How We Shall Break The EU’s Stranglehold

by Helga Zepp-LaRouche

At the European Conference of Germany’s Civil Rights Solidarity Movement (BüSo) in Mainz-Kastel, Germany on Dec. 1, the party’s national chair, Helga Zepp-LaRouche, gave this keynote speech, which has been slightly revised and shortened for publication.

Good day, dear BüSo members, distinguished guests, our conference is preparatory to the European parliamentary elections in May 2014, and I want to tell you that I am confident that there is a very good chance that we can implement the program that we have made our theme here, and that it will be possible to have a Europe of the Fatherlands,¹ which will be dedicated to a common mission for humanity.

Why am I so optimistic? This is of course not the Zeitgeist here in Germany, which is still groaning from the effects of the “non-election” campaign, which will now continue with a non-discussion during the coalition negotiations. But I am still very optimistic. Because with the European elections scheduled for May 22-25, there is still almost half a year left, and during this half-year there will be such dramatic developments, that nothing will be what it looks today. In fact, the world is now in incredible turmoil, and it is likely that the EU stranglehold, which is now choking the peoples of Europe, will break by then.

Why am I so optimistic? You may have noticed that an earthquake is taking place right now, breaking apart Ukraine’s association with the EU. Ukraine has just removed itself from the vise-grip of the European Commission and the EU bureaucracy, obviously not because—as the media here claim—[Russian President Vladimir] Putin put such unbearable pressure on Ukraine, but, as will become clear during my talk, because people

¹. French President Charles de Gaulle’s phrase, referring to sovereign nation-states. (All footnotes are by the translators.)
in Ukraine just want to survive, and therefore see no reason to join the bankrupt EU. Instead they see their future in cooperation with Russia, China, India, and the other Eurasian countries.

In other words, Ukraine has made the choice between a dying system, the EU, and the possibility of prosperous cooperation with the Eurasian states. And that is ultimately the choice that we in Germany have to make too. Do we stay in the EU corset or do we choose cooperation with the very, very quickly developing Eurasian Land-Bridge?

There is a very, very great possibility that between now and the elections, the trans-Atlantic financial system will collapse; I would say it’s almost certain. The financial system could even disintegrate before the end of this year. There will also be dramatic developments in the battle for reinstatement of Glass-Steagall in the United States; dramatic developments in the collapse of the Obama Administration; and rapid progress in the realization of the Eurasian Land-Bridge.

**Critical Weeks for the Financial System**

Let’s first look at the disintegration of the trans-Atlantic financial system. We have spoken with leading financial experts and well-placed persons in America, and a very large number of these people believe that the chance of a collapse in the next few weeks is far greater than 50%. On Dec. 13, a bipartisan U.S. congressional commission is supposed to present proposals for dealing with the long-term debt, and to date, there is no compromise in sight between the Republicans and the White House; this alone could be enough to cause the collapse of the system of supposedly too big to fail banks.

The next critical point comes when the transitional budget comes to an end on Jan. 15, and then again, when the debt ceiling is reached after Feb. 7.

If the government shuts down during this period between December and early February, as it did in the Fall, raising the threat of U.S. bankruptcy again, then it is the view not only of Lyndon LaRouche, but also of senior people from in and around the Federal Reserve, that the entire global financial system could evaporate, in what was once correctly referred to by Bill Gross of PIMCO as “a supernova of the financial system.”

**War Danger Shifts to East Asia**

So that is one determining factor. The other is of course that we are still at the brink of nuclear war. To be sure, the strategic confrontation over possible U.S. military intervention in Syria has lessened; through a very, very remarkable combination of Putin, Russian Foreign Minister Sergei Lavrov, U.S. Secretary of State John Kerry, and head of the U.S. Joint Chiefs of Staff Martin Dempsey, the danger has been reduced that a military intervention there could escalate to a potentially global thermonuclear war. The danger is not completely gone, but it is considerably reduced. And with the successful agreement of the P5+1 in the negotiations with Iran, the danger of war in Southwest Asia has also become significantly less.

But you all have seen that a new strategic confrontation is building in the Pacific. As usual, the media reports are completely misleading; the headlines tell you...
that “military hotheads” are arguing over some uninhabited rocks, or that it’s all about raw materials that are supposedly to be found in these islands. But in reality something quite different is going on. Namely, China’s reaction to the U.S. so-called “Asia Pivot,” shifting the American strategic focus to the Pacific region.

In fact, this involves an encirclement strategy: Especially since President Obama’s trip to Asia in 2011, the U.S. has been seeking more and more bases and strategic alliances with countries in the region, to be able to overcome mainland China’s defenses with U.S. aircraft carriers, and to be able to eliminate China’s entire nuclear arsenal with the combined U.S. capabilities.

This was admitted earlier this year, in an article by Keir Lieber and Daryl Press under the title “The New Era of Nuclear Weapons: Deterrence and Conflict,” published in Strategic Studies, the quarterly magazine of the U.S. Air Force. The article argued that the existing NATO strategy of “Mutual Assured Destruction” no longer holds up, because the development of nuclear weapons and targeting abilities would now allow the nuclear potential of an opponent to be eliminated without causing radioactive fallout.

A similar article appeared in the Yale Journal of International Affairs, by Prof. Amitai Etzioni, under the title “Who Authorized Preparation for War with China?” He makes practically the same point, saying that the Pentagon has commissioned plans for a war of aggression against China. But he calls for an urgent discussion in Congress and the White House, and the only error in the article, it seems to me, is that he says the Pentagon commissioned this study, whereas to the best of our knowledge it comes from Obama’s inner circle.

Then in late October, maps like this one (Figure 1) suddenly appeared in all the Chinese media, posing the thesis that if there is an attack on China, it would be able to reach the entire West Coast of the United States by means of its 70 strategic submarines. You can see that the yellow curve, which shows the fallout, reaches as far as Chicago. And there are other maps, which I don’t have here, that show that Chinese ICBMs could reach the East Coast. That was reported a few days later in the Washington Post, Washington Times, and elsewhere.

