

Live Dialogue with Helga Zepp-LaRouche

World Citizens Unite Against the City of London and Wall Street!

This is an edited transcript of Harley Schlanger's weekly dialogue with Helga Zepp-LaRouche, founder and leader of the Schiller Institute, on Wednesday, Nov. 15, 2023. Subheads and one embedded link have been added. The video of this dialogue is available [here](#).

Harley Schlanger: Hello and welcome to our weekly dialogue with Helga Zepp-LaRouche, founder and chairwoman of the Schiller Institute. It's Wednesday, Nov. 15, 2023. I'm Harley Schlanger and I'll be your host today. Please send your comments and questions to questions@schillerinstitute.org.

The Potential of the Biden-Xi Meeting

Helga, I'm going to start with a question I received early this morning: Someone said, referring to Ukraine and Southwest Asia:

"As there are already two wars ongoing with the U.S. and European involvement, there are some hopes that the meeting [today] between U.S. President Biden and China's President Xi Jinping in San Francisco may lead to an improvement in U.S.-China relations. The two countries are at odds over Ukraine, Gaza, Taiwan, trade, and so on, but there was reportedly a warm welcome for Xi when he arrived at the airport, including a delegation with Janet Yellen, the Treasury Secretary. Given your knowledge of China and the concerns with the downward turn of U.S.-Chinese relations, what are your expectations from this meeting?"

Helga Zepp-LaRouche: Well, in an ocean of horrors, I think there are tiny signs of hope. Because, as you say, the welcome was very nice, American and Chinese flags were along the streets, a lot of preparation went into this, a lot of meetings took place on all kinds of levels of government, on trade, economic, other forms of cooperation. And naturally, from the Chinese side, they have an enormous expectation that this meeting will lead to an improvement in

relations between the two most important economies of the world. And I think also from the American side, there are also some careful signs that they want stability. So, in an ocean of instability and horrors, this is at least something of guarded optimism one can have.

One would wish that the historic opportunity would be taken by especially President Biden, because if I were Biden, I would take up the offer of President Xi Jinping, who has offered to Presidents of the United States before, special relations between great powers. Now, that offer still exists. I think the offer that the United States



White House

Zepp-LaRouche on Nov. 15, the day of the summit: In an ocean of horrors, there are signs of hope that President Biden and President Xi will at least make some progress in overcoming the curse of geopolitics in their meeting in Woodside, California.

could cooperate with the Belt and Road Initiative also still exists, and if the United States, if President Biden would take that extra step, and make any kind of statement saying that they could cooperate, this would open up such tremendous opportunities for both sides, but especially for the United States to cooperate and participate in the many, many projects of the Global Majority.

I don't think it will come out at this summit, because there have been too many difficulties in the past—the spy balloon and all kinds of issues around Taiwan, the South China Sea—so I do not expect that this particular summit will lead to a gigantic breakthrough. But if the relations of all levels of government can be stabilized in such a way that dialogue can now proceed in a more normal way, as the world demands that all these big problems are addressed—primarily, naturally, the war in Southwest Asia, the war in Ukraine.

Concerning Southwest Asia, China has made a major proposal for a peace conference for the Middle East. China's Special Envoy, [Zhai Jun], is travelling around the region: He was in Türkiye, he will go to Egypt, earlier he was in Saudi Arabia. If the United States would work with China on the initiative for a Southwest Asia conference, this could maybe stop the horror show around Gaza, and could lead to a resolution of the situation.

These are all very, very big issues. The good thing is that the two presidents will talk four hours together. I think there will be a meeting with cabinet members first, and then there will be a one-on-one meeting with interpreters only—so maybe one can only hope, and really hope for the fate of humanity, that something major comes out of this summit, or at least the foundations are laid, that in follow-up meetings this can evolve in a more positive direction.

