change of every country not friendly to Israel, which was around even during the Clinton years, and was a clear response to the efforts of President Clinton to have peace in the Middle East through the Oslo Accords; it was adopted by the Netanyahu government then. And it came fully back with the Bush and Cheney Administration, and was all the time being pursued by the British government.

### **The ‘Axis of Evil’**

Now, with George W. Bush, Jr., who declared these countries to be the “axis of evil,” the next target was the second Iraq War, which, as we now know, was based

completely on lies, developed through MI5 and Tony Blair, and that was then the basis for the speech that [then Secretary of State] Colin Powell gave in the United Nations, which he later called the worst mistake he ever made in his life.

This was behind the war of aggression against Libya and the assassination of Qaddafi, because at that point, the forces pushing these regime changes could not wait to put Qaddafi on trial, because they already had in mind a continuation of this campaign against Syria and Iran. A trial would have been too long, and Qaddafi might have told some very unpleasant details about his dealings with his previous collaborators.

Now this [regime-change] campaign is reaching Syria and Iran. It has almost nothing to do with these countries, but is aimed at Russia and China. And when you hear the stories about Syria and about Iran, you should have a *déjà vu* experience: The accusations against Iran are the same as those we heard against Iraq. And the recent report of the International Atomic Energy Agency, that Iran would have the nuclear bomb in maybe one year, or be able to put its facilities underground so they would no longer be able to be reached, is in *complete* contradiction to the U.S. National Intelligence Estimate from October 2011, which confirmed the findings of the NIE from 2007, that Iran had stopped its military nuclear program in 2003. And as many people observed, the entire information the International Atomic Energy Agency used, came from Western intelligence sources, and the former head of this agency, Hans Blix, also said that there was absolutely no new information given.

So this war has already begun: NBC News, just a couple of days ago, reported that the Israeli Mossad has been recruiting and training members of the MEK, the Mujahideen-e-Khalq organization, which still, I believe, is on the list of terrorist groups of the State Department; training them for assassinations and bombings inside Iran.<sup>1</sup> This was confirmed by officials of the Obama Administration, and restated in an interview with Mohammad Larijani—who is the brother of the Speaker of the Iranian parliament, Ali Larijani—who reported to NBC, that Iranian officials caught MEK members attempting to assassinate Iranian nuclear scientists, and Larijani then proposed that the United States should bring Israel before the UN Security Coun-

cil for “state-sponsored terrorism,” in line with its still ongoing policy of a war against terrorism.

Now, remember, in the last two years, there were several explosions in Iranian nuclear facilities and four nuclear scientists have been assassinated, according to the same *modus operandi* in the last years.

The Russian Foreign Ministry was very concerned about reports, from the Israeli website DEBKAF, which were then later confirmed by the Institute for Oriental Studies of the Russian Academy of Sciences, that British and Qatari special forces are operating in Syria, and the Russian government said very clearly that they are very concerned about the violation of Syrian sovereignty by these acts. And that these mercenaries from Qatar, Great Britain, and possibly Saudi Arabia, are there to provide ammunition to the rebels in Homs, in large quantities.

### Military Buildup in the Gulf

Since the last months of last year, there has been a gigantic buildup of military forces in the Gulf, in the Indian Ocean, and in the eastern Mediterranean (**Figure 1**): There are two aircraft carriers in the Gulf region, and the third will arrive there in March, together with a lot of frigates, destroyers, and cruise missiles; each of these aircraft carriers can launch hundreds of combat aircraft. There are eight or more Ohio-class submarines, each with 24 Trident missiles, of which each has six to eight 100 kiloton nuclear warheads. Each sub therefore, has a destructive power of 1,476 times the kilotons which were detonated in Hiroshima. And you have to add a certain number of British, Israeli, Canadian, and French warships to that.

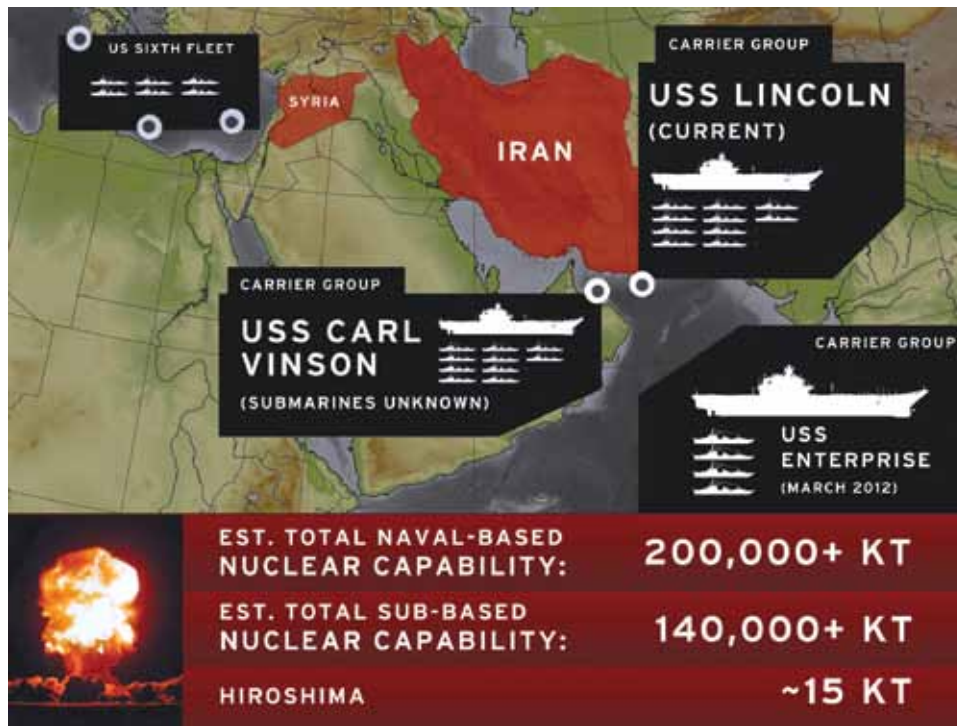
So, if you look at it, the total firepower which is amassed in this region, is in absolutely no relation to the supposed reason, namely, helping the rebels in Syria, or deterring Iran from a nuclear program, but it is clearly aimed for something else. U.S. Defense Secretary Leon Panetta has talked about the high probability of Israel attacking Iran between April and June, and sources recently have pointed to a more likely date of April or even earlier, and there are rumors about an attack on Damascus even earlier than that.