That is very clearly not a reaction to any islands or uninhabited rocks somewhere in the Pacific Ocean or the China Sea, but is rather a reaction to the American “Revolution in Military Affairs” doctrine. This is a utopian concept, basically treating the military capabilities of states as the only relevant facts, and these facts are then inserted into a kind of computerized geopolitical game theory, and the computer program then spits out the optimal strategy as a derivative.

This theory was already applied in the Iraq War. Now, if you look at Iraq today, you will see that while Iraq perhaps had no special freedoms under Saddam Hussein, it was still prosperous—infrastructure was developed, women could study, and it was basically proceeding in quite a good direction. Today, Iraq is being bombed back to the Stone Age, ripped apart by attacks every day, a religious war between Sunnis and Shi’ites, and absolute poverty. Iraq has been turned into a hell, on the basis of this doctrine.

This is the context in which China, a week ago, set up an air defense zone in the China Sea over the so-called Diaoyu/Sinkako Islands; the Chinese Defense
Minister reported at the time that it was intended “to protect against possible air attacks.” Three days later, the United States sent two B-52 bombers over this area, without notice, to make it clear that it does not accept this arrangement from China. China initially responded with restraint, but now has sent bombers itself to this region, a quasi-warning that, if there are flights in this area that have not been reported in advance, they run the risk of being shot down. Meanwhile, China sent its aircraft carrier Liaoning past Taiwan in the China Sea, and American aircraft carriers are also heading that way.

While that is certainly not something that would lead immediately to Third World War, of course it aggravates the situation. And Ambrose Evans-Pritchard wrote an article in the Daily Telegraph a few days ago, comparing this development in the China Sea with what happened from Agadir to Sarajevo [1911-14], with the deployment of the German gunboat Panther to Agadir in Morocco, in an attempt to split the Anglo-French alliance; it failed, putting into motion the pre-history of World War I (or continuing it). This really shows you, especially if you know who Ambrose Evans-Pritchard is, that this was less of a warning and more of a threat, because the forces that are driving for such a confrontation are a part of the Anglo-American establishment.

These two existential strategic dangers determine the framework for the development of Europe—i.e., there are no local events in Europe or anywhere else in the world, and not even any national events, that could be solved within the borders of one country. And the fact that the strategic realities—the financial collapse, the military-strategic threat—were completely absent from the virtual election campaign in Germany and that they now are playing no role at all in the German government coalition negotiations, does not mean that the developments in this terrain are not decisive for the future of Germany and Europe.

That’s the negative side; but luckily there are three very important factors that show a strong positive trend, toward a solution. These three trends are all connected to each other, and we are playing a very crucial role in each of them, in one way or another.

The first is of course the mobilization of the LaRouche organization in the United States and worldwide for Glass-Steagall and the World Land-Bridge. The second, extremely important intervention came from Pope Francis, with his new Apostolic Letter; and the third, also enormously important development is the Chinese government, which has adopted the New Silk Road perspective. That has been our policy since at least 1991—but actually for much longer, since 1988, or actually already in 1976.

**Evangelii Gaudium**

Let’s begin with the Pope’s Letter. Although the predicates are different, the real meaning of this new Apostolic Exhortation can really only be compared to the encyclical of Pope Pius XI of March 21, 1937. The title of that encyclical was “With Burning Concern,” and of course it dealt with the events in Nazi Germany.

What was then directed against the Nazis is directed today against the tyranny of a financial system that kills. In this Exhortation of Nov. 26, 2013, the Pope writes that, as the fifth of the Ten Commandments says, “Thou shalt not kill,” that also applies to the economic system, which is leading to exclusion and inequality, an economic order that kills.

This Exhortation, which I can only recommend to each of you to read for yourself, of course generated enormous commotion in the financial media, which completely lost its cool; the same, of course, for the not-so progresses elements within the Catholic Church itself.

In this document, “Evangelii Gaudium” (“The Joy of the Gospel”), the Pope calls on all financial experts and political leaders around the world to carry out a financial reform that defends the common good, that replaces the tyranny of survival of the fittest—where the powerful live at the expense of the powerless, where the Golden Calf of ancient times is worshipped again, and where people are used up and then thrown away.

He sharply attacks the ideologies that defend the absolute autonomy of the markets and financial speculation, and that reject the right and duty of the state to protect the common good. He says that this ideology has created a new tyranny that allows the toleration of evil, an evil embedded in the structures of society, and that has a constant potential for destruction and death.

This absolute domination of markets and financial speculation must be rejected, he says. The dignity of each human person and the pursuit of the common good must shape all economic policies. He then addresses an urgent appeal to all Catholics—over a billion people worldwide—to break with the customs, rules, and structures that have become a “tomb psychology” that “slowly transforms Christians into mummies in a museum.”

We in Germany should also present this direct appeal to all party members and political parties that
have a “C” in their name [for “Christian”], e.g., Chancellor Merkel, who recently visited the Pope; Mr. [Horst] Seehofer and all the other members of the Christian Democratic Union/Christian Social Union; we should confront them with this papal Exhortation in the coming weeks. And it will naturally have a tremendous impact on countries that have a high proportion of Christians or Catholics, such as France, Italy, Spain, Africa, Latin America, the United States, as well as South Korea and the Philippines. This provides tremendous leverage.

The Mobilization in the United States

Now to the most important factor, which I mentioned first, which is most critical to the solution: our mobilization in the United States. We are the most powerful force in the world, and especially in the U.S., for breaking this tyranny of the murderous financial system. We are engaged in a massive mobilization to bankrupt Wall Street, to end this casino economy forever. Thanks to our several-year-long mobilization, there are new bills in Congress, which now have 80 co-sponsors in the House, 11 in the Senate; and in 25 of the 50 states, resolutions for Glass-Steagall have been either introduced or passed.

This all occurs in a situation in which America—much more so than is perceived in Europe—is in a revolt against Obama, mainly because of the Obamacare health-care reform. When the Pope says that this financial system kills, that is no abstract issue for the up to 93 million Americans who could be effectively cut off from health care by Obamacare; many of them will not be able to afford it, and absolute chaos has erupted. This means that this idea, that the financial system kills, affects people very directly.