As I say, in the world of terrible dangers, if these two countries, the strongest economic powers—still, the United States and the rising power, China—if they would be able to overcome the curse of geopolitics.... I think it's very important to study what China is doing, because anybody who carefully studies their—there is no indication that China wants to replace the United States as a dominant power in the world. They want to have a multilateral relation, they want to have a multilateral order, and if the United States would agree to that, I think that all problems of the world could be attacked and managed.

So a lot hangs on this summit; we are really at a moment in history where either we go into an escalation of confrontation that would trigger World War III, or, if



CC/Wafa

The entire civilized world heaves as Israeli Prime Minister Benjamin Netanyahu directs the Israel Defense Forces to destroy Gaza and exterminate its Palestinian citizens. Here, the ruins of Al-Watan Tower apartment and condo building, destroyed in an Israeli airstrike, Oct. 8, 2023.

reason prevails, we, all nations, can cooperate in a new paradigm. That is really the branching point at which this meeting is taking place.

Harley Schlanger: Of course, one of the major concerns for the entire world is what is happening now in Gaza, with the continued, relentless charge by the Israelis into Gaza, entering Al-Shifa Hospital today. There's obviously the danger of an escalation as the death toll is rising.

I have a couple questions for you on this. A Palestinian contact asks:

“Can anything be done to get the Biden administration to act to stop the killing?”

Another viewer asks:

“With more people in the Arab nations that are neighboring Israel going into the streets in protest, is there more that these Arab governments can do to fight for a ceasefire and avoid an escalation to regional war?”

Zepp-LaRouche: concerning the first question: The Biden-Xi Jinping meeting is the place where, hopefully, something will be decided. If the United States would be absolutely determined to tell Israel to go for a ceasefire, to take over the Middle East peace negotiations. Obviously, this is all a very tricky question. But there can only be a diplomatic solution, or an escalation. We're sitting right now on a potential powder keg of the en-

largement of the crisis if Hezbollah in Lebanon would get involved, which apparently, they don't want to, but the danger is always of incalculable developments, and eventually Iran would be involved; we are at the abyss of a potential global war.

Ukraine should not be forgotten. At the end of August, Gen. Harald Kujat (ret.), the former Chief of Staff of the German armed forces [2000-2002], said that NATO is facing a decision of either finding a diplomatic solution immediately or there is an escalation. And that is hanging sort of in limbo, not at all settled.

I think the best thing that could happen, as I said, is that if out of the summit came a joint agreement between United States and China. China has good relations, economic investments in Israel, for example. Israel is also confronted with a situation where they also have to think about the long-term or medium-term effect: do they really want to have an adversarial relation with their Arab neighbors, or do they want a situation which finally becomes stable and secure?

So, I think that the Biden administration should work with China. That's my view, because the Chinese are the only ones that have made a concrete proposal for a Middle East peace conference. And if the United States and China would both send that message, something could be done to stop this unbelievable killing which is going on in Gaza, which turns everybody's stomach.

On the second question: Could the Arab countries do something? Well, they could. They could have already done something in the past; they could have done more to help the Palestinians in all kinds of situations. I think they should participate in a constructive role in the Middle East peace conference. The only way how the situation can be stabilized is what my late husband, Lyndon LaRouche, already said in 1975, when he offered the "[Oasis Plan](#)."

That was the idea that you have to have massive economic development in all of these countries, most of which are almost entirely deserts. So, to start with the creation of new, freshwater is absolutely the precondition for any kind of development. And then you need basic infrastructure. And the situation now is favorable because of the rapprochement between Iran and Saudi Arabia, the offers by China to extend the Belt and Road Initiative into the entire region, the fact that there are many countries that do want to work with the Belt and Road Initiative, such as Egypt, Türkiye,



CC/Socialist Appeal

A "Free Palestine" demonstration in the Westminster district of London, May 15, 2023.

Syria, Iraq, Afghanistan.

So, there is a lot of potential to solve the situation, and if everybody would agree that we have to have a win-win survival perspective for everybody, and that everybody can only benefit if there is joint economic development, and that everybody can lose if there is a continuation of the war. Hopefully, there will be some understanding in this direction.

