

The Strategic Vision and Lost Opportunities of 1989

July 19—On October 12, 1988, Lyndon LaRouche delivered an historic presentation at West Berlin's Kempinski Hotel, in which he proposed a pathway towards the peaceful integration of the Warsaw Pact into the world economy, by means of West German economic assistance to Poland. In that address, before media, LaRouche first proposed that German reunification was both possible and imminent.

One year later, Alfred Herrhausen, the Chairman of Deutsche Bank and a top economic policy adviser and

personal friend of then German Chancellor Helmut Kohl, planned to present a similar vision of cooperation with the soon-to-be liberated nations of Eastern Europe. His scheduled Arthur Burns Lecture in New York City was never delivered, because he was assassinated four days before on Nov. 30, 1989.

The text of Herrhausen's scheduled speech was published in the *New York Times*, but the full import of the Herrhausen assassination was suppressed, and the actual authors of his murder were never caught or prosecuted.

Instead, his murder was blamed on a non-existent “Third Generation” Red Army Faction (RAF). The day that Herrhausen was scheduled to be in New York City to deliver that lecture, French President Mitterrand delivered an ultimatum to Chancellor Kohl, on behalf of both France and Great Britain: Germany would acquiesce in a European single-currency regime that would prove, over time, to be a straight-jacket against Germany’s economic progress and against the Herrhausen plans for Germany to take the lead in integrating the nations of the former Warsaw Pact, including the former Soviet Union, into an integrated Eurasian economic sphere.

Although the Kohl government ultimately capitulated to the threats from Mitterrand and British Prime Minister Thatcher, leading to the 1992 Maastricht Treaty, the LaRouche movement went on to propose an elaboration of the concepts spelled out by Lyndon La-

Rouche and Alfred Herrhausen, in what came to be known as the European Productive Triangle. That proposal, first issued in Aug. 1990, even before the full collapse of the Soviet Union, was later expanded into the Eurasian Landbridge plan, that extended the Eurasian integration from the Atlantic coasts of Western Europe to the Pacific coasts of China. Today, the Chinese government has adopted that larger Eurasian Landbridge vision into President Xi Jinping’s One Belt, One Road program.

Below are two critical documents of that sweep of events from the late 1980s into the early 1990s. The Herrhausen assassination, and the frame-up jailing of Lyndon LaRouche by a corrupt George H.W. Bush Administration in Jan. 1989, altered the course of history, leading to what Helga Zepp-LaRouche called the “lost opportunity of 1989.”

‘MARSHALL PLAN’ FOR POLAND

U.S. Policy Toward the Reunification of Germany

by Lyndon H. LaRouche, Jr.

Printed below is the Oct. 12, 1988 press conference statement by Lyndon LaRouche at the Kempinski Hotel, West Berlin, Federal Republic of Germany, a year before the events that led to the reunification of East and West Germany. In his presentation, LaRouche stated that Germany could be reunified in the process of playing a key role to solve the food emergencies in Poland and other eastern European countries that were in an economic crisis.

I am here today, to report to you on the subject of U.S. policy for the prospects of reunification of Germany. What I present to you now, will be a featured topic in a half-hour U.S. television broadcast, nationwide, prior to next month’s presidential election. I could think of no more appropriate place to unveil this new proposal, than here in Berlin.

I am the third of the leading candidates for election as the next President of the United States. Although I shall not win that election, my campaign will almost

certainly have a significant influence in shaping some of the policies of the next President.

Although we can not know with certainty who will be the winner of a close contest between Vice President George Bush and Massachusetts Gov. Michael Dukakis, it is the best estimate in the United States today, that Mr. Bush will win the largest electoral vote. Obviously, I am not supporting Mr. Bush’s candidacy, and I am not what is called a “spoiler” candidate, working secretly on Mr. Bush’s behalf. Nonetheless, should Mr. Bush win, it would be likely that I would have some significant, if indirect influence on certain of the policies of the next administration. How this result would affect the destiny of Germany and Central Europe generally, is the subject of my report here today.

