
I. Deutsche Bank Must Be Saved For the Sake of World Peace

WEBCAST WITH ZEPP-LAROUCHE

Bank Rescue Plan Is Last Chance

*LaRouche PAC International
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Matthew Ogden: Good evening! It's July 15th, 2016. My name is Matthew Ogden, and you're joining us for our weekly webcast on larouchepac.com. I'm joined in the studio tonight by Benjamin Deniston; and we're joined by a very special guest, via live video, Mrs. Helga Zepp-LaRouche. Helga Zepp-LaRouche is the founder of the Schiller Institutes, and also Chairwoman of the German [BüSo](http://www.bu-so.de) (Bürgerrechtsbewegung Solidarität, Civil Rights Movement Solidarity) political party.

Helga LaRouche is joining us tonight to discuss the initiative that she and Mr. Lyndon LaRouche have taken this week to act in a very decisive manner to avert World War III and a global economic blow-out. This concerns the situation that Deutsche Bank now finds itself in.

I would like to begin by reading a Statement that Mrs. LaRouche issued a few days ago, on July 12 this week. We will then follow that Statement by a discussion with Mrs. LaRouche herself. In the Statement that Mrs. LaRouche issued, titled "Deutsche Bank Must be Rescued, for the Sake of World Peace," Helga wrote the following:

The imminent threat of the bankruptcy of



video grab/Stuart Lewis

*Helga Zepp-LaRouche addressing the July 15, 2016
LaRouche PAC webcast, via video hookup.*

Deutsche Bank is certainly not the only potential trigger for a new systemic crisis of the trans-Atlantic banking system, which would be orders of magnitude more deadly than the 2008 crisis, but it does offer a unique lever to prevent a collapse into chaos.

Behind the SOS launched by the chief economist of Deutsche Bank, David Folkerts-Landau, for an EU program of 150 billion euros to recapitalize the banks, lurks the danger openly discussed in international

financial media, that the entire European banking system is *de facto* insolvent, and is sitting on a mountain of at least 2 trillion euros of non-performing loans. Deutsche Bank is the international bank which, with a total of 55 trillion euros of outstanding derivative contracts and a leverage factor of 40:1, even outdoes Lehman Brothers at the time of its collapse, and therefore represents the most dangerous Achilles' heel of the system. Half of Deutsche Bank's balance sheet, which has plummeted 48% in the past 12 months and is down to only 8% of its peak value, is made up of Level-3 derivatives, i.e., derivatives amounting to circa 800 billion euros without a market valuation.

It probably came as a surprise to many that

Lyndon LaRouche called today for Deutsche Bank to be saved through a one-time increase in its capital base, because of the systemic implications of its threatened bankruptcy. Neither the German government with its GDP of 4 trillion euros, nor the EU with a GDP of 18 trillion euros, would be able to control the domino effect of a disorderly bankruptcy.

The one-time capital injection, LaRouche explained, is only an emergency measure which needs to be followed by an immediate re-orientation of the bank, back to its tradition which prevailed until 1989 under the leadership of Alfred Herrhausen. To actually oversee such an operation, a management committee must be set up to verify the legitimacy and the implications of the obligations, and finalize its work within a given time-frame. That committee should also draw up a new business plan, based on Herrhausen's banking philosophy and exclusively oriented to the interests of the real economy of Germany.

Alfred Herrhausen was the last actually creative, moral industrial banker of Germany. He defended, among other things, the cancellation of the unpayable debt of developing countries, as well as the long-term credit financing of well-defined development projects. In December 1989, he planned to present in New York a plan for the industrialization of Poland, which was consistent with the criteria



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Deutsche Bank headquarters in Frankfurt, Germany.



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Kreditanstalt für Wiederaufbau central office in Frankfurt, Germany.

used by the Kreditanstalt für Wiederaufbau (KfW) for the post-1945 reconstruction of Germany, and would have offered a completely different perspective than the so-called “reform policy,” or “shock therapy,” of Jeffrey Sachs....

Helga completes this Statement by saying:

Herrhausen's assassination has gone unpunished. However, there exists “the dreaded might, that judges what is hid from sight,” which is the subject of Friedrich Schiller's poem *Die Kraniche des Ibykus*. The Erinyes have begun their dreadful dance.

It is now incumbent upon all those who, in addition to the family, have suffered from the assassination of Herrhausen, upon the representatives of the Mittelstand, of the German economy and the institutional representatives of the German population, to honor his legacy and to seize the tremendous opportunity which is now offered to save Germany.

With that said, Helga, would you like to follow up at all with any opening statements?