The Iranian government, through its ambassador to the United Nations, has pointed to the right of Iran to defend itself, and that it has the capability to do so. Also, since November, in Israel, fierce debate has broken out, where former heads of the Mossad, or Shin Beth, and even former chiefs of staff, have come out

1. See “London’s Road to WW III: Obama Allies with al-Qaeda,” *EIR*, Feb. 17, 2011.

FIGURE 1

**Military Buildup in the Gulf, Indian Ocean, Eastern Mediterranean**



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and warned that if it would come to such an attack, it not only would put Israel in jeopardy, but it would put the entire region for 100 years into complete chaos and destruction.

To the best of my knowledge, having surveyed the situation, having access to many informed circles around the world, the Iran war is right now on; it's supposed to occur, and by the very logic of the situation, it will not be limited to the region. Once it starts, there is the absolute danger that it will be global thermonuclear war.

Russian Foreign Minister Sergei Lavrov, declared, in this context, that an attack on Iran would lead to a chain-reaction which would destabilize the whole world, have grave consequences, and nobody would know where it would end.

I think it is worse than that: Because it is the logic of the weapons being here accumulated, that you don't start such a war with one nuclear weapon, and then wait until retaliation comes, and then maybe use a second one. But it is very clear that we are looking at Mutually Assured Destruction, which was the official NATO doctrine in the time when the Warsaw Pact still existed.

Now, one element of this is that thermonuclear weapons are so horrible that, if you are a normal human being, you would think, nobody would ever, ever use them, because they lead to the extinction of civilization.

Therefore, the danger is that whoever plans this war would go to launch the entire arsenal by surprise, to become then the only dominant power. Now, every military expert in Europe, or analyst of the Middle East knows, and will tell you in private discussions, that a war against Iran is the equivalent of World War III, and since this is generally known, may there be the element of winning the war, by a horrible bluff?

The idea of a thermonuclear "chicken game"—remember the chicken game was this experiment they made many decades ago in California, where you have two cars driving towards each other at full speed, and the one who lost his nerve first, would try to escape the crash at the last moment, which obviously is already not very sane. But to do this with nuclear weapons, is the height of complete criminality and insanity. It is so insane, that it risks the extinction of the human species. If you look at how many military vessels and missiles and so forth, are accumulated there, how quickly could an accident trigger this? How quickly could you have a Gulf of Tonkin incident which would detonate the whole thing?

**'Schrecklichkeit'**

In retrospect, one could say that Truman dropping the bombs on Hiroshima and Nagasaki (**Figure 2**), where there was no need to do that, because there were already negotiations for Japanese surrender involving the Vatican—so there was no need to drop these bombs; but they were dropped in order to demonstrate the principle of *Schrecklichkeit*, the principle that there is a weapon now so horrible, that in the face of this weapon,



FIGURE 2  
**Atomic Bombing of Hiroshima, Japan  
(Aug. 6, 1945)**



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nobody will ever be tempted to use it. And it was clear as a preparation for those who thought, maybe after World War II, we will have World War III; and remember the famous statement by Bertrand Russell from 1946, where he proposed a preemptive nuclear war against the Soviet Union at that time. Therefore, the implicit option here is a bluff, to say, “Okay, surrender. If not, we go for thermonuclear global warfare.”

And it is the forces of the British Empire which are behind it. And again, for a normal human being it is very difficult to conceptualize, but there *are* people who would like to reduce the world population from presently 7 billion, to 1 billion people! I mean, Prince Philip has said it many, many times, and it can be documented that such policies exist.

If you look at this present buildup, it is very clear that we are not only talking about Syria and Iran, but Russia and China as well (**Figure 3**). Because Russia

FIGURE 3  
**U.S. Military Encirclement of Russia and China**



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has for a long time made the point that the European missile defense system, which is being installed in Poland, Czechia, and plans are being made for Romania—that they regard this as part of the NATO enlargement towards the east, the encirclement of Russia. Everybody knows that these so-called defensive missile systems can be very quickly turned into offensive systems, and then these missiles could reach Moscow, in less than three minutes. Russian Chief of the Military Staff Nikolai Makarov, a couple of months ago, already warned that there is, because of this system, the danger of a European nuclear war, which could go completely out of control. President Dmitri

Medvedev, in response to President Obama’s decision to go ahead with this policy of Bush and Cheney, activated recently the radar systems in Kaliningrad.

China came to the same interpretation, when Obama shifted his emphasis to the Pacific, building new bases and deploying troops in Australia and the Philippines, building new military alliances—that it is really aimed at the encirclement of China. And regime change for Russia and China are on the agenda.

For this, you have presently mobilized the same network which is responsible for the Orange Revolution against Ukraine, the Rose Revolution against Georgia; and they’re now calling for a “white” or a “snow” revolution in Moscow: It’s the Project Democracy crowd, the NDI, the National Democratic Institute; the IRI, the International Republican Institute, the Soros operation, and this whole crowd.