Obama is at a record low in the polls for any U.S. President: In recent weeks only 34% supported him, and there is raging “hand-to-hand combat” between Wall Street and the people who want to re-institute Glass-Steagall.

Wall Street has five lobbyists in Washington per Congressman. Jamie Dimon, the CEO of JPMorgan Chase, went personally to Delaware and Texas, to threaten their state legislators that if they dared to support a resolution for Glass-Steagall, he would pull out 40,000 jobs from those states.

In the middle of the government shutdown, a Wall Street delegation went to the White House to tell Obama that they hold him personally responsible for preventing Congress from ever voting on Glass-Steagall.

But efforts are also expanding for the impeachment of President Obama, and there is now a long list of reasons that would suffice for impeachment—about ten constitutional reasons. The more Obama fails—and in Europe itself and even in Germany, people have now been somewhat cured of their “Obamamania”—the angrier Obama gets, of course, the greater becomes his tendency to dictatorially defy the Constitution and to govern on the basis of Carl Schmitt’s Emergency Decree policy, by “Executive Orders.” An example of this was the vote to change the filibuster rules in the Senate, which had protected the constitutional rights of the minority party.

But a full-scale mobilization is underway for Glass-Steagall throughout the country, and characteristic or symptomatic of the growing mood there was a speech by Sen. Elizabeth Warren [D-Mass.], to the Roosevelt Institute, calling for the immediate implementation of Glass-Steagall, and choosing the optimistic slogan: “David beat Goliath…. We just have to pick up the slingshot again.”

An Economy that Kills

Let’s look at the reality of this economy that kills. Figure 2 shows world financial aggregates. You can see that stocks and bonds are basically quite small. The way this monster developed, was that after the abolition of Glass-Steagall in 1999, and even continuing beyond

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2. Carl Schmitt was the “crown jurist” for the Nazi party, who wrote the Emergency Decrees that allowed Hitler to seize dictatorial power.
the great financial crash of 2008, with a combination of “quantitative easing”—money printing—and the most brutal austerity, derivatives have grown to an unbelievable size: $1.6 quadrillion of financial aggregates, of which $1.4 quadrillion, or nearly 90%, are derivatives. In proportion to the total debt of states and households, plus the stock markets, this is obviously much, much more: Debts and stocks are “peanuts” compared to this monster. The official figures from the Bank for International Settlements (BIS) point to $700 trillion in outstanding derivatives, but if you include the “over the counter” (unregistered) derivatives, you get about double that.

Figure 3 shows the trans-Atlantic “quantitative easing” since 2008, which in the U.S. is up to $4 trillion in 2013, currently increasing by $1 trillion per year; next comes the U.K., with an increase of $1.2 trillion in the same period; then $2 trillion from the European Central Bank, for a total of $7 trillion in the trans-Atlantic region. If we assume that bail-in legislation on the Cyprus model were applied throughout the trans-Atlantic region, that would again mean $7 trillion by 2014. If we include the Japanese trillions, we get a grand total of $18 trillion in bailout and bail-in money.

You can easily see that this is only 1% of the $1.6 quadrillion. Even if they totally expropriate savings accounts and business accounts, there is still only one conclusion to be drawn: The system is totally bankrupt. It cannot be saved; it is at an end.

Looking now at the debt to GDP ratio of the European states (Figure 4), we see that for Greece, Italy, Portugal, Spain, and Cyprus, for example, if the objective of the Troika is supposedly to reduce debts by means of the “debt brake” and austerity measures, exactly the opposite has occurred! The debt has considerably increased since 2008; it is now 125% of GDP in Ireland, 88% in Spain. Compare that with Argentina, which the IMF practically threw out in 2003: The total debt of 155% has been reduced to 43%.

Now let’s look at Greece, the so-called “success story” (Figure 5). Chancellor Merkel recently claimed that Greece is on the road to recovery and all is well. Yeah, right: poverty +30%, prostitution +150%, population decline 10%, birthrate -10%. Greece is dying. That is no success story, but genocide.
And it’s not a matter of incompetence, but rather the intention of what might be called the British monarchy or the financial oligarchy. The best quote, which really throws a light on this mindset, comes from Bertrand Russell in *The Impact of Science on Society* (1951): “War has hitherto been disappointing in this respect [of population reduction] ... but perhaps bacteriological war may prove effective. If a Black Death could spread throughout the world once in every generation, survivors could procreate freely without making the world too full. ... The state of affairs might be somewhat unpleasant, but what of it? Really high-minded people are indifferent to happiness, especially other people’s.”

That is the mentality.

If we now look at the size of what Lyndon LaRouche has always considered the most important factor, potential relative population density (Figure 6), we see that if physical industrial capacities and labor capacities are dismantled, then, with a certain time lag of course, the potential relative population density in the country collapses.

Figure 7 shows the decrease of population growth in Europe as a whole. Figures 8a and b give the picture for migration. In Germany we have a huge increase in labor, but Spain, Portugal, Greece, and, of course, Eastern Europe are shrinking.
Figures 9a and 9b show the collapse of population in Greece, Portugal, Spain, and Italy. Figures 10a and b show the divergence of the mortality rate, which is increasing, from the birth rate, which is collapsing in Italy and Portugal. Figure 11 shows the decline in marriages in the Eurozone.

Life expectancy in Germany (Figure 12) is totally different for rich and poor. Poor men have a life expectancy 11 years shorter than rich ones, and for women, the gap is almost 10 years. Of course, this has to do with the ability to buy first-class health care.

Youth unemployment in Europe (Figures 13a and b) has exploded since 2008: Prior to 2008 it was more than 20%, and since 2008 it has soared in Greece and...
Spain to over 60%. Figure 14a, b, and c are also important, because the official unemployment figures are by no means identical with real unemployment; for example, because whole categories of people are missing who are not applying for jobs because they have given up hope; or there are those who are enrolled in utterly pointless programs, taking six months to learn how to fill out a job application or other such absurdities. None of these are counted in the official unemployment statistics. And one must not forget that in Germany, the supposedly low unemployment is a consequence of the incredible number of so-called mini-jobs, one-euro jobs, and other low-paying jobs. This is having an enormous impact on the pension funds, because if all these mini-jobs pay in very little to the fund, so the slashing of current wages amounts to an expropriation of the
pension earned over a lifetime. That’s also very important.

