

## PAKISTAN TV

# Helga Zepp-LaRouche: The Preexisting Trans-Atlantic Bankruptcy and Ukraine

*This is an edited transcript of Faisal Rehman's interview of Schiller Institute founder and chairwoman Helga Zepp-LaRouche on the March 8 edition of Pakistan TV's World Tonight program. The topic was "Economic Fallout of the Ukraine Crisis." Mr. Rehman has interviewed Mrs. Zepp-LaRouche many times. Amer Zafar Durrani, a senior economist, was also a guest on the program. At the conclusion of the program, Mr. Durrani added, "I think you [our listeners] should hear what Helga says. I think she's right." The video of the full program is available [here](#).*

**Faisal Rehman:** Since you are based in Germany—and Germany is one of those countries which is highly dependent on the Russian energy imports—looking at the current scenario where the Germans were initially pretty reluctant to be a part of this role, but now we have learned they are sending these anti-tank guided missiles to Ukraine, they're also giving them night-vision goggles, the vests, the equipment and so on—now, that is a problem. And this is not the first time that the major issues have erupted from Europe: First World War, Second World War.

Now, this is the third time that a major power has invaded another country. We'll keep these issues—the political and geo-economic issues—aside for the moment, but, Ma'am, looking at the current scenario, it seems that uncertainty is going to prevail. That has affected the stock markets; they've gone down. When you talk about the commodity prices, they have gone up; they're surging. Oil prices, God knows where they will end. Today I was listening [to a report] that the Americans have banned the import of Russian oil.

What if Russia stops exporting it to the European Union? There are the winters, and it is just not possible

that they can switch on and switch off from Russia. So, the point is now, where is it leading? What are people thinking? What are you going through? What sort of experience are you people having? Let's throw light on that.

### What's the Cause?

**Helga Zepp-LaRouche:** I think it's important to differentiate between cause and effect: This financial system of the trans-Atlantic sector has been going towards bankruptcy for a very long time, because it's based on axioms which are favoring the speculators and the money makers, and not the common good.



PTV World

*Helga Zepp-LaRouche, founder and Chairwoman of the Schiller Institute, was interviewed by Faisal Rehman on Pakistan TV's World Tonight program, March 8, 2022.*

So, you can maintain that for a while, but it was clear, since 2008 at the latest, when we had an almost systemic crisis, that this system was bankrupt. And what the central banks did since was to just keep pumping money—they call it "quantitative easing," negative interest rates—and in that way you have an incredibly indebted system which is hopelessly bankrupt. It has been hopelessly bankrupt for at least 10, 15 years, and the more you keep it going, by pumping more money, the more it becomes unsolvable, unsalvageable.

And now, basically, they have decided to put the

blame on Putin. But the reality is, it was not Putin and him declaring military action or war on Ukraine which triggered that, but people have not been listening to Putin. Putin has been saying this since 2007, when he spoke at the Munich Security Conference, where he said the expansion of NATO was not acceptable, because it threatened the security interest of Russia. He has been very patient as a matter of fact.

Now, naturally, you can say war is horrible, and it's a terrible thing that it came to that, but the sanctions, in a certain sense, are trying to cover up the fact that the Western system has been bankrupt for the whole time; the inflation was there before the Ukrainian crisis erupted; the Federal Reserve promised last year they would increase the Federal Funds Rate to fight the inflation, but they couldn't, because they knew that if the Federal Reserve would start to taper, to increase the interest rate, you would have an immediate wave of bankruptcies of the emerging countries, of the large, indebted firms; so they did not taper, and therefore the inflation is there.

Now, naturally, if you impose such hard sanctions, this is now putting into a chain reaction a situation which means this system is hopelessly out of control: You will have a terrible crisis. The food prices will increase. We already had a world famine before this whole thing developed, but now with the fertilizer—which comes from Russia and Ukraine—being blocked, the food prices will go through the ceiling. And we need a radical reform very quickly, because otherwise this thing can completely go out of control.

So, Germany is unfortunately headed by a government which is not standing up to the pressure from the British and the United States, and this Chancellor Scholz declared last Sunday that Germany is practically a war economy. It is absolutely terrible, and if the cause is not changed quickly, we are heading toward a real catastrophe and possible World War III.