Demonstrations for a Ceasefire Must Continue

Harley Schlanger: We're getting a number of questions from the United Kingdom. Let me start with two of them. From Lori: Referring to the large protest demonstration that took place in London last weekend, she writes,

"There's been no reaction from the British government. What can we do to change that?"

And then, from Gordon, who identifies himself as a member of the Labour Party in the UK:

"Why won't Keir Starmer, who's the head of the Labour Party, support the almost universal call for a humanitarian ceasefire in Gaza?"

Zepp-LaRouche: On the second question: Well, I don't know! I don't know this man well enough, or anything about him, to answer that question in a serious fashion.

As to the first question: It is very important that these demonstrations continue. I think it's important that they get enlarged. There is a very, very worrisome effort by several governments, the United States and in Europe, to basically try to put gag orders on what people can say, by basically saying anybody who wants to stop the killing in Gaza is automatically an anti-Semite. I fundamentally disagree with that. Consider the proportional-

ity, which is now completely out of balance. Look at the horrific Oct. 7th casualties in Israel, and condemn that, but that does not give Israel the right to basically move in such a way that so many innocent Palestinian civilians are being killed.

Obviously, there is an information war. Given the fact that journalists are killed in Gaza, too—40 journalists have been assassinated, or killed in one way or another—the reporting is becoming extremely scarce, and you cannot verify all of the information. It does seem that there are some weapon depots and whatnot in these areas, so that’s all a very complicating factor. Nevertheless, you cannot continue to kill, or even bring the warfare into hospitals! I mean, this is the absolute red line of any humanitarian consideration, and therefore, the fighting must stop!

It’s already now clear that water for hundreds of thousands of people is lacking! Now people cannot live without clean water for very long, so we are confronted with the worst humanitarian crisis, a total catastrophe, and the only answer is a ceasefire. The argument that then Israel cannot continue its campaign against Hamas—there has to be a proportionality in any—. There are rules of war, and these rules have to be respected. There are international guidelines and conventions which people have agreed upon, and they have to be absolutely upheld.

It is important that the demonstrations expand. It’s very clear that the governments are trying to contain them, to basically put gag orders on people. But I think we are involved in a test of humanity: António Guterres, the Secretary-General of the United Nations, said that what is happening in Gaza is a test, and it’s a crisis of all of humanity. I think that that is absolutely true. Our behavior, how we react to that, will be a sign: Are we morally fit to survive or not?

Shakeup in British Cabinet

Harley Schlanger: To help you with the Keir Starmer question, he’s considered to be a Tony Blair lite, and that brings me to the next question from Helen, also in the UK, who asks:

“What do you think of the prospect of Blair be-



CC/Martin Schulz

In a cabinet reshuffle, former UK Prime Minister David Cameron has been brought back into the government as Foreign Secretary.

ing brought in by Netanyahu for humanitarian concerns in Gaza? What do you think about the shakeup in the cabinet in the UK? Is there something bigger here, bringing former Prime Minister [David] Cameron in [as Foreign Secretary]?”

Zepp-LaRouche: Well, I think putting Blair into this position at this moment is the worst possible decision one can make. And the cabinet reshuffle, bringing Cameron in, I think they’re not changing. They’re just continuing the same policy, and I think it is up to the British people to respond to that.

Germany Supports Ukraine as Its Own Economy Crashes

Harley Schlanger: Germany’s Defense Minister [Boris] Pistorius is talking about doubling the support from Germany for Ukraine, at a point in which there seems to be some growing indication that there may be an effort from the NATO countries to dump the Zelenskyy government. A person who wrote in about this, asks:

“Where are the German people? Are they going to tolerate a doubling of the money and arms going to Ukraine from Germany?”

Zepp-LaRouche: That is the big question of the century: Where are the German people? Germany right now is falling apart. It’s crashing against the wall. The latest figures concerning the economy show a 22.5% increase in the rate of insolvencies in October, compared to the month before. The month before it was a 19.5% increase over the previous month. So, we are really looking at an accelerating rate of bankruptcies.