The structure of employment in Germany has also changed tremendously (Figure 15a). Employment during the rebuilding phase after the Second World War was composed almost 50% of industrial jobs, with a very small proportion of service industries; that completely changed from 1953 to 2013. Industrial output was 43% of the total, but is now only 19%, while service jobs have risen over the same period from 35% to 78%. The situation is similar in France (Figure 15b). Also in Spain (Figure 15c), there is a collapse of industrial production, i.e., of the value-creating segment of society. The same goes for Italy’s Mezzogiorno (Figure 16), where there
has been an enormous collapse. Italy’s industrial production (Figure 17) is also collapsing, especially the production of durable and semi-finished goods.

Next we show poverty in Italy (Figure 18), as it increased from 2009 to 2012. And of course, all of this is also related to the share of nuclear power in electricity generation (Figure 19).

That is, Europe is dying. The only things that are growing in Europe are soup kitchens and cemeteries. And the people of Greece and Africa have only one right: the right to starve.

Intention, Not Incompetence

This shows us that the policy of the EU is a failure; and if you call these figures to mind, it becomes totally clear that this will lead to the doom of Europe, if we remain within the regime of the EU and the Troika. And there is also no doubt that each of these individual programs is not a result of incompetence, but rather of intention.

For example, when the EU cuts the entire scientific program of Spain, up to the point that Spanish scientists decide to write an open letter to the government saying that the future of all of Spanish science is endangered, then this can’t be seen as incompetence. Because everyone knows what value investments into basic scientific research and technological progress have, and therefore this can only be seen as intention, which means that they want a different kind of Europe. And that is why there can only be one answer to this: to leave the EU immediately, exit the Eurozone, and to regain sovereignty.

The Troika policies are not only destroying the states of Southern Europe and are of course weakening Germany also, but they have created the greatest animosity among the peoples of Europe that has existed since 1945. And, of course, the perception amongst the peoples of these nations is that all this is the result of an austerity diktat from Chancellor Merkel and [German Finance Minister] Wolfgang Schäuble. But, although that view is not completely false, Belgian economist De Keuleneer, who is a professor at Solvay Business School, said something correct, which one should take into account: that the governments of Germany and France are apparently under the strong influence of the banking lobby, and that the big banks in Germany and France have obviously been very successful in convincing their respective governments that banking separation would weaken their positions in comparison
with Goldman Sachs and the Anglo-American hedge funds, and should therefore be rejected.

Unfortunately, it is all too clear that this will not change with the incoming Grand Coalition [of the CDU/CSU and SPD]. The following quote from Mrs. Merkel’s speech at the 60th anniversary of the founding of the Christian Democratic Union, is something people should really digest: “We truly have no legal entitlement to democracy and a social market economy for all eternity.” Someone who so blithely says something like that, will then simply proceed to bring it about.

That is to say, not only will the existential issues be completely excluded from the negotiations for the Grand Coalition—no perspective, no vision—but much more, this is simply about keeping power for those who are putting the coalition together. This coalition is said to be “a temporary coalition of sober reason”—not what I would call a visionary character. In the main program submitted at the Social Democratic Party convention, with the vacuous title “Perspectives, Future, SPD,” they wrote: “Instead of pursuing short-term economic interests, we shall take global and ecological challenges seriously.” That sounds like the chilly atmosphere of a graveyard.

Since the NSA scandal broke, there has been a subterranean earthquake worldwide. It can even be said that with a slow delay, but in a quite irreversible manner, the entire structure of the Western Alliance is, in a certain sense, being called into question by this affair. This is as little an issue in the coalition negotiations as the unheard-of processes now taking place in the United States, where there is a revolutionary fight going on over whether the identity of America will be as a part of the Anglo-American Empire, or whether America will find its way back to its tradition as a republic, the tradition of the American Revolution, the Constitution, and the Declaration of Independence. Instead, the SPD paper published during the coalition negotiations states: “The original position of the SPD was: We reject public private partnerships as financial instruments for federal transportation projects.” But not so now; they write: “We should use and develop further the possibilities of PPP projects as an additional funding option.” Those are the infamous “public private partnerships” which usually entail an expropriation of national-economic public property through privatization, and which give the “locust funds” [hedge funds] access to clean out these sectors even further.

So nothing is left of the original policy. Prior to the national elections [in September], the SPD had also brought up a wealth tax, but that was also only during the election campaign. During the campaign there was also talk of “breaking up the universal banks” and “implementing a system of separated banking,” but now you will read on page 62 of the coalition contract: “Financing of the real economy by means of the tried and tested universal banking system should not be jeopardized by reform agendas.” So there is retreat across the board. And that is naturally also the exact position of the banking associations in Germany and in the entire trans-Atlantic region.

If this Grand Coalition comes into being [it did—ed.], it will control 80% of the votes [in the Bundestag], and without the acquiescence of these 80% not even an investigative committee could come into being, and the speaking time of opposition politicians would be limited to 10 minutes. And since they would have a three-quarters majority, they could also change the Constitution and pass anything that they, or rather the banks, want. And given the fact that the stability of the markets is regarded as the sacred cow, or rather the Golden Calf, to which everything necessary is to be sacrificed, this would be a total bankers’ dictatorship.

The Threat of TAFTA

But I want to point out another threat, which is also being prepared, entirely without public debate, namely the Trans-Atlantic Free Trade Agreement (TAFTA). That’s basically the trans-European-American free-trade zone that is being actively developed, and was merely put on ice for the moment because of the NSA affair. The blueprints for it are completely secret; only the official advisors from 600 large corporations have privileged access. According to Le Monde Diplomatique, it ensures that the power of large enterprises will be expanded in unimaginable ways, namely that they will receive the same legal status as nation-states and, if the plan is adopted, will sue for gigantic compensation by the states. It would be an economic NATO, which would be irreversible, because some of the provisions could be changed only with the consent of all signatories, something which is not likely to happen.