**Rehman:** Now, talking about Germany, one more



CC/Dan Smith

*Last year, the U.S. Federal Reserve Board promised it would increase the Federal Funds Rate to fight inflation, but then realized that would cause a wave of bankruptcies, so it didn't. Now inflation is here.*



MSC/Antje Wildgrube

*At the Feb. 10, 2007 Munich Security Conference, Russia's President Vladimir Putin said expansion of NATO was unacceptable. The U.S. and NATO didn't listen.*

quick point, because Germany is one of the largest economies in Europe, and even at the global level. You're talking about the fertilizer issue, Ma'am, around 15% of the global fertilizer manufacturing is taking place in Russia and Ukraine put together. Ma'am, and on top, when you talk about sunflower cooking oil, that is being widely used all over the world, you talk about maize, you talk about corn, you talk about barley, which is a major source of beer production, you talk about wheat, a lot of people, especially in the third world, they're dependent on that commodity to feed themselves. Now, that is going to have a lot of effect. Though Pakistan had a great wheat production, still the Prime Minister in fact informed [us] that we will be importing a certain amount of wheat from Russia, and they've signed a deal, also.

Talking about the food production, Ma'am, it is generally believed that Ukraine alone can produce food for about 600 million people—600 million, remember that is 60 crore in our language, whereas about 40 million or around 43 million is the total population of Ukraine, so the export factor is so important.

Now, looking at these figures, Ma'am, let's suppose this conflict continues, which it seems it will, despite the fact that the Russians are having a major fit regard-

ing this particular war. A lot of direct and indirect support is being given to Ukraine. The World Bank is preparing an aid package of \$3 billion; the European Union is talking about more money pouring in, and supplying them with military hardware also. At the same time, today, I was listening to one of the Democratic Senators in United States. He was saying that he is raising a fund of around \$10 billion that could be used for military hardware purchases or otherwise. So this is the phenomenon. The whole Western world on one side, though the Americans will not get affected much, either they'll be able to sell their oil and replace the Russian—but that is going to take time—or, they can also have a lot of oil support from Canada. That means that Europe is going to be the major sufferer, and that is something which should not happen. Your take?

### A New International Security Architecture

**Zepp-LaRouche:** The problem, as I said, is with the present government in Germany, the EU Commission, Ursula von der Leyen—these are people who unfortunately have completely taken the line of the United States, of the British, of NATO, which means that they're in a geopolitical confrontation against Russia and China.

The real reason for all of this, is they want to get rid of Putin, they want to have regime-change, they want to contain the rise of China—all of these things are potential triggers for World War III. That is why I'm saying—you cannot just discuss in the context of "they will do this, and then they will do that." I think we are in a breakdown crisis of the system; the trans-Atlantic forces are determined to have a war if they cannot maintain their system. They see that the Asian countries are rising, especially China is rising, the Belt and Road Initiative is gaining more and more momentum, and they say, "Rather than allowing these countries to rise when we are collapsing, we will have a war!" And there are some very crazy people who think that you can even



NORAD & USNORTHCOM/Lewis Carlyle

*The U.S. Strategic Command coordinated this year's Global Lightning annual battle staff exercise of a regional, protracted nuclear war, Jan. 26-Feb. 2. Its thinking that such a war is winnable is utter madness.*

have a prolonged, protracted nuclear war: If you look at the recent U.S. Strategic Command exercise Global Lightning 22 that began at the end of January, which had this idea that you can have a winnable, regional, protracted nuclear war.

I think this is absolute insanity. And the more reasonable people say, if it comes to that, it will be a global war; it will be a world war. That is why I am saying, we have to have an urgent rethinking, and the Schiller Institute has been promoting the idea

of a conference to have an international security architecture, which must be global. It must include Russia; it must include China; and it must basically address the fact that the Western financial system is absolutely bankrupt, and all the tensions come from that fact. Therefore, you have to have a global Glass-Steagall banking separation; you have to put national banks in each country; and you have to have a new credit system to provide cheap, long-term credit for development.

