

EUROPE FACES A CHOICE

Obama's War Games or China's Offer of Economic Miracles

by Helga Zepp-LaRouche

March 28—The author of a Classical historical drama could not have brought the fundamental difference better to the stage: The participation of President Obama at various back-to-back summit meetings in Europe, and the state visits of Chinese President Xi Jinping to the Netherlands, France, Germany, and Belgium, have presented two opposite options for Germany and Europe. In Obama's war games, Germany is only the expendable nation in the geostrategic game; it would ultimately pay the price for the spiral of sanctions against Russia, and on whose territory an impending war would take place. The possibility of cooperation with Xi perspective for the development of the new Silk Road, however, provides the option of a second economic miracle for Germany.

This is what is bubbling under the surface currently in Germany. A growing number of people realize that we have reached a new phase change. The reaction to Obama's "keynote" in Brussels, in which he announced an increased military presence in Poland and the Baltic states, and even proposed the relocation of NATO troops to the east, along the Russian border, declared an escalation of U.S. sanctions against Russia, and attempted to put pressure on Europe to do the same, reflects the fragility which has developed in the Western alliance.

While Obama, David Cameron, José Manuel Barroso, and Herman Van Rompuy excel as enthusiastic champions of imperial escalation, the eastward expan-

sion of NATO and the EU that has been pushed for 23 years, right up to Russia's borders, now, in the face of Russian resistance in Crimea, is to be followed by an escalation of sanctions. This places the other heads of state in a deeper predicament, given the strategic consequences of this policy, including the growing threat of war. And in the population, a revolt is developing, in which anger at the insolence of the media manipulation is growing, along with utter disillusionment with Obama's true character.

Chancellor Angela Merkel was annoyed indeed about the extremely unreasonable request that Obama made at the Nuclear Security Summit, that the Heads of State participate in an interactive nuclear war video-game (!), but then she played along. In view of the imminent danger that the situation around Ukraine has the potential to develop into thermonuclear war, as well as the possibility that the missing Malaysian aircraft may be an Asian "9/11" terrorist act, the idea that the leaders ought to practice a war simulation on their tablets was worse than macabre. So was Obama's reference to the lessons that were written in the cemeteries of the European continent: "We are confronted with the belief among some that bigger nations can bully smaller ones to get their way," said Obama—and he certainly must have been referring to Iraq, Afghanistan, Libya, and Syria, not to mention Panama and Somalia.

Of all the fascinating potential cultural sites that you



EU Photo

This image of Obama as Nero has proliferated on Italian websites, as Europeans are increasingly disillusioned with the American President. Chinese President Xi Jinping, shown here in Brussels on March 31, has a lot more to offer Europe.

can visit in the Eternal City, the fact that Obama, during his visit to Rome, wished especially to visit the Colosseum, speaks volumes about his self-conception; an Italian gossip website published a photo montage of Obama in a Nero outfit before a burning Rome.

German Opposition to Obama Policy

In Germany, meanwhile, the realization has spread that the real victims of an escalation of sanctions against Russia would ultimately be the German economy, German jobs, and the living standards of the population. A number of industry representatives, and especially politicians of the older generation who still have a concept of what it means to suffer a war on one's own territory (which this time would be nuclear and the last of all wars, because it would result in the annihilation of mankind), have clearly spoken out against the view that Russia and Putin were the bad guys in this conflict.

Günter Verheugen, former European Commissioner; Harald Kujat, former Inspector General of the Bundeswehr; Volker Treier, deputy chief executive of the DIHK (Association of German Chambers of Industry and Commerce); Max Otte, economist; Dirk Müller, analyst; Peter Gauweiler, vice chairman of the

CSU party; Gregor Gysi, leader of the opposition in Bundestag; Helmut Schmidt, former Chancellor; Erhard Eppler, former head of the Basic Values Commission of the Social Democratic Party and the president of the Church Congress Kirchentag [German Protestant Church Congress—ed.]; and Horst Teltschik, former Chairman of the Munich Security Conference, to name a few, have all come out opposing the demonization of Russia being pushed by the mass media and apologists of Empire, in a way that would make Dr. Goebbels would turn pale with shame. The technique being employed is the principle of Bertrand Russell, that mass psychology and modern propaganda methods make it possible to convince people that snow is black.