Since the United States is simultaneously pursuing the Trans-Pacific Partnership (TPP) with Asia, the com-

3. For the traditional postwar German conception of the social market economy, see Andrea Andromidas, “List vs. von Hayek: Free-Trade Monetarism Is the Road to Serfdom,” EIR, Dec. 6, 2013.
bination of TAFTA and TPP would give rise to a global economic dictatorship, in which the content, by the way, will only be made known after the deal is signed by all.

Indeed, this is very reminiscent of the way that the euro came into being. In that case also, no one was asked—as with the secret attempts at getting parliaments and, above all, the populations to agree to the Lisbon Treaty, which is also how the bailout packages are always done, and of course also the bail-ins, i.e., the expropriation of bank accounts, which is now only reluctantly being commented on by some technical journals, after the election.

TAFTA would force governments, down to the local level, to conform to this set of rules. This would apply, for example, to food labeling, privacy on the Internet, and growth hormones for animals raised for meat. And as I said, the businesses, these large corporations, could sue against state action, as is already happening in Egypt, for example, where the government raised the minimum wage, or in Uruguay and Australia, where anti-smoking laws were passed, and much more. It would thus mean, for example, that the release of biotechnology products in the United States would also become the standard for the EU, i.e., we could be eating chlorine-washed chicken and pork with hormones added, without being able to do anything about it.

But the most important paragraph is the regulation for the banks that are “too big to fail”: The ability to create a Glass-Steagall firewall between commercial banks and investment banks would be abolished.

There is a statement by the Federal Association of German Banks, to the effect that already designated regulatory proposals of the U.S. financial authority—that is to say, the Volcker Rule, the Dodd-Frank Act, all regulations with loopholes as big as barn doors for speculators—would “raise serious concerns” in the EU, both for official and private institutions, and that therefore it must be prevented.

The argument of the proponents of TAFTA is that it would create new jobs. But on closer inspection, the authors of the law themselves admit that it would only produce an increase in jobs of 0.06 %, and even that is a dubious number.

TAFTA is a Trojan Horse for the final annulment of the social state. And that’s why we are really in favor of abolishing this thing and tossing it in the garbage. U.S. Sen. Elizabeth Warren had previously said of a forerunner of this free trade zone, NAFTA, “If transparency would lead to widespread public opposition to a trade agreement, then that trade agreement should not be the policy of the United States.” And that is absolutely obvious.

They Want To Eliminate National Sovereignty

The plan of the trans-Atlantic financial oligarchy is quite clearly the elimination of any sovereignty of the nation-state, and the possibility of participation of individuals in the government. For only the republican nation-state gives the individual any possibility to participate in the government, while a supranational bureaucracy that is accountable to no one certainly does not.

This intention was made explicit by Giuliano Amato, the former vice president of the European Convention, which revised the text of the European Constitution (after it had been rejected in France and the Netherlands by referenda). The Convention simply rewrote it a bit, and then changed it into the text of the Lisbon Treaty, which did not need a referendum. Amato writes: “Authority is shifting upwards to higher levels, and the EU embodies in a perfect way the new post-Hobbesian order. An order without a state, as it existed in the Middle Ages, where political centers exist with extraordinary powers.”

This is also what was advocated, for example, by the Trans-Atlantic Mayors Initiative some years ago, during a series of conferences, by the former U.S. Ambassadors John Kornblum and Felix Rohatyn, among others. Kornblum from Berlin and Rohatyn from Paris proposed that “smart” mayors of large cities, along with the 400 top CEOs, should establish a world government.

That’s what the TAFTA-TPP would represent: The large companies would call the shots and the nation-states would have no rights. That’s what they plan with respect to this bankrupt system: bailout, quantitative easing, plus bail-in—which, as I have demonstrated, will not work anyway, since it is only 1% of the total debt. What it really means is the descent into chaos. Therefore, it is not surprising that a study by the Davos Economic Forum has just come to the conclusion that what its 1,500 top managers fear most, is a coming global revolt. So they know very well that their system is bankrupt.

China’s Offer

Fortunately, there is an absolutely fantastic, wonderful, and very real alternative. In the first week of September, Chinese President Xi Jinping, during a visit
to Kazakhstan, called for reviving the ancient Silk Road (Figure 20), which was created 2,000 years ago during the Han Dynasty of China as a trade route through Central Asia and Southwest Asia to Europe.

Back then camels were ridden through the desert, donkeys, horses, and ships across the much longer maritime routes. Today, of course, their place is taken by high-speed railways, pipelines, infrastructure, communication lines. Whatever then was a steady stream of travelers, scholars, and artists, crafts and caravans, today are joint projects for nuclear fusion and space, asteroid defense, and the like. President Xi said on this occasion: “The peoples along the Silk Road have written a wonderful chapter of human progress. This is the inspiration that we have received from the ancient Silk Road.”

Then, during a tour of Eastern Europe, the Chinese Premier Li Keqiang concretized that which President Xi had promised, namely groundbreaking agreements on economic cooperation with Romania, Hungary, and Serbia: a Chinese high-speed rail network for underdeveloped regions of Central and Eastern Europe, with not only infrastructure, but also development corridors. And, China Daily reported that Romania will receive a rapid transit system based on Chinese technology. Prime Minister Li said: “The extent and value of this agreement will surprise us all.” Romanian Prime Minister Victor Ponta said: “With these high-speed rail projects, Romania will become a showcase for all of Central and Eastern Europe.”

Cooperation was also agreed upon for the construction of nuclear power plants and the export of beef and pork to China, and in the China Daily, an open letter to the governments and peoples of Eastern and Central Europe was released, which states:

“Most of the countries of Eastern and Central Europe urgently need to renew their railways, roads, ports and other transportation infrastructure. China is making rapid progress in these areas. Especially in the field of high-speed rail systems, we have strong construction capacity and high-quality equipment. China has already built more than 10,000 km of high-speed railways, and these projects are to be now carried on to Central and Eastern Europe. Also, power generation in Eastern and Central Europe urgently needs to be modernized. China has now achieved a world standard in production and installation, as well as in the generation of coal, hydro, nuclear, wind and solar power, and we provide cost-effective equipment of high quality.”