There are more and more countries right now that do not want to

be pulled into this, because they know it's deadly! I think it's very good that Prime Minister Imran Khan refused to take a position for one side or the other, and maintains that Pakistan must be neutral. The same thing just happened with India. India abstained in the vote in the UN General Assembly; they did not want to be put into the "Quad" [Japan-Australia-India-U.S.], which



Prime Minister's Office

*Imran Khan, Prime Minister of Pakistan, maintains that Pakistan must be neutral in the confrontation between the U.S.-NATO and Russia.*

was the whole game. Argentina just decided to be part of the Belt and Road Initiative. And there are more and more countries that realize we need a new system.

And I think what is the most urgent question, is that a debate occurs internationally, by as many forces as possible, to have a new paradigm; to have a world order based on the UN Charter, based on the Five Principles of Peaceful Coexistence, the whole Non-Aligned Movement conception that went into the Bandung Conference—these ideas have to be revived urgently. I think it is especially the independent countries, like Pakistan, like India—and in that point I think they are very much similar right now—which can take a stand that the system must be changed, because it's like before World War I: If you continue like this, a catastrophe will happen. And do we have to repeat history? I don't think so.

**Rehman:** Peaceful coexistence, what a beautiful term, but it does not seem that it's going to happen like this now: Divisions and divisions and then adversities, and God knows what's happening out there.

And Helga, that is about the short-term economic impact. Now, we do see, there's going to be a lot of problems. My own brother lives in London, and he said the energy cost has gone up significantly, and we never thought this was going to happen, and this is just multiplying. And a lot of analysts believe that this is just the beginning.

Now, 2022 could be a most interest[ing] year. Global economy was already suffering for the last two years, because of this pandemic. The moment they started recovering and we could see some positive indicators and everything, and now we see this war! And this is not only limited to Europe; this is going to have its impact on Asia, on the U.S.A., Canada, even Africa, I would say!

So, let's suppose if Russia is engaged, which I believe Russia will be, in Ukraine, some sort of [inaudible], Afghanistan-like situation is created once again in Ukraine. This time, Pakistan is not the partner, but let's suppose Poland, Hungary, and other European Union countries, or NATO countries, keep supporting them indirectly, and keep giving them these weapons through which they can attack the tanks, helicopters, even the Russian jets. Let's suppose if this war continues for another couple of months, what do you see happening to Europe in general? And Germany in particular?

## **Demilitarization and Denazification**

**Zepp-LaRouche:** Frankly, I don't think that that is what's going to happen, because I think that the Rus-

sians have not even used the totality of their troops, they have not used the totality of their weapons systems, and many military men in Germany and elsewhere, but in Germany, say that there is no way how Ukraine can win this war. The people who will suffer the most are the Ukrainians. They will be chopped up and murdered and die, as a result of the West not listening to Putin! And I can only repeat: It was not Putin's fault. He said it very clearly, he said, I have no place to retreat to. So, here are the security guarantees I want from the United States, and from NATO; and then the answer from these two places were not anything, they just answered on some secondary questions, like resuming arms control negotiations, but they did not want to guarantee that NATO would not continue to expand to the East, and that Ukraine would not become a member, and that there would be no offensive weapons at the border with Russia.

So then Putin said, "I have to take care of the fact that there has been a genocide in east Ukraine, in the Donbas"; 14,000 people have been killed, they have produced many documentaries in the meantime showing that there was actually a continuous war by the Ukrainian armed forces against these two republics, and that Nazis have been used! And there is also no question: The Schiller Institute did a documentation in 2014, in which we documented the existence of Nazis, the Azov Battalion, the followers of Stepan Bandera, which were kept by the secret services in the postwar period—by MI6, by the CIA, by the BND—and we documented it as the Maidan coup was happening!

So the whole discussion that "there are no Nazis," it's just simply not true, and the big scandal is that the Western governments backed a coup in 2014, which brought the Nazis into the government, into the Rada (the Parliament), and into the armed forces. And when Putin now says he insists on a demilitarization and a de-Nazification, because that is crucial to the security interest of Russia, the West must listen to that! And I think that while right now, the European governments are completely crazy—I mean, they're in a brainwashed condition; if you listen to the media, Goebbels...

**Rehman:** I would totally agree with you on that. This is exactly what is happening, but I'm so sorry to cut you off, Helga. We'll definitely be having you on other shows and we'll talk more about it. But since I'm running out of time, I would like to say thank you very much for your contribution and your comments.