By profession, I am an economist in the tradition of Gottfried Wilhelm Leibniz and Friedrich List in Germany, and of Alexander Hamilton and Mathew and Henry Carey in the United States. My political princi-

ples are those of Leibniz, List, and Hamilton, and are also consistent with those of Friedrich Schiller and Wilhelm von Humboldt. Like the founders of my republic, I have an uncompromising belief in the principle of absolutely sovereign nation-states, and I am therefore opposed to all supranational authorities which might undermine the sovereignty of any nation. However, like Schiller, I believe that every person who aspires to become a beautiful soul, must be at the same time a true patriot of his own nation, and also a world-citizen.

For these reasons, during the past fifteen years I have become a specialist in my country's foreign affairs. As a result of this work, I have gained increasing, significant influence among some circles around my own government on the interrelated subjects of U.S. foreign policy and strategy. My role during 1982 and 1983 in working with the U.S. National Security Council to shape the adoption of the policy known as the Strategic Defense Initiative, or SDI, is an example of this. Although the details are confidential, I can report to you that my views on the current strategic situation are more influential in the United States today than at any time during the past.

Therefore, I can assure you that what I present to you now, on the subject of prospects for the reunification of Germany, is a proposal which will be studied most seriously among the relevant establishment circles inside the United States.

Under the proper conditions, many today will agree, that the time has come for early steps toward the reunification of Germany, with the obvious prospect that Berlin might resume its role as the capital.

For the United States, for Germans, and for Europe generally, the question is, will this be brought about by assimilating the Federal Republic of Germany and West Berlin into the East bloc's economic sphere of influence, or can it be arranged differently? In other words,



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Demonstrators on the Berlin Wall in 1989, demanding that it be opened. It was opened, Nov. 9, 1989.

is a united Germany to become part of a Europe from the Atlantic to the Urals, as President de Gaulle proposed, or, as Mr. Gorbachov desires, a Europe from the Urals to the Atlantic?

The Reality of the Worldwide Food Crisis

I see a possibility, that the process of reunification could develop as de Gaulle proposed. I base this possibility upon the reality of a terrible worldwide food crisis which has erupted during the past several months, and will dominate the world's politics for at least two years to come.

The economy of the Soviet bloc is a terrible, and worsening failure. In Western European culture, we have demonstrated that the successes of nations of big industries depend upon the technologically progressive independent farmer, and what you call in Germany the *Mittelstand* [Germany's small and medium-sized entrepreneurs]. Soviet culture in its present form is not capable of applying this lesson. Despite all attempts at structural reforms, and despite any amount of credits supplied from the West, the Soviet bloc economy as a whole has reached the critical point, that, in its present form, it will continue to slide downhill from here on,

even if the present worldwide food crisis had not erupted.

I do not foresee the possibility of genuine peace between the United States and Soviet Union earlier than thirty or forty years still to come. The best we can do in the name of peace, is to avoid a new general war between the powers. This war-avoidance must be based partly on our armed strength, and our political will. It must be based also, on rebuilding the strength of our economies.

At the same time that we discourage Moscow from dangerous military and similar adventures, we must heed the lesson taught us by a great military scientist nearly four centuries ago, Niccolò Macchiavelli: we must also provide an adversary with a safe route of escape. We must rebuild our economies to the level at which we can provide the nations of the Soviet bloc an escape from the terrible effects of their economic suffering.

I give a concrete example.

Recently, in response to the food crisis, I sponsored the formation of an international association, called Food For Peace. This association has just recently held its founding conference in Chicago Sept. 3-4, and since then has been growing rapidly inside the United States and in other nations represented by delegates attending that conference.

One of the points I have stressed, in supporting this Food For Peace effort, is that the Soviet bloc will require the import of about 80 million tons of grain next year, as a bare minimum for the pressing needs of its population. China is experiencing a terrible food crisis, too. As of now, the food reserves are exhausted. There are no more food reserves in the United States, and the actions of the European Commission in Brussels have brought the food reserves of Western Europe to very low levels. Next year, the United States and Western Europe will be cut off from the large and growing amount of food imports during recent years, because of the collapse of food production in developing nations throughout most of the world.