Being ‘Against’ is Not Enough

Helga Zepp-LaRouche: Well, I think that it is absolutely known to everybody in the international financial community and to all governments and all relevant people in political positions in the trans-Atlantic sector, that what I'm saying there is

absolutely true. In other words: the bankers and those responsible for the international financial system all know that this system is absolutely bankrupt, hopelessly bankrupt. It's about to blow up in a much, much bigger way than 2008, for the very simple reason that all indicators which were there before Lehman Brothers and AIG went under, are there, but much more.

The famous tool box which they were using, or pretending to use, in 2008, has been used up: quantitative easing, zero interest rate, negative interest rate, helicopter money. Right now you have the situation—and we have this from extremely reliable contacts in the banking community who agree with us—in which all the central banks are printing money, paper money, like crazy, because they know perfectly well that helicopter money is not just electronic, but if you had a banking run right now, the whole thing would evaporate within a very short period of time, within hours.

This is a situation where if you have an uncontrolled, chaotic collapse, which is right now imminently possible, because you have several triggers,—not only Deutsche Bank. You have the Italian banking sector about to blow. You have the British situation after the Brexit. The entire European banking system is absolutely bankrupt. If you had an uncontrolled collapse, as one banker told us after he read this statement of mine: “If this is not remedied in the short term, we are looking towards a Europe of chaos, disorder, and revolution.”

The biggest danger, apart from World War III directly, would be a plunge of the trans-Atlantic sector into chaos. Therefore, my husband—who has a unique record of being right, in terms of forecasting, and being unique, in terms of coming up with proposals for how to remedy the situation—made this very surprising comment: that Deutsche Bank, of all banks, should be singled out, they should be saved, one last time, but not without conditions: They must immediately be put in a sort of receivership. A management commission should be in charge. And then they need a new business plan, which must go back to the philosophy of Alfred Herrhausen, who was the last moral banker in all of Europe, and who had a completely different philosophy.

We had all kinds of reactions about that. It turned out the banks are much more hated than meets the public eye. People said, “Let these banks go bankrupt! Why don't you just close them down? Nationalize them! Bankrupt them!” You had an outpouring of anger coming from people you would not expect—conservative industrialists, politicians who don't normally speak

in radical tones at all—but what came out was an explosion of anger.

It is very easy to be angry about the situation. If this thing collapses in an uncontrolled fashion, all the life-savings of people will be ruined. The majority of the people will have to pay, and this will be associated with poverty. Millions of people dying. This is not a joke.

It's not enough to be “against” something; even if banks have behaved completely criminally and immorally. Deutsche Bank is now spending such enormous amounts of money on legal fines for illegal activity from LIBOR swindles, and all kinds of shady operations, that they had to write down their projected profits. It's not a question of “doing a favor” to Deutsche Bank. Not at all! The question is: you must find leverage for how to bring this thing into order, before the whole thing ends up in a collapse, causing an absolute uncontrollable situation.

That is why the reference to Alfred Herrhausen is really extremely important, because he was the head of Deutsche Bank. He was a banker. Deutsche Bank had a different policy, and therefore, when you say, “We have to back to the philosophy of Alfred Herrhausen,” at least the older generation knows exactly what that means. Therefore, I think we should really circulate this Statement and force people to put pressure on the situation, for this to be done. You have to “unwind” the outstanding derivatives. You have to deal with the situation that Deutsche Bank has 55 trillion euros in outstanding derivatives. Half of their balance sheet is without market valuation, which means that it's practically worth nothing, because you can't really sell it.

If you have an uncontrolled collapse, then that could be really what brings down the whole thing in a chaotic way. If you go the way Mr. LaRouche has proposed, then you can have an orderly resolution of this bankrupt system, and replace it with one which is in the interest of the people. So, it's not just a technical proposal. Several people, in response to my statement, said, “This is probably the very last chance we have to prevent a catastrophe.”

Ogden: Helga, maybe you could also say a little bit more about what the strategic context of this intervention is, especially from the standpoint of the role that Germany plays, not only as the only viable economy in Europe right now, but also the emphasis that Mr. LaRouche has placed on the relationship between Germany and Russia, being the only means by which we can prevent the outbreak of a thermonuclear conflict.

The Real Issue

Zepp-LaRouche: People now have all kinds of proposals, like “Tobin Tax,” “tax the speculators”—all these proposals are floating around. What they don’t consider, is that when we’re talking about banking, we’re not talking about money or financial questions; we’re talking about the physical pre-condition for a society to exist. Fortunately, the German economy,— despite all of these paradigm shifts for the worse which have occurred in the last 25 years,— the German economy is still an economic powerhouse. You still have a very large concentration of very productive middle-level industry. Middle-level industry is normally where all the patterns are made, the technological innovation occurs. That is really the backbone of the productive economy.