### A ‘Foul’ Ball in Moscow

Part of this apparatus is, unfortunately, the new ambassador to Moscow, Michael McFaul (which in Latin, you could say *nomen est omen* [the name fits]—*foul*) who was responsible for the NDI since 1990, when he worked for the NDI in Moscow, and who has privately

FIGURE 4



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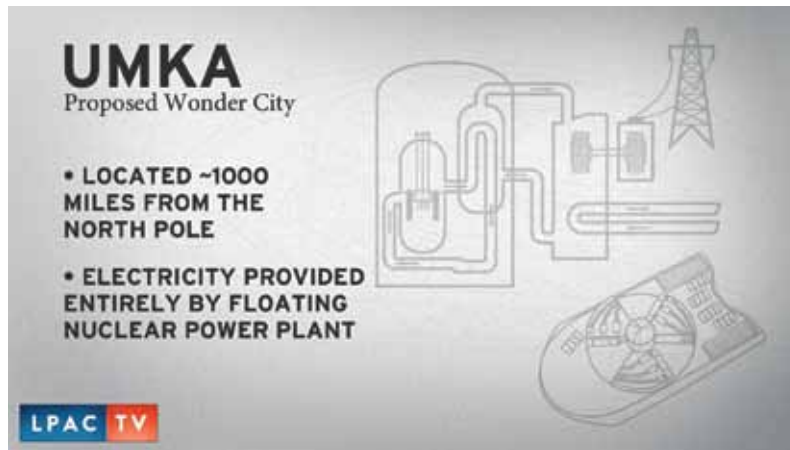
been bragging that he was responsible for the “engineering” of the reelection of Boris Yeltsin in 1996, because it was his networks of the NDI which maneuvered somehow to get Yeltsin, who was completely hated by the Russian population by that time, because they correctly blamed him for having sold out Russia to the oligarchs and to the West, and somehow managed his reelection.

This apparatus, since September of last year, has been fully mobilized in a campaign to claim that the parliamentary and Presidential elections in Russia would be fraudulent.

And regime-change is also on the agenda for China: Sen. John McCain, at the Munich Security Conference, called for an “Arab Spring” in Beijing, which was a clear provocation against the Chinese representative at that conference.

This has been the policy of the Empire faction since 1990. It is absolutely urgent right now since 1990, so it has been in place for a long time: You can see here (Figure 4), the countries which have been or are targeted for such regime-change, but it is now becoming, from the standpoint of the Empire, super-urgent, because the trans-Atlantic region is collapsing. While you

FIGURE 5



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have relative growth in Asia—China has a growth rate of 8-10%; India, 7-8%, and others are similar—Europe and the United States are collapsing. There was an article in *People's Daily* in the Russian language, which said that both Russia and China have recognized that since Russian Prime Minister Vladimir Putin made the announcement that he plans to return to the Presidency, or that he will be a candidate for that, that the targetting of Russia and China has been put on the agenda, and therefore, these two countries are now building very strong military ties against these threats.

Even before the present escalation, Russia and China had focussed on a very advanced scientific and technological orientation, high investments in higher energy-flux densities, the fourth-generation of inherently safe nuclear energy, the development of the Arctic region, and generally focussing on the new frontiers of science. Russia wants to build the city of Umka, a domed city in the Russian Arctic for 5,000 residents, which should have full research capabilities, which would be self-sufficient with respect to food production, and it would be modelled on a fictional Moon city, or an isolated space station (**Figure 5**). It's planned to be under a dome 1.5 km long and 800 meters wide; it would only cost, by the way, \$6-8 billion, so peanuts in the present world of bailout packages.

And Prime Minister Putin has made remarkable speeches and written articles, saying that he recognizes that the key problem of the world right now is the bubble economy, and that he is in favor of a system focussing on the production of the real economy.

Also, manned space travel is on the agenda between Russia and China. China has declared that it wants to become the leading space power, sometime in the early part of this century. They want to mine helium-3 on the Moon, which will be very important for thermonuclear fusion power, and, in general, you can see that Asia is relatively prospering, while the trans-Atlantic region is collapsing.

Now, I have to say this very clearly: The British Empire, defined as I did earlier, would rather go for World War III, than leave the Asian powers to become the leading nations on the planet. And this despite the fact that the euro has been proven to be a complete failure, as you can see nowhere more clearly than in the case of Greece, which is right now at the complete point of explosion.

### Will Greece Leave the Euro?

As I am speaking here, the leading trade unions in Greece have called for a popular uprising against the deal imposed on Greece by the infamous Troika [European Union, European Central Bank, IMF]. The police trade union has advocated the arrest of the members of the Troika, demanding an immediate arrest warrant, and somebody who has a sense of humor, in a leaflet, offered a reward for the arrest of the Troika, expressing how much value they place on these people.

Now, the population is in complete despair, and if you looking at the situation in Greece—I want to give you some figures, of what this present EU policy has done to Greece, which is, after all, the cradle of European civilization, the birthplace of democracy, and more important, of Solon's idea of the purpose of mankind being progress, as Schiller described it—this country is now *totally destroyed*, and people are really desperate (**Figure 6**).

Twenty-seven point seven percent of the Greek population is below poverty level—that is 3 million out of 10 million—and that was in 2010, and 2011 is became much worse; 28.7% of children up to 17 years old are in poverty. Greece is now at the level of Latvia, Hungary, Lithuania, and Poland. As of November 2011, unemployment is 20.9%. This is a 48% increase over 2010. Youth unemployment is now 48%! That means every



FIGURE 6

## Greek Riots against Crushing Austerity



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second youth is unemployed. And 50% of the trained engineers are out of work: That may be the biggest crime, because these are the people who could start to rebuild the Greek economy. And the debt since the bail-out packages started has increased ratio of the Greek debt to GDP, from 120% to 159%.