During 1988, the world will have produced between 1.6 and 1.7 billion tons of grains, already a disastrous shortage. To ensure conditions of political, and strategic stability during 1989 and 1990, we shall require approximately 2.4 to 2.5 billion tons of grain each year. At those levels, we would be able to meet minimal Soviet needs; without something approaching those levels, we could not.

If the nations of the West would adopt an emergency agricultural policy, those nations, working together, could ensure that we reach the level of food supply corresponding to about 2.4 billion tons of grains. It would be a major effort, and would mean scrapping the present agricultural policies of many governments and supranational institutions, but it could be accomplished. If we are serious about avoiding the danger of war during the coming two years, we will do just that.

By adopting these kinds of policies, in food supplies and other crucial economic matters, the West can foster the kind of conditions under which the desirable approach to reunification of Germany can proceed on the basis a majority of Germans on both sides of the Wall desire it should. I propose that the next government of the United States should adopt that as part of its foreign policy toward Central Europe.

Rebuild the Economies of Eastern Europe

I shall propose the following concrete perspective to my government. We say to Moscow: We will help you. We shall act to establish Food For Peace agreements among the international community, with the included goal that neither the people of the Soviet bloc nor developing nations shall go hungry. In response to our good faith in doing that for you, let us do something which will set an example of what can be done to help solve the economic crisis throughout the Soviet bloc generally.

Let us say that the United States and Western Europe will cooperate to accomplish the successful rebuilding of the economy of Poland. There will be no interference in the political system of government, but only a kind of Marshall Plan aid to rebuild Poland's industry and agriculture. If Germany agrees to this, let a process aimed at the reunification of the economies of Germany begin, and let this be the *punctum saliens* for Western cooperation in assisting the rebuilding of the economy of Poland.

We, in the United States and Germany, should say to the Soviet bloc, let us show what we can do for the peoples of Eastern Europe, by this test, which costs you really nothing. Then, you judge by the results, whether this is a lesson you wish to try in other cases.

I am now approaching the conclusion of my report. I have two more points to identify.

All of us who are members of that stratum called world-class politicians, know that the world has now entered into what most agree is the end of an era. The

state of the world as we have known it during the post-war period is ended. The only question is, whether the new era will be better or worse than the era we are now departing?

The next two years, especially, will be the most dangerous period in modern European history, and that worldwide. Already, in Africa, entire nations, such as Uganda, are in the process of vanishing from the map, biologically. Madness on a mass scale, of a sort which Central Europe has not known since the New Dark Age of the Fourteenth Century, has already destroyed Cambodia, is threatening to take over the Middle East as a whole, and is on the march, to one degree or another, in every part of the world. As a result of these conditions of crisis, the world has never been closer to a new world war than the conditions which threaten us during the next four years ahead. What governments do during the coming two years will decide the fate of all humanity for a century or more to come.

There have been similar, if not identical periods of crisis in history before this, but, never, to our best knowledge, on a global scale, all at once.

I recall the famous case of a certain German gentleman of the Weimar period. This gentleman was persuaded that a second world war was inevitable. He searched the world for a place to which he might move his family, to be out of the areas in which the next war would be fought. So, when the war erupted, he and his family were living in the remote Solomon Islands, on the island of Guadalcanal.

In this period of crisis, there is no place in which any man or woman can safely hide in a crisis-ridden world without food. One can not duck politics, with the idea of taking care of one's career and family, until this storm blows over. There is no place, for any man or woman to hide. There is no room for today's political pragmatists in the leadership of governments now. If we are to survive, we must make boldly imaginative decisions, on the condition that they are good choices, as well as bold ones.

The time has come for a bold decision on U.S. policy toward Central Europe.

If there is no Soviet representative here in this audience at the moment, we may be certain that the entire content of my report to you now will be in Moscow, and will be examined at high levels there, before many hours have passed. The Soviet leadership has said in its newspapers and elsewhere, many times, that it consid-

ers me its leading adversary among leading individual public figures today. Nonetheless, Moscow regards me with a curious sort of fascination, and, since President Reagan first announced the Strategic Defense Initiative, considers everything I say on policy matters to be influential, and very credible.