China also provided a credit line of $10 billion for these projects and opened two bank branches in each country for the mutual financing of these projects. The letter states further: “Now we have a golden opportunity for development. We must build a region of harmony, we must pass on our friendship from generation to generation. We need to expand the development of Eurasia, creating an economic belt along the Silk Road.” And then five concrete areas of cooperation are listed.

Well, that is not small potatoes. The Chinese President is President of 1.4 billion people, and he has now spoken out for precisely our program, because this is the program that Lyndon LaRouche and the LaRouche...
Adoption of the New Silk Road Policy

Lyndon LaRouche, who absolutely correctly predicted that the Soviet Union would go under, said in a historically remarkable press conference at the Kempinsky Hotel in Berlin in 1988: The reunification of Germany is coming soon. (1988!) The reunification of Germany is coming soon and we must work together to develop Poland as a model for the Comecon, he said. That is exactly China’s plan for Romania today. We then proposed, in 1989, the “Productive Triangle” program (Figure 21). That was the idea, after the Iron Curtain was gone, that the economic centers of Europe would be connected—Paris, Berlin, Vienna—and that then by investing in cutting-edge technologies such as the Transrapid, inherently safe nuclear power such as the HTR, and other projects, this triangle would become the economic engine for Eastern Europe, propagating through development corridors to Warsaw, Kiev, Moscow, into the Balkans, etc.

When the Soviet Union broke up in 1991, we expanded this program to become the Eurasian Land-Bridge (Figure 22). That was the idea that the old Silk Road—line C on the map; line A is the Trans-Siberian Railway, and line B is the central route—would be built up as a development corridor in order to connect the population and industrial centers of Eurasia.

We then proposed to the Chinese government that they organize a conference on this subject, and despite sabotage by the EU—especially by Sir Leon Britten, who delayed it for two and a half years—there was the conference in Beijing in 1996, to which I was invited as a speaker. The title of this conference was “Development of the Regions Along the Eurasian Land-Bridge,” and 34 nations were represented there. This Eurasian Land-Bridge/New Silk Road was declared a long-term development strategy of the Chinese government.

At the time I published an article, “China 25 Years Later,” which referred to the fact that I had been in China in 1971 as probably the first and maybe only Western journalist during the Cultural Revolution, and then after 25 years I returned to China with this perspective, the Eurasian Land-Bridge. This is important because of the difference from the China of the Cultural Revolution, which was entirely agrarian-oriented and had abolished developed workplaces, such that, for example, engineers and pilots were sent to the countryside for two years for re-education, and similar crazy actions were taken. The leap that large parts of China made to become an enormously developed, industrialized nation, is really incredible. No other country in the world has had such dynamic development as China.

We presented an initial study in 1991. And if you look today at the various projects that are being realized from China, Russia, India, South Korea, Japan, then you will find the vast majority of these projects in our studies of the early 1990s.

Over these past 22 years we have held literally hundreds of seminars and conferences on five continents, in hundreds of cities: Beijing, New Delhi, Moscow, Prague, Warsaw, Budapest, Bucharest, Vienna, Rome, Paris, Stockholm, Copenhagen, all the major American cities, Rio, Mexico City, São Paolo, Khartoum, Abuja, and many others. We have campaigned for 22 years for this idea. And when I, for example, traveled in 1997 from Beijing to Delhi, where I presented these plans with many maps and materials before the two largest industry associations, this vision was not on the agenda back in India. But it was triggered by our work.

Then I was on a journey from Oct. 27 to Jan. 11,
1998, with other members of the Schiller Institute, through four Chinese cities, to promote the idea of the Eurasian Land-Bridge in the various regional centers of China and thus to increase support. The Russian delegation was then under the direction of Professor Titorenko, the director of the Institute for Far Eastern Studies, Russian Academy of Sciences. We then went to Beijing, Nanjing, Lianyungang (where the Eurasian Land-Bridge ends on the China Sea), and Qinhuangdao.

We campaigned in Europe and in America for this concept. In September 2001, I gave a speech in Virginia at a conference of the Schiller Institute entitled “Why Americans Should Go There.” That was a play on words; there is a common idiom, “I don’t go there.” And our idea was that Americans should get involved with the Eurasian Land-Bridge. This speech was entitled “The Eurasian Land-Bridge Determines Your Future.” For a forecast of 12 years ago, that was not bad.

Today, support for the Eurasian Land-Bridge and the World Land-Bridge is growing in many places, and they have become the alternative to the status quo. When Chinese Premier Li met recently in Bucharest with 16 prime ministers of Eastern and Central Europe (these were the members of the China-Central and Eastern Europe group, which has existed since Wen Jiabao was prime minister), the Eastern Europeans were offered these projects as a real alternative.

In other parts of the world, too, this alternative is really taking off. For example, many ground-breaking agreements for infrastructure and economic development were recently finalized between Russia and South Korea, with the participation of North Korea—i.e., this is a real peace plan, with which this danger zone can be pacified.

On Nov. 13, as President Putin met in Seoul met with South Korean President Park Geun-hye, they decided on a total of 17 joint development projects, including the construction of railway lines and pipelines through North Korea, and the participation of South Korean firms in a Russian-North Korean consortium that is
building a railway and port facility in North Korea. There will be a greater participation of South Korea in the economic development of the Russian Far East, a cross-border development of all nations in the region, the development of the Rason Special Economic Zone in North Korea, and South Korean steel giant POSCO will take part with the South Korean shipping company Hyundai and the South Korean railway company involved in the Rason project. Putin also gave his support to President Park’s Silk Road Express plan, a part of the “Eurasian Initiative.” This envisions a network of railways and roads from Busan in South Korea through North Korea, Russia, and China to Europe.

When Russia’s Prime Minister Medvedev was in China in October, he visited Hefei, the University of Science and Technology, and there the Institute of Plasma Physics and the EAST tokomak, which there are experiments ongoing with superconducting magnets and plasma (see article in *Economics*). He was accompanied by Academician Velikov, the head of the Kurchatov Institute for Nuclear Research in Russia, and author of the fusion experiments that are now being further developed for the ITER [International Thermonuclear Experimental Reactor] in southern France.