Greek parents increasingly have to abandon their children to SOS Children Villages because they can't feed them any more. This is the first time this is happening in Europe; it used to be only the case in Africa and other poor areas. And on top of that, the EU Troika wants to have 150,000 more people cut from the civil service, on top of 200,000 already cut. They want to cut pharmaceutical deliveries from 2.3 billion by 1 billion. That means increasing the death rate. There is no other way of putting it. And they are trying to reduce the minimum wage by another 22%, and for the youth, by another 32%. And at the same time, they increased the taxes, a 250% increase in property taxes, even for people with just a tiny little house, and the VAT tax will go up to 23%.

So this is the reason why the Greek population is

exploding, and they say, "We can not continue."

Obviously, if Greece leaves the euro, it will in all likelihood lead to a breakup of the entire Eurozone. And that will affect the U.S. banks; in fact, it will probably bring down the entire world financial system. The only reason why this is not happening already, is because the Federal Reserve and the ECB are printing money, like the Reichsbank did in 1923 in Germany. Which obviously, is a very short-lived policy, and some cynics are even saying that printing money and causing hyperinflation is the only way you can reduce the state debt. It's also the most brutal form of expropriation of the population.

Now, interestingly, Andreas Vosskuhle, who is the president of the German Constitutional Court in Karlsruhe, warned in a recent speech that the effort to save the euro and to go for more European integration is threatening the loss of democracy in Europe. This is obviously a complete understatement, but for somebody in his position, this is quite an admission.

### A Failed Experiment

The only way one could get out of this disaster, is to admit that the euro was a failed experiment. It could not function, because, from the beginning, it was the intention to turn Europe into a subdivision of this same British Empire. If you think back for a moment to 1989—which was, after all, the great historical chance of Europe—Thatcher, Mitterrand, and Bush, Sr., forced Germany at the time to give up the D-mark as the price for unification.

Thatcher launched this incredible "Fourth Reich" campaign. Attali, the advisor of Mitterrand, reports that Mitterrand even threatened to go to war against Germany. And the Bush Administration preferred con-



tainment through self-containment, by putting Germany into the straitjacket of the EU, which they then implemented from the EU treaties, from Maastricht to Lisbon.

The people were never asked. Referenda in support of the EU in France and Holland were lost, but the rest of the people were never consulted about whether they wanted this policy.

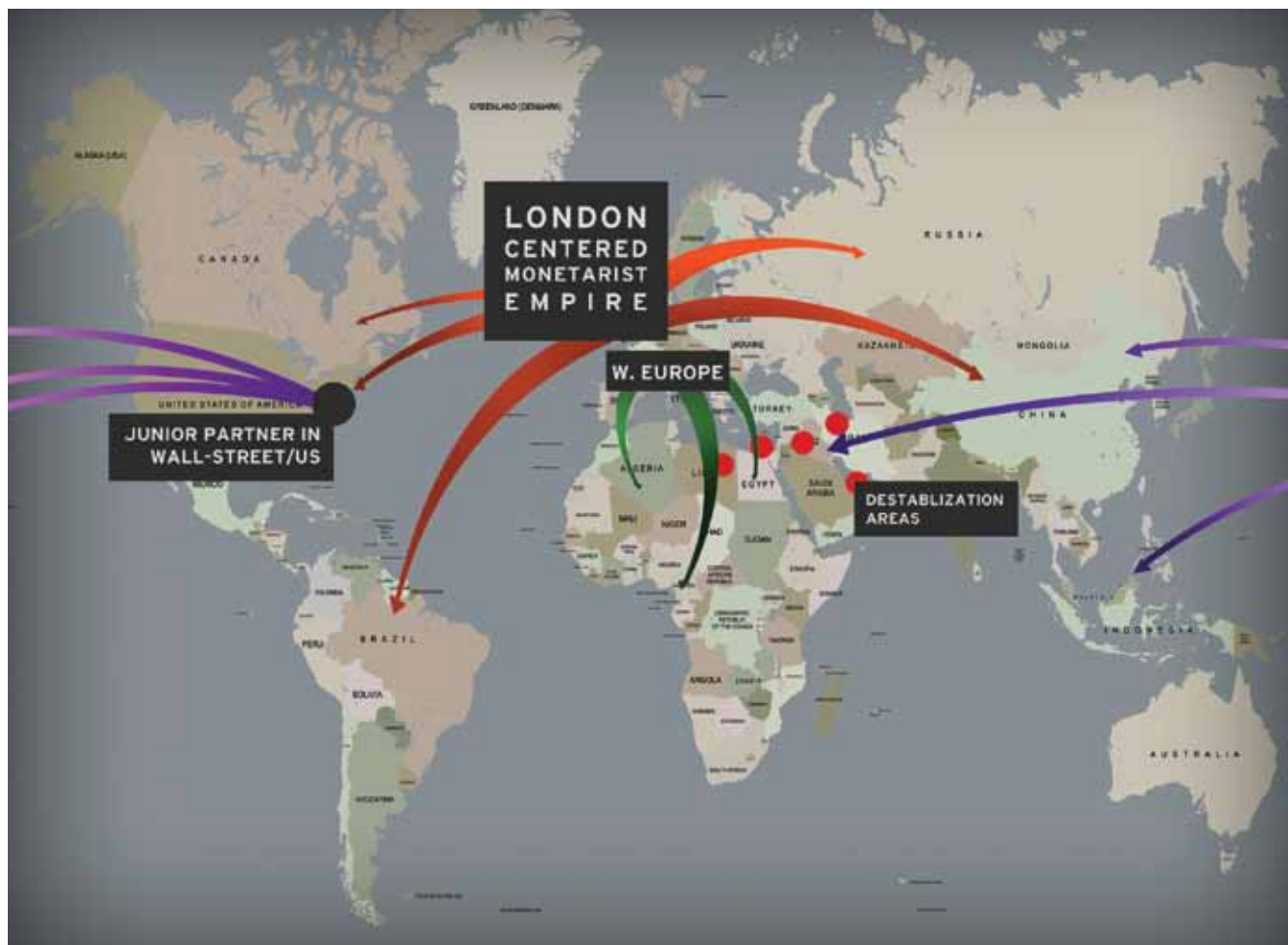
If you look at this euro experiment, what was the propaganda of its proponents? It should guarantee peace forever in Europe. Well, the reality is, never has so much hatred among the different nations been directed against Germany since 1945, directed against the Greek people, directed against the EU.