Moscow will read the report I deliver here today. It will wait, as Soviet political leaders do, to see what other circles around the U.S. establishment and government might echo the kind of proposal I have identified. Once they see such a signal from those quarters, Moscow will treat my proposal very seriously, and will begin exploring U.S. and European thinking on this.

Germany's Sovereign Choice

As far as I am concerned, it is Germans who must make the sovereign decision on their choice of fate for their nation. My function is to expand the range of choices available to them. So, I have come to Berlin, where the delivery of this report will have the maximum impact in Moscow, as well as other places.

I conclude my remarks with the following observation.

Moscow hates me, but in their peculiar way, the Soviets trust me to act on my word. Moscow will believe, quite rightly, that my intentions toward them are exactly what I described to you today. I would therefore hope, that what I am setting into motion here today, will be a helpful contribution to establishing Germany's sovereign right to choose its own destiny.

For reasons you can readily recognize from the evidence in view, I know my German friends and acquaintances rather well, and share the passions of those who think of Germany with loving memory of Leibniz, Schiller, Beethoven, Humboldt, and that great statesman of freedom, Freiherr vom Stein. If I can not predict Germany's decisions in this matter exactly, I believe that if what I have set afoot here today is brought to success, the included result will be that the Reichstag building over there, will be the seat of Germany's future parliament, and the beautiful Charlottenburger Schloss, the future seat of government.

If the conditions arise, in which that occurs, President de Gaulle's dream of a Europe from the Atlantic to the Urals will be the peaceful outcome of thirty years or so of patient statecraft, and that durable peace will come to Europe and the world within the lifetime of those graduating from universities today.

Heute, bin ich auch ein Berliner.

New Horizons in Europe

Printed below is an excerpt from Alfred Herrhausen's prepared speech which was to have been delivered in New York City, Dec. 4, 1989, four days after his assassination on Nov. 30, 1989.

Let me expand a little on the specific case of Poland. In addition to the patent shortcomings in the way its domestic economy is organized, Poland is also grappling with an exceptionally large external debt of almost \$40 billion. For domestic reforms to have at least a chance of success, the debt problem needs to be solved promptly. In the past, the banks have agreed to regular reschedulings, but now the onus is on government lenders assembled in the Paris Club to come up with a helpful contribution. They account for roughly two-thirds of the country's external debt. If there is to be a permanent solution, this will require enlarging the strategies hitherto adopted to include a reduction of debt or debt service. However, such support can only make a mean-

ingful contribution to reform policy if it is used sensibly and efficiently, as was the case with the Marshall Plan funds in shattered postwar Western Europe .

But this—vital—precondition still has to be fulfilled, given the dominant role of the state sector whose bureaucratic structures have remained largely intact so far. What, then, is to be done? The indispensable aid from outside should, I feel, be supplemented by a temporary scheme whereby external donors also have a say in the application of funds provided. The task here is to ensure that new loans are channelled into promising projects. It is, therefore, to be commended that the export credit guarantees which the West German government is prepared to extend are largely project-oriented. In fact, it was a *Polish* idea, that a committee of experts drawn from both countries evaluate likely projects in order to make sure that the costly mistakes of the seventies are avoided.

In this context, I proposed—on the occasion of this year's Annual Meeting of the World Bank and the IMF in Washington—the establishment of a development bank on the spot, that is in Warsaw. Its job would be to bundle incoming aid and deploy it in accordance with strict efficiency criteria. I could well imagine that such an institution might be set up along the lines of the German *Kreditanstalt für Wiederaufbau*, the Reconstruction Loan Corporation, whose origin goes back to the Marshall plan.

Representatives of the creditor countries should hold the majority in the management board of this new institution. Such a Polish "Institute for Economic Renewal" (IER), as it could be called, would have two functions: it should help and monitor. Since both these functions can only be exercised in close cooperation with the Polish authorities and with Polish trade and industry, genuine involvement on the part of the Institute in the Polish economy and the country's development process would be absolutely essential. It could be set up "until further notice" or come under Polish control after a transitional period. By channelling Western "help towards self-help" in the right directions, the Institute could play a constructive role in economic reform. [Atlantik-Brücke e.V., Rundschreiben Nr. 12/1989, pp. 7-9]

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—Lyndon LaRouche, Feb. 11, 2013