Thus there are so many projects, all of which are included, as I said, in our original Land-Bridge program.

As a leading Chinese economist recently stated at our conference in Los Angeles:

“I think that Mr. LaRouche talked about the Land-Bridge—a Eurasian Land-Bridge—many years ago.

“But his analysis is often ahead of the event, ahead of the development. So, sometimes people only realize the importance of these assessments, or of his forecasts, several years after his projection. But his projection is often proven very right. So, this time I think that the New Silk Road has proven once more that LaRouche is right, in these Chinese efforts to combine economic development efforts and economic cooperation along with Central Asian countries and Russia, and then to make the Eurasian Land-Bridge a vital development line for China and also for the region.”

**What Must Be Done Now**

So we now have an incredible situation. We have an opportunity to bring the world out of this crisis, as the result of 20, 30, almost 40 years of work by this movement. And now, because the crisis is so acute, as Mr. LaRouche has said, this is all good, but it’s still not enough. Because in recent years, this system of globalization has reduced the world’s economic capacities to a point that is far below the level necessary to feed the people living today, we therefore need something else in addition.

Of course, as the first step, Glass-Steagall must be realized in America. This will immediately have a resonance throughout the world. Even sections of the British establishment have already argued for Glass-Steagall—and the right Glass-Steagall. In Italy and Switzerland, bills for Glass-Steagall have been submitted to the parliaments. In France, there are several hundred mayors who support this, and even in Germany we have a few—just a few, but some—who support it.

If Glass-Steagall goes through in the U.S., Germany would naturally follow, I dare to say, because if America goes with Glass-Steagall, obviously Germany will have no choice but to join.

Then, of course, gigantic investments in the real economy must take place, and because the greatest momentum at the moment is of course not in Europe but in the trans-Pacific region, we need a completely new, revolutionary view of the U.S. region west of the Mississippi—the entire region including northeastern Eurasia (Figure 23): We propose to combine the development of NAWAPA [the proposed North American Water and Power Alliance] with a tunnel under the Bering Strait, the northern corridor of the Eurasian Land-Bridge, the central corridor from the Korean Peninsula to the Atlantic, and then a southern route to Southwest Asia and Africa.

Next, then a credit system must follow, in the tradition of Alexander Hamilton; this would provide government loans for well-defined projects, and then through multilateral lending arrangements that run over 20, 30, 50 years, creating the necessary financing.

Now the frightened monetarist will ask, “Who is going to pay?” But I simply point out that with the crash program of the Apollo project, every dollar invested returned $14 profit, because it created a science-driver, and thus, an increase in productivity. So in a way, this project will cost nothing, but actually bring about tremendous prosperity.

LaRouche also said that the key to achieving this next stage of development must be a crash program for fusion power, which should be finished, by today’s official estimates, in about 2040—but with a crash program in the tradition of the Manhattan Project or the
Apollo program, we could do it in a decade. And that is vitally important, because fusion power will also close the book on this whole zero-growth ideology, since this would not only set new biochemical processes in motion, but would provide virtually unlimited energy, and a redefinition of resources by means of the plasma torch process, which will enable us to transform waste materials or any substance into raw materials, thus securing the energy and raw materials mankind needs for the indefinite future. Of course, such an energy source would also allow for the desalination of seawater in very large quantities, which will make possible the greening of deserts.

The American Security Project, whose co-chairman is former U.S. Sen. Gary Hart, has already proposed such a crash program, for which the U.S. alone would spend $30 billion over the next decade. And there are similar efforts in Russia, China, Japan, South Korea, France, and other countries. So this is an absolutely realistic perspective.

What we propose concretely is a series of interrelated projects: NAWAPA-21, which would bring the unused waters of Alaska and Canada, which presently flow into the sea, through a system of dams and canals along the Rocky Mountains to Mexico; the construction of the Kra Canal, which will relieve the congestion in the Strait of Malacca, which is one of the main trade routes that must be expanded with regard to increased volumes of trade in South Asia, as there is great interest from Thailand, Japan, other countries to realize this; and of course, the World Land-Bridge, a worldwide network of high-speed rail and Transrapid maglev connections, which would make it possible to travel by land from the southernmost tip of Chile to the Cape of Good Hope in South Africa.

**Sovereignty for Germany!**

What has all this got to do with the election campaign in Germany for the European Parliament? I know that some people are now fired up and saying, “Finally something about Germany!” But of course it is perfectly clear that anyone who, in this world situation, does not take these relationships into account, is talking about things that have nothing to do with reality.

The graphics I have shown give, I think, a clear picture of Europe’s misery, and I definitely would like to again contrast this with the development program for Southern Europe that the BüSo introduced about a year ago—joining Europe with these projects of the World Land-Bridge.

I showed this program to, among others, a senior person at one of the top companies in Germany, Peter Löscher from Siemens—and I explained it all to him, and he said, I know all about it; who is going to pay? Well, Mr. Löscher then flew the coop, leaving the Board of Directors of Siemens, because all of his green projects had failed. So much for Mr. Löscher.

Now I want to briefly show how this European pro-
gram relates to what I have just developed (Figure 24). Not all, but many, of the transport corridors shown here had been adopted by the EU in 1994 at a conference of traffic ministers in Crete, but they were canceled and fell victim to the austerity policies. Almost nothing has been built, although the feasibility studies have all been done: All of these projects could start tomorrow! And that is what is now more or less on the agenda from the East, from China.

It is perfectly clear that Germany gets a Grand Coalition [which it has—ed.], its de-industrialization will continue. Of course that would also be the case with either a black-green coalition [CDU/Greens] or a red-red-green coalition [SPD/Left/Greens], because they are basically all green. But it is also true that Germany, like the other member states, has no sovereignty within the EU.

But now a very, very useful debate has broken out in Germany, thanks to Edward Snowden. For the first time in a long while, it is being said aloud that Germany has no sovereignty, which it very urgently needs. Sovereignty is absolutely essential for Germany to play a positive role in all these projects. For as long as Germany remains in the stranglehold of the EU dictatorship, that will not happen. That means sovereignty not only over monetary and economic policy, but it also means a return to the D-Mark, and, above all, it requires a redefinition of Germany’s interests. That’s the issue that is now acutely posed in the coming weeks, and of course in this election campaign.