Another such lie was, “strengthening the European position, in light of the emerging countries.” The disunity being displayed by Europe right now has made

Europe the laughingstock of the rest of the world. “Strengthening economic powers in Europe”? Well, why is German Chancellor Angela Merkel then going like a beggar to the Chinese, asking them to bail out the euro, which the Chinese are obviously too smart to do?

Now, Lothar Rühl, the former Defense State Secretary, recently wrote in the *Frankfurter Allgemeine Zeitung*, that there are new challenges for the European security and defense policy (**Figure 7**)—that the U.S. is now focussing more on the Pacific; that after the Arab Spring, the European responsibility is more for the West; that given the fact that Islamic fundamentalists would still be a great challenge in the war on terror, Europe should focus on the region east and south of Libya—Chad, Sudan, Somalia, the Horn of Africa, the Arabian Sea—and in light of this nice

FIGURE 7



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policy, the EU just decided to use more drones against refugees from Africa, trying to cross the Mediterranean.

What this European security and defense policy calls for, is expedition corps for interventions, weapons deployable from afar, reconnaissance means for air and sea control, strategic troop transport for longer distances over sea and by air; airborne landing capabilities, and so forth and so on. All of this was already in the Lisbon Treaty, which is why we opposed it, among other things, at the time. This policy makes very clear, if you need one more proof, that Europe is just the regional expression of this global empire.

In this present constellation, Europe is making itself the target in a possible war. The newly appointed Russian Deputy Prime Minister, Dmitri Rogozin, recently warned that the problem is that NATO continues to live by the principle set by NATO Secretary General Lord Ismay [1952-57], which is, “Keep the Russians out, keep the Americans in, and keep the Germans down.” Now that, people in Germany had better think about. And then he warned that the present European missile defense system, that, for example, people in Romania may think helps them, but in reality, with this policy the Europeans have become the hostages and targets of a retaliatory attack, in case of such a war.

Therefore, the situation we are facing is similar to that with the middle-range missiles at the beginning of the '80s, when the Pershing 2 and the SS-20s were deployed; where the reality of the German security situation was that Germany, in case of war, would get one strike from one side, and then a second strike from the other, and have absolutely no chance for survival. And that is what we are looking at, today, again.

### **Learn the Lessons of '89**

When you look at this insane situation, well, there is a remedy! We have to use the breakup of the euro as a chance. When the collapse of the communist system occurred in '89, it was a *tremendous* chance to go for a new peace order for the world. Now, we experience the second collapse of a system, and this time, we must learn the lessons of '89 and not fall into the trap of just perpetuating a system which is already completely bankrupt.

What we have to do, is, we have to have Greece go back to the drachma; the other European nations should adopt the D-mark, franc, and so forth. We must have

sovereignty over our currencies and our economies. We must cancel all European Union treaties, from Maastricht to Lisbon, and go back to the sovereign control of our nations as republics.

This does not mean that we are “anti-Europe”—not at all! We are more for Europe than the present EU bureaucrats, who obviously don't care about the people of Europe in the slightest—neither the Greeks, nor the

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*We have to go to an alliance of the fatherlands in the tradition of de Gaulle; and we should just do what Franklin D. Roosevelt did in the '30s to lead America out of the Depression: Implement immediately Glass-Steagall, in the tradition of Roosevelt, without any changes.*

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Germans, nor the Italians. And we have to go to a policy of an “alliance of the fatherlands,” in the tradition of de Gaulle, and, we should just do what Franklin D. Roosevelt did in the '30s to lead America out of the Depression: Implement immediately Glass-Steagall, in the tradition of Roosevelt, without any changes; cancel the fictitious debt which is approximately—nobody knows exactly because of the shadow banking aspect—but it's probably in the vicinity of *1.5 quadrillion* dollars or euros, which is the extent of the entire derivatives market.

And then, go for a credit system as it was established by the first Secretary of the Treasury in the United States, Alexander Hamilton: Issue credit for future production in accordance with scientific principles given by the physical economy. Investments financed with such credit, must be to increase the energy-flux density, and go for the next level in scientific and technology breakthroughs.

And which steps these have to be, that is absolutely scientifically knowable. I'll speak to that shortly. Then we have to establish fixed exchange rates, go for a New Bretton Woods system, a credit system among many nations over the next 50 to 100 years.

What does it require to do this? As a first step, we have to recognize that Europe, in the context of the present EU, is an oligarchical empire, and we have to reject the idea of oligarchism. We have to recognize

that the oligarchical model, which was described very well by Friedrich Schiller in his writing about the “Laws of Lycurgus and Solon,” where Sparta was run by a small, oligarchical elite, and they deliberately kept the masses of people stupid, where they had the right to “cull the herd,” so to speak, whenever they became too many, and allowing the youth of Sparta, for example, to shoot the helots—that that system has to go forever.

People may not recognize it, but the reality is that the world has been living under an oligarchical imperial structure for the last 4,000 years. You first had, at some point, the Persian Empire. When Greece had won over that Persian Empire, they could have turned the Attic sea alliance, into an alliance of equal partners, but they decided to become an empire instead. This was described by Thucydides in his *Peloponnesian War*.