The same goes for agriculture, where every day now, 10 farms close down for reasons of insolvency. Between 2010 and 2020, half of all pig farmers, people who raise pigs, have closed down. We are right now looking at an absolute reduction in agricultural production in Germany. As long as a year ago, farmers told us that if this continues, soon, Germany will have a tremendous food shortage, including in animal feed and things like that.

Industry and agriculture are what made the social state possible. If Industry and agriculture are allowed

to continue collapsing like that—if people do not wake up now, then Germany will crash and become a completely Morgenthau Plan deindustrialized country.

Under these circumstances, why would anyone increase, actually double the amount of money sent to Ukraine, at a moment when many people in the United States and elsewhere are saying that the war is over, that Ukraine has lost? Gen. Kujat, made a video to this effect, which has gone absolutely viral on the internet—I think it's at almost 2 million viewers at this point—it's a sinkhole! Why would you throw money into a situation which obviously was tremendously miscalculated by NATO and everyone else involved in this war? And I think there are so many things, like [former U.S. Secretary of State] Mike Pompeo has now been brought onto the Ukraine Board of a major Dutch-owned international communications company, so the question of who profits from all of this is obviously something to be looked at.

But I think this war should be stopped in the same way. There must be immediate negotiations, and I think the many offers which were made by Pope Francis, who offered the territory of the Vatican as a venue for such negotiations; by President Lula da Silva of Brazil; by the Chinese 12-point program. So, there were many, many offers, and they have to be taken up. Because the whole world is one coherent place, and if you start to unravel it in one area, and now in two, it has impacts on the whole world, and world peace is still hanging by a thread.

Fixing the Collapsing Economies

Harley Schlanger: I have a question from someone who refers to last week's decision by Moody's to downgrade its U.S. credit rating from "stable" to "negative." He writes that there's now a \$1 trillion a year debt service cost, that is, interest on debt for the U.S. government. And he writes:

"LaRouche always said that cutting spending doesn't solve the problem of a deficit. But what can be



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Pope Francis has offered the territory of the Vatican as a venue for peace negotiations between Israel and Hamas.

done to reverse the increase in government debt?"

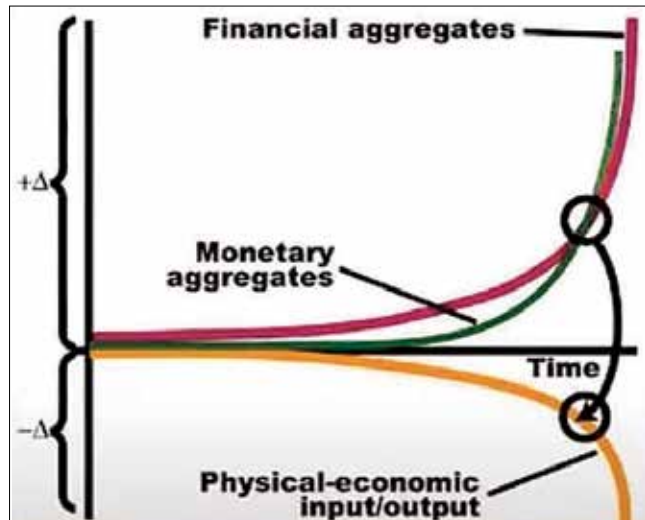
Zepp-LaRouche: Well, you would have to increase the productive activity of the country, generating more tax income and writing off the unpayable casino debt. You have a situation right now, where this change by Moody's to value U.S. debt as "negative," is an understatement. All these banks are now sitting on unrealized losses: They keep them on the books, because if they start to sell these bonds at the present market price, they will have to write off tremendous amounts of money. Many of them would not survive that, so they keep these losses on their

books, but the reality is naturally, it's not worth much.