Germany has to choose: Either we will be the paymaster for the next bail-in of criminal banks—and these banks are criminal, as everyone knows: their manipula-
tion of the Libor rates, drug-money laundering, and much more. So either Germany becomes the taskmaster for Southern Europe and the paymaster for the bankrupt banks, in an economic system that kills and that only benefits the top ranks of the DAX 500 companies, while most of Europe is transformed into a cemetery—or Germany’s economic interests are linked to the upward momentum of the Eurasian Land-Bridge and the Pacific perspective.

**John F. Kennedy: The Real America**

That does not contradict having a good relationship with the United States, because the real America is not that of Bush junior and senior, and Obama, but there is a revolt going on against what they represent, and that’s from a different America.

On Nov. 22, on the anniversary of Kennedy’s assassination, we honored him, because his murder meant an absolutely brutal turning point, not only for America, but for the entire Western world. Kennedy’s boundless optimism, which was expressed in the Apollo program, was radically terminated after his death.

“Our problems are manmade; therefore, they can be solved by man,” Kennedy said [at American University, June 10, 1963]. “And man can be as big as he wants. No problem of human destiny is beyond human beings. Man’s reason and spirit have often solved the seemingly unsolvable, and we believe they can do it again.”

In the media in both the United States and in Europe, nothing but lies were disseminated about him. It has been said that the only reason we remember Kennedy is that he was murdered, or because there are 40,000 conspiracy theories. This was in some ways an attempt at a second Kennedy assassination.

Knowing this, we decided to perform Mozart’s *Requiem* in his honor, at the correct, Verdi tuning, C=256 Hz, in Vienna, Virginia, a suburb of Washington. Greetings were sent to the concert from the President of Ireland, an important clergyman from Ireland, and former Congressman Neil Gallagher; there were also excerpts from speeches by Kennedy himself. And the overall impression of this experience—because people had long since forgotten how things were once, when people were still optimistic—was that this paradigm of the last 50 years since the Kennedy assassination is now over, and that we are reconnecting with Kennedy’s boundless optimism.

What does this mean for Europe and Germany? The paradigm shift that occurred with the Kennedy assassination shaped not just America, but also Europe. Recall that Kennedy’s term in office was the final phase of the construction period of the German economic miracle, after the Second World War. Many of you were not alive then, but I can assure you that values were very different. Linked to the reconstruction of Germany was the idea that hard work, belief in progress, achievement, and honesty are good values. And people put them into practice.

And then along came the Frankfurt School, which stated, in the words of [SPD and then Left Party politician Oskar] Lafontaine that these are “secondary values, which a concentration camp guard could adhere to and still do his job.” Those among you who are older may remember that there was an enormous uproar back then, but it was essentially the beginning of this paradigm shift, which was perpetrated by the Frankfurt School, the Club of Rome—the whole idea of zero growth—and of course, also the Congress for Cultural Freedom, which had launched a major attack on the Classics and German culture.

May we now please see the [video of Kennedy]?  

**President Kennedy:** Two thousand years ago the proudest boast was *civis Romanus sum*. Today, in the world of freedom, the proudest boast is *Ich bin ein Berliner*. I appreciate my interpreter translating my German! There are many people in the world who really don’t understand,
or say they don’t, what is the great issue between the free world and the Communist world. Let them come to Berlin! There are some who say that communism is the wave of the future. Let them come to Berlin! And there are some who say, in Europe and elsewhere we can work with the Communists. Let them come to Berlin! And there are even a few who say that it is true that communism is an evil system, but it permits us to make economic progress. Lass’ sie nach Berlin kommen. Let them come to Berlin! . . .

You live in a defended island of freedom, but your life is part of the main. So let me ask you, as I close, to lift your eyes beyond the dangers of today, to the hopes of tomorrow, beyond the freedom merely of this city of Berlin, or your country of Germany, to the advance of freedom everywhere, beyond the wall to the day of peace with justice, beyond yourselves and ourselves to all mankind.

Freedom is indivisible, and when one man is enslaved, all are not free. When all are free, then we can look forward to that day when this city will be joined as one and this country and this great Continent of Europe in a peaceful and hopeful globe. When that day finally comes, as it will, the people of West Berlin can take sober satisfaction in the fact that they were in the front lines for almost two decades.

All free men, wherever they may live, are citizens of Berlin, and, therefore, as a free man, I take pride in the words, "Ich bin ein Berliner!"

German’s High Culture

So, German high culture means Nicholas of Cusa and Leibniz; it means man’s unique ability to further develop creation. Nicholas of Cusa spoke of the vis creativa, the creative faculty of man, as imago viva Dei, the living image of the Creator, applying the power of creative reason to the physical universe. Nicholas’s view of this vis creativa was that the highest level determines the lower—Professor [Rudolf] Haubst once called this the “biogenetic law of the order of creation.”

It means Leibniz, who had the idea of “the best of all possible worlds,” which was created such that any evil produces an even greater force for good. And of course it means Friedrich Schiller, who was convinced that every man has the potential to be a beautiful soul and a genius, and who described, in his Aesthetic Education of Man, how man in a state of barbarism, dominated by sensual desires and sensory experience, can ennoble himself into the ideal man by means of Classical art, and then achieve dominion over nature, through his ideas. In the preface to his play The Bride of Messina, Schiller wrote: “In [Classical art] it is not a momentary dream of freedom, but making man truly free.”

In the Europe of the EU, we are an empire of subjects and the people are mentally slaves. The barbarism consists of the fact that people have lost the key to their creativity. And if we want to liberate the peoples of Europe and reawaken love for the best minds, the philosophers, poets, composers, painters, sculptors, and architects, whose love of truth advanced humanity, then we need to find this inner freedom. Then our nations in Europe will be free, and we will have a magnificent future.

Translated from German by Daniel Platt, Daniel Grasenack-Tente, and Susan Welsh