This was followed by the Roman Empire; then the Byzantine Empire; then the Crusades, which were wars on behalf of the Venetian banking system; and then the British Empire, which exists since 1763 in various forms, until today, in the form of globalization and the Anglo-American special relationship.

Now, I know people will get upset and say, “Europe, the EU, and empire?!” Well, why do people then, say, “You can’t do anything anyway”? What does that say about the system we are living under, if that is what you think? Obviously, it is an oligarchical dictatorship, which does not give the individual the possibility of intervention. Why do you think it is that the European governments, and the G20 governments, for four and half years, since the outbreak of the present global financial crisis in July 2007, have done almost nothing to rein in a totally deregulated financial system? Why have people, heads of government, become nothing but the mouthpieces of this financial oligarchical order?

The oligarchy, which will turn out to have been nothing but a meander in evolution, an aberration, a dysplasia.

### **The Oligarchical Model...**

Now, the oligarchical model assumes a universe which does not exist. It is based on the idea that the Second Law of Thermodynamics is valid. It’s based on the ideas of the Club of Rome, with its infamous idea of “Limits to Growth,” that the world is a closed system,

and that we have somehow reached an equilibrium with finite resources, and that therefore, population growth within closed system, is the biggest threat to the privileges of the ruling elite.

That was clearly expressed by Henry Kissinger in his infamous NSSM-200 document, already in 1974. It happens to be also the ideology of the Nazis, with their idea of *Lebensraum*, because, after all, the planet is finite. It is the very core of the idea of British geopolitics, which led Halford Mackinder and Lord Alfred Milner at the turn of the 20th Century, to develop this crazy idea that whoever controls the Eurasian heartland controls the globe. It was what led to World War I, and it is now threatening to lead to World War III.

The oligarchical model is associated with monetarism, with the idea of maximization of profit for the power elite, the impoverishment of masses of population, and it is behind keeping that privilege through the bailout packages since 2007. It is also related to the idea of an intrinsic value for money.

Money? Well, money: The present volume of money out there—all you have to do is push the “delete” button on your computer, and it all goes. Or, if the Fed and the ECB continue to print money as they’re doing right now, it will also evaporate, and you soon can have wall-paper with 1 trillion notes of dollars and euros, as it was in 1923 in Germany.

The oligarchical model is also associated with Greenie-ism and environmentalism, people who put beetles above human beings. It’s associated with Mother Nature, the idea of Gaia, the cyclical, ever-return of the same. It’s the idea of a universe in the tradition of Nietzsche—that only out of the destruction, the good, the new, can come; ideas of Joseph Schumpeter, which are right now determining the entire economic policy of the EU. And the idea of *conservation*, of limited resources, of saving, *sparen*, keep the world at an equilibrium—it’s absurd, but it’s being peddled by the media, by the governments, by the anthropogenic climate-change crowd, by the hedge funds which make big profits through that, and it is completely wacky. It is not the universe in which we live.

### **...vs. the Creative Universe**

The universe is creative. The universe develops in an anti-entropic way. And my husband, Lyndon LaRouche and his Basement crew, have made recent

breakthroughs by investigating more closely the recent 500 million years of the assumed 13.7 billion years of existence of the universe: that basically, in this period, you had five extinctions, and the last two major ones, the so-called PT and KT extinctions, were really revealing. These studies made clear that there were really not great kills—killing up to 96% of all living species at that time—but that only those organisms survived that were ready to increase the energy-flux density, which is the principle of the universe at large.

And these last 500 million years prove beyond any doubt, that the Second Law of Thermodynamics is not valid in the universe at large!

Is our planet part of this universe, or is our planet somehow outside of the universe? Well, obviously not. Since the existence of mankind, which is several million years ago, which on a large scale, is 1 minute to midnight—since that period, human creativity has become the driving force in the development of this development. The law of the universe very clearly is *anti-entropy*, and the increase in energy-flux densities has been proven over hundreds of millions of years to be the genetic law of evolution.

The development from the inorganic, to the biological, to human creativity, a distinction which was first recognized by the great thinker Nicholas of Cusa, already in the 15th Century, and which continued to be developed by V.I. Vernadsky and his notion of the noösphere, has the correct idea, that we are dealing with an increase of the energy of the system.

Lyndon LaRouche developed this notion of the relative potential population-density, as a reflection of this law of the universe, almost 50 years ago. It is also true for the development of the species on the planet, that on each level of development, the resources are relatively limited, and either the species becomes intelligent enough to reach the next higher level of energy-flux density, or it goes under. This is why the dinosaurs went under, and why the super-large mammals like the mammoth also didn't make it.

Now, the oligarchs today, are such a species. One can debate if they're dinosaurs or mammoths. In any case their mental metabolism is such, that the amount of consumption in the form of primitive accumulation, in relation to the intelligence of their minds, is not effective. Like the mammoths, they will end as a dead-end, as a blind alley of evolution, and they will disap-

pear. The only danger is that they will take the human race with them.

The question, therefore, is, are there enough intelligent people on this planet, who will act on the basis of this recognition, that civilization is about to crash into the wall, and are willing to change it? Can we willfully go to the next level of development, of evolution if you will, rather than staying in the realm of so-called equilibrium, limited resources, geopolitical wars, thermonuclear destruction, and the extinction of civilization?

Are we ready to make the next jump in evolution, which means the next level of energy-flux density, thermonuclear fusion, go for a crash program to have matter-antimatter reactions; manned space travel to the Moon and Mars as a mission?

Are we able to deal together with the galactic threats, which are clearly influencing our planet through changes in the weather patterns, volcanic eruptions, earthquakes, and so forth? The astronauts and cosmonauts who came back recently from the ISS space station, in their press conference, basically said that the dinosaurs made a mistake, not putting their DNA on other planets, and therefore they could not survive these similar challenges.