This will reach, sooner or later, an absolute explosion point. If you remember the "Triple Curve," which Lyndon LaRouche had presented as a pedagogical device, so to speak, to explain to people the difference between the fictitious part of the money system, and the real economy. In that curve, there comes a point when the financial aggregates and the monetary aggregates have a sort of cross-over: In other words, no matter how much money is printed, the debt cannot be maintained. I think we are reaching that point—it really looks like we're reaching that point not in the far future.

Therefore, if the entire package which LaRouche proposed: first to have Glass-Steagall, it would need a global Glass-Steagall banking separation. We would write-off the outstanding derivatives contracts which cannot be repaid; it's totally impossible. Separate the banks, putting the commercial banks under state protection. Create a national bank in every country, which has the power for credit generation for new investment in production to get the economy going. Connect these national banks to a worldwide, new credit system. That way those parts of the economy which are valid and functioning, could be saved and kept functioning. If we don't do that, we have the danger of an uncontrolled collapse which would lead to chaos and unbelievable consequences.

Triple Curve: Monetary Growth Overtakes Debt Growth



The collapse reaches a critical point of instability.

I know there is right now almost no discussion about Glass-Steagall or any of the measures I just mentioned. But we should remind people that solutions do exist. It's basically what Franklin D. Roosevelt did in 1933. And one can only hope that there are legislators on all levels who can start to really seriously look at that, and basically it could all be solved.

For example, before the Biden-Xi summit, there were 8,000 homeless persons in San Francisco alone. Somehow, they were relocated to make the city look pretty. President Biden, at this summit with Xi Jinping, could then basically say: Look, we cleaned up San Francisco for your visit; there are no homeless people now. But I have a serious interest to solve the homeless problem in all of the United States: I want to build fast trains—can we cooperate on that? Can you bring in some Chinese engineers? Can we do that in a crash program? The Chinese have demonstrated you can do this extremely quickly; we, on the other side, will help you with some other problems, elsewhere.

I mean, it could be done! I don't want to create unrealistic hopes, but there could be a breakthrough. Xi Jinping and Biden could come out of this meeting, and say: Look, we have a plan how to reorganize the whole world system. We go for sovereignty of every country, non-interference. Human rights means that you overcome poverty, so therefore, we will overcome poverty in Africa and Latin America, in the poor parts of the United States and Europe, and that way the human rights question is taken care of, as well.

Wonderful things could happen! But it would require one to really be a visionary, carried by love for mankind. One can only hope that these two men express that.

Harley Schlanger: Here's a question from "Fight-back," in the chat room, in reference to what you said about Germany:

"Aren't the closing of the farms not a direct consequence of climate-change policies to farming?"

That's definitely a big part of it: We can talk about that much more in the future.

Argentina

Schlanger: I want to get to this last question from Brazil, which is about the Argentine presidential election coming up this weekend, where there's one candidate who's a free-market radical:

"Are the banks squeezing Argentina to make the situation bad enough that the Argentines will make a mistake and go for another swing to a free-market radical?"

Zepp-LaRouche: There is a tremendous battle going on there because Argentina is one of the six countries that are to formally join the BRICS-11 on January 1, 2024. And by trying to bring in now a candidate who will, for sure, not do that, or who they hope will not do that, that's an attempt against the whole idea of a new system emerging with the BRICS-Plus.

President Lula from Brazil, on the other side, has sent in some election advisors. The battle really is: will Argentina be part of a new world financial and credit system, being part of the New Development Bank, the new BRICS system which is emerging, or not? It's very clear that the financial powers that be, the financial oligarchy, is doing everything possible to prevent that from happening. One can only hope that the Argentine people are smart enough to understand what the choices are for them: It's really between a potentially beautiful future, and Hell.

Harley Schlanger: Helga, I know you have a lot to do, and I'd like to thank you for joining us today. And we'll probably have something very interesting—hopefully, interesting—to report next week, from the Biden-Xi meeting. So, thanks for joining us, and see you next week.

Zepp-LaRouche: Till next week.