With all the anti-Russian hysteria, it should not be forgotten that the West, NATO, and the EU, have broken all the promises that were made after the collapse of the Soviet Union. Step by step, the eastward expansion of NATO and the EU has been driven up to the borders of Russia and escalated systematically to the point at which, for geostrategic reasons, Russia could no longer be defended—Ukraine's integration into the West and the loss of access to Black Sea.

Yet, the arbitrary interpretation of international law

by the U.S. and the EU, which endorses a coup in Kiev which was funded and directed from abroad and brought Nazis to power, and does not accept the wish of the majority of the population in Crimea to be part of Russia, as established in a popular referendum, is already being avenged, because the puppets are impudently insisting upon a life of their own: Svoboda¹ parliamentarian Igor Miroshnichenko, also a member of the parliamentary committee for freedom of the press, thrashed the head of Ukrainian state television, and, in a recorded telephone conversation, [former prime minister] Yulia Tymoshenko said she was ready “to take up a kalashnikov and shoot that scumbag [Putin] in the head.” She otherwise has a fantasy violence problem: “I will rally the whole world, as soon as I can, so that—damn!—not even a burned field is left in Russia.”

What sort of people we’re dealing with in these pawns of the West was actually clear long ago. The U.S. government and the EU, however, have lost all legitimacy and credibility through their unscrupulous exploitation of these elements.

In many private circles, in all kinds of associations and organizations, debates are taking place about the need to defend Germany’s interests; this is being discussed with a seriousness and passion that has never existed before throughout the history of the Federal Republic of Germany. Now it is understood that the sanctions being demanded against Russia are primarily directed against the interests of Germany, and that the danger exists that we will be drawn, for the third time and for geostrategic reasons, into a world war. Privately, people are reflecting upon the long arc of history, ranging from Bismarck to the treaties of Versailles and Rapallo, to the financing of Hitler by the head of the Bank of England (Montagu Norman) and Prescott Bush (the grandfather of George W.), to the circumstances of Germany’s reunification and the imposition of the euro.

President Xi’s Alternative

The visit of the Chinese President Xi Jinping and his extensive offers of cooperation to France and Germany thus came as a promise of the future. Because instead of being dragged down into a maelstrom of confrontation between NATO and Russia, there is an alternative: that

1. The Svoboda party, which was formerly called the Social-National Party of Ukraine and marched with swastikas on its banners, was a leader of the Maidan protests. It now holds several Cabinet positions—ed.

the European states might regain sovereignty over their own monetary and economic policies, and participate in a new Eurasian alliance, for the development of the Eurasian Land-Bridge.

It’s not just about extensive, billion-dollar contracts and joint ventures with car manufacturers, specialty products manufacturers, fashion houses, environmental companies, electric car manufacturers, recyclers, and many other sectors, which are unquestionably of the first importance for the German export economy and German know-how. It’s about the potential to get out of the current dynamic of geostrategic confrontation, and to participate in a common order of peace for the 21st Century.

But this perspective for a better future is not going to happen without major turbulence. The trans-Atlantic financial system is facing total disintegration, which could be triggered by the insolvency of even one of the “too big to fail” banks. The latest stress test by the Fed made clear that despite all the massaging of the data, Citigroup is massively under-capitalized and overexposed. The bank, which received the largest amount of bailouts in 2008, still doesn’t have its house in order, five years later. According to Pam Martens and the blog, “Wall Street on Parade,” the rate of bank failures is higher today than at the height of the crisis in 2009. If the bail-in regime of the Single Resolution Mechanism (SRM) were to be implemented in the very near future, this would raise the threat of the crash of the trans-Atlantic financial system.

The alternative to the risk of ensuing chaos is the timely introduction of a two-tier banking system in the tradition of Franklin Roosevelt’s Glass-Steagall Act, which protects that part of the banking sector which has to do with the real, physical economy. Only once the virtual casino part of the financial system is written off, can a credit system, in the tradition of the first Treasury Secretary of the United States, Alexander Hamilton, take its place, and fund the long-term projects of the new Silk Road as part of the reconstruction of the world economy. Then cooperation between the “two pillars” of the world economy, China and Germany, as Xi put it, will be the beginning of a new era of cooperation among the nations of the world. And this new economic order must be inclusive, and encompass Russia and the United States. Germany can and must tip the scales!

Translated from German by Daniel Platt.