Now, the key is to recognize that the Second Law of Thermodynamics is a fraud. The universe is not running down and tending towards an increasing disorder, but to the contrary, there is a tendency of increasing anti-entropy. Evolution does not occur from below, as Darwin had tried to argue: It's not the survival of the fittest, it is from above. It's what both Nicholas of Cusa and Vernadsky recognized: that it is the higher species which grips from above the lower one, and pulls it upward.

Since the existence of the human species, the human mind is the highest element in the universe, at least for now, until we may discover other life in this universe, which could exist, but we don't know. The human species is the one, therefore, up to now, which willfully can cause a jump in its evolution. It's what Friedrich Schiller wrote as a little epigram, "What the plant is, you, human being, be willfully." And he could say that, before anyone really knew about photosynthesis.

### **The Extraterrestrial Imperative**

An old friend of ours, Krafft Ehrlicke, who, in the Apollo program, was responsible for the development



of the Centaur rocket and the Atlas rocket, made a beautiful comment, saying, “The world is finite only to those who are slaves of the pessimistic zero-growth ideology. It’s infinite for those who adopt the extraterrestrial imperative.”

He also developed the beautiful idea that space colonization is the next necessary step of evolution, that life in this evolution developed through photosynthesis, from the oceans to the land; then developed higher energy-flux-density levels by infrastructure, by new inventions, redefining what the source of energy was; and this based on the necessity to always outpace the effect of attrition, if one stays on the same level in production and consumption, or the effect of the evolutionary process, that has led, again and again, to the extinction of species in the past, of species that did not contribute to the rising requirements for energy throughput in the biosphere as a whole.

Krafft Ehrlicke already, many decades ago, defined the industrialization of the Moon and the colonization of Mars as the goal. And I can fully endorse that, because that subsumes virtually all necessary breakthroughs in the realm of science and culture which we need to master if we are to have a continued existence of civilization. It requires the nuclear fusion propulsion for travel to Mars, because you don’t want to spend nine months, with unbelievable effects on the bodies of the astronauts, whereas with thermonuclear fusion propulsion, you could reduce that to a couple of days, or weeks at most.

So therefore, going to Mars must be the commitment we make now, even if it takes maybe three or even four generations, before we actually can start building new cities on Mars; it determines the directionality where we want to go. It determines the industrial investments we must have, which higher energy-flux-density technologies must be applied, and this obviously is *only* possible through a credit system, and not through remaining in a monetary system.

This increase of energy-flux density must become the yardstick to determine whether an investment in industry is good or bad. The late Russian Academician Pobisk Kuznetsov, when he encountered the theory of Mr. LaRouche, of relative potential population density, was very happy, and he said, “Well, you know, given the fact that great inventions often carry the name of their author, like Watt, Ampère,” he said that “Mr. LaRouche will be recognized for his invention of the rela-

tive potential population density, as the La.” So that will be known in the future as the La.

Now, the extraterrestrial imperative I was talking about, must be, and will be, the next step of evolution. We are faced with possible extinction, either through thermonuclear war, or a dark age, because of the disintegration of the financial system. The question is, can we change and choose the alternative? We can go this way, by turning Europe again into an alliance of sovereign nations, of sovereign republics. Why do we not, together with Russia, China, India, the United States, and other nations, go for the common aims of mankind? Well, we have them: the building of the World Land-Bridge, the development of the Arctic as the new frontier of science, building NAWAPA, going for the Bering Strait tunnel, building Transaqua, and other infrastructure projects for Africa; going for space colonization (**Figure 8**).

Well, why don’t we just do that? Does it make more sense than to destroy ourselves through nuclear war?

Krafft Ehrlicke, who was a good friend of ours, also made another point, which I want to emphasize: He said that science and technological progress always must be combined with Classical culture, with the aesthetical education of man, because if a science or a technology is good or bad, that is not defined by the technology, but it is defined by man, if he is for evil or if he is for the good. An aesthetically educated man, in the tradition of the great German Classical period, of Schiller, of Beethoven, of Dante, and many other towering figures, would never use technologies for a bad aim, so the problem is not science and technology; it is the lack of the cultural development of human beings.

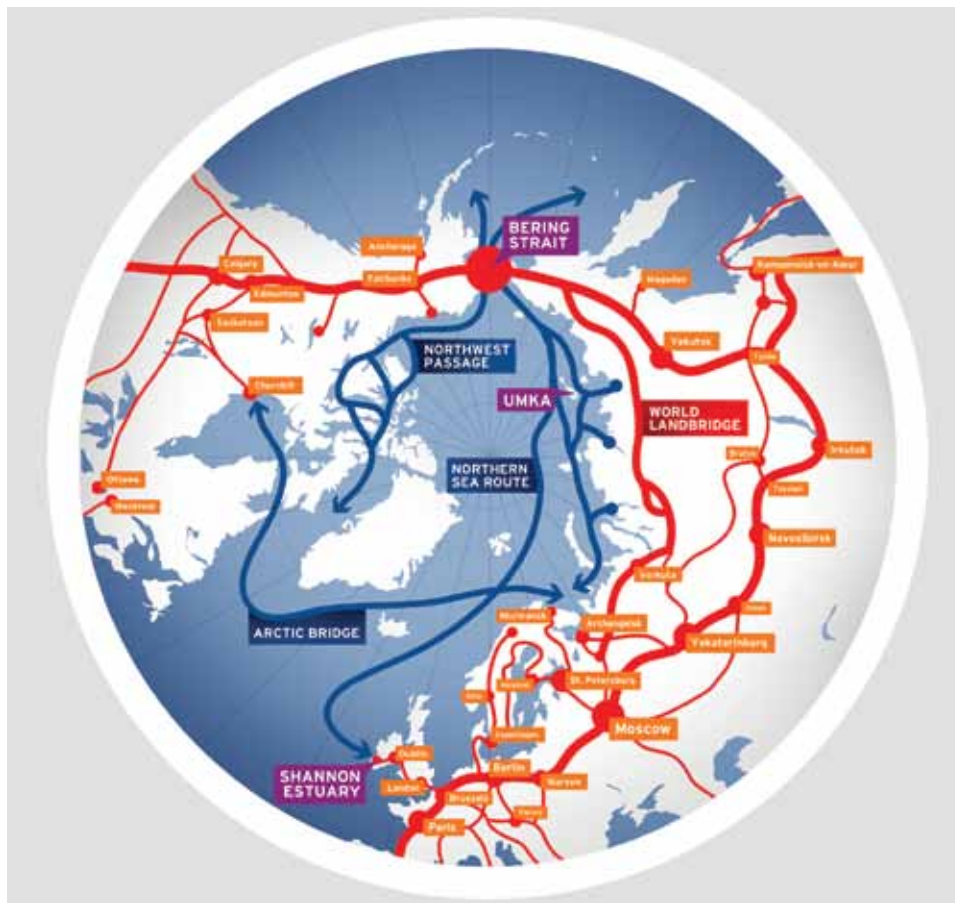
I’m convinced that while we look at the possible extinction of civilization, that if we get our act together now, we could also be the authors of a new era of mankind, that we could build a true Renaissance, where we leave oligarchism, as a childhood disease, behind us, never to come back. Why don’t we go for that?

## **The Russian Response to the Global Crisis**

**Stefan Tolksdorf:** Helga, this question is from a teacher and students at the MGIMO, the Russian Foreign Ministry university. They have held several seminars which studied video addresses by Lyndon LaRouche and the LaRouchePAC team, on the topic of a credit system.

The question is: “We watched your message from

FIGURE 8  
**The Arctic, at the Center of the World Land-Bridge**



LPAC-TV

last September, called ‘There Is Life after the Euro,’ and we read the seven policy points in your call for a worldwide *Trennbankensystem* [two-tier banking system], a worldwide separation of the banks, which was published in the press in Russia.

“More and more people in Russia believe that the next wave of the crisis is coming soon, and will hit hard. Our Prime Minister, Vladimir Putin, has attacked the global bubble economy. Talking about the world economic crisis, he said, the best-case scenario is a rejection of bubble economies, and a return to an economy of real value, an economy that creates jobs instead of derivatives.”

So, they ask, “What should the Russian government do now, to make this happen on a really big scale? In 2011, capital flight out of Russia doubled, so should we use exchange controls? How can we get credit for investments in the real sector? And who in Europe would

work with us on this?”

**Zepp-LaRouche:** Well, I think, from what I have seen coming from recent speeches from Prime Minister Putin, President Medvedev, people like Rogozin, and others, is that there is a definite commitment to undo the effects of the oligarchy, or oligarchs from the ’90s, under the Yeltsin period, and reinstate Russia as a leading industrial and scientific power.

Mr. Rogozin was recently at the previously secret science city, affirming that it will be reactivated; there are travels by Prime Minister Putin to the Far East, where he reaffirmed the building of the Bering Strait tunnel, the building of the Arctic development, and similar things. All of this is excellent.

I only see one weak spot, and that is, that I don’t think that economists and politicians in Russia have completely broken with the idea of monetarism, because there

were statements coming from some of these people, saying, “Yes, but we still need foreign investors to invest in these projects.” Now, this will never happen, because this present financial system is about to go! Either disintegration or hyperinflation.

And it reflects, also, a wrong idea, because, I don’t know if it has to do with the fact that Karl Marx rejected Friedrich List at the time, and Henry Carey, and that there was not a real rethinking, because recently some Russian economists talked about restudying Adam Smith and Ricardo and whatnot. I think we have to have a complete recognition that any industrial development which took place in Europe, Russia, the United States, came from the tradition of *physical economy*, and the proponents of that.

They are Gottfried Leibniz, who invented this notion, the first time, when he developed the steam engine; before, it was the development of the Colbert

school in France; Friedrich List belongs to that school. And naturally, Henry Carey, who was the advisor of Lincoln, who was also influential in causing Bismarck to turn from a pro-feudal, free-market proponent, into a believer of physical economy, through the ideas of Henry Carey.

Henry Carey was also, together with Friedrich List, the reason why the Meiji Restoration in Japan, turned Japan from a completely isolated feudal country in a few decades, into one of the leading industrial nations in the world. This was the same idea of Count Witte, who was a fan of Friedrich List; he wrote beautiful things about this in his own books.

So my suggestion would be, that there must be a real studying of what is physical economy, what is a credit system, and really understand that the power of the state to issue credit for future production, which leads to an increase in the productivity of the economy by injecting scientific and technological progress, *is* the source of wealth! In other words, it is the unique capability of human labor inspired by creative discoveries, to create more than there was before.

And that is why, for example, both Dr. Wilhelm

Lautenbach, in 1931, or the famous WTB Plan, Woytinski-Tarnow-Bade Plan in the German trade union movement—they came up with the same idea as what Franklin D. Roosevelt’s idea was—the combination of Glass-Steagall and the New Deal: Get rid of usurious, fictitious debt coming from gambling; make investment based on investment in the future, through improvement of technological progress. And then, the credit which you issue, is not inflationary, because it’s a credit in respect to future production. And indeed, the study of all recovery programs proves, that a credit given in such a way, produces more tax revenues, than the amount of the credit initially given. Because it has a secondary effect, it puts into motion, not only the direct investment, but everything surrounding it, so it’s like a science-driver for the entire economy.

That would be my firmest advice for Russian economists: Study this, and then maybe Russia could become one of the leading initiators of this transformation from a monetarist system to a credit system, which is the absolute, indispensable prerequisite for getting out of this crisis.

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