The question is: this German economy, without which all of Europe would not function, absolutely must be protected, and not only be protected,—because right now, it is already many, many small firms that are in danger. There are other factors, like the crazy nuclear energy exit of Mrs. Merkel, which has increased the price of energy tremendously. So the German economy is weakened; but it is still the absolutely crucial factor, because in Germany you have a lot of the industrial potential which is needed not only for all of Europe; but in order to get the whole question of Eurasian cooperation on a sound ground, you need the German economy. The whole question of the German-Russian cooperation, German-Chinese cooperation in the development of the Eurasian Silk Road, is absolutely crucial.

So, the question is the productivity. And what has happened with the paradigm shift of all the successors of Herrhausen—I don’t want to name all of them—but all of them went into this high-risk maximization of profit no matter what. Ackermann wanted 25% profit, preferably every month; and they went into these completely crazy derivative operations, so that Deutsche Bank is today *the* leading bank in terms of derivative exposure. With 55 trillion euros in outstanding derivatives, that’s with a GDP of the German economy of 4 trillion euros a year; it’s over 10 times more, even 12 times more than the GDP of the German economy. So Deutsche Bank long has ceased to be Deutsche Bank; it’s now operating from London, from New York. It has become one of the most aggressive investment banks in the world. But if it goes bankrupt, which it could at any moment,— and that’s why its chief economist Mr. Folkerts-Landau has put out every day since



CC/European Central Bank

David Folkerts-Landau, Global Head of Research at Deutsche Bank, at the European Financial Integration Conference on April 25, 2016.

Sunday, an urgent call saying a recapitalization of the European banks must occur, or else calamity will happen. If Deutsche Bank went under, the German economy—and with it, all European economies—would collapse; and therefore, it’s not a question of choice. Obviously, to just put out more bail-out packages per se, as the ECB and the EU Commission have done in the past, is completely useless because it makes the problem worse. Right now, it has reached the limit; because after helicopter money, what else do you expect to do?

It is not a choice; it is a life and death question, not only for Germany, but really for the entire trans-Atlantic sector.

Herrhausen and LaRouche

Ogden: Now, you have emphasized that the circumstances around the assassination of Alfred Herrhausen continue to be a crime about which the truth has not yet been fully told. It’s something that in the United States, we can relate to the assassination of John F. Kennedy, in terms of the magnitude of what this meant for the turning point in the policy of Germany at that time. Obviously, it was in the context of the collapse of the Berlin Wall in the beginning of November 1989, and just less than one month later, at the very end of November, November 30th, that Herrhausen was assassinated in a very sophisticated attack on his convoy as he was travelling from his home to the Deutsche Bank headquarters. Helga, in an article that you wrote in 1992 titled, “New Evidence Emerges in

the Herrhausen Assassination Case,” you said:

“The key to the motive behind Herrhausen’s assassination lies in 11 pages of a speech he was to deliver in the United States only four days after he was ambushed. The speech contained Herrhausen’s vision of a new kind of relationship between eastern and western Europe, which would have fundamentally altered the world’s future course.”

And then you have a quotation from the speech, which I think is shocking when we go back and read that today, in consideration of what Mr. LaRouche and you were also both advocating for at that time. What he said, or what he was to say, in that speech that was never delivered, was the following:

“There should be assurances that the new credit will flow into specific, promising projects. It is therefore advisable that the export guarantees which the German Federal government wants to expand, be tied primarily to specific projects. In this connection, at this year’s annual meeting of the IMF and World Bank in Washington, I proposed setting up a development bank on the spot; i.e., in Warsaw. Its task would be to bundle the aid and to channel it according to strict efficiency criteria. My vision is that such an institution could function somewhat like the Deutsche Kreditanstalt für Wiederaufbau, which traces its origins back to the Marshall Plan.”

So, when you compare that speech that Herrhausen was about to give four days after he was assassinated, to what Lyn said in his speech in West Germany at the Kempinski Hotel in 1988, when he forecast the reunification of Germany and the collapse of the Berlin Wall, he said:

“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 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 in the rebuilding of the economy of Poland.”



EIRNS/Dean Andromidas
Lyndon H. LaRouche, Jr. addressing a press conference at the Kempinski Hotel in West Berlin, Oct. 22, 1988.

So, I think in the context of this speech that Herrhausen was about to deliver in New York, his cooperation with Helmut Kohl in terms of the reunification of Germany; and also the fact that he was on record calling for the debt relief—at least a partial debt relief, if not a full debt forgiveness of the Third World countries. He had met with the President of Mexico in 1987; he had surprised the world by delivering a speech at the World Bank in 1987 calling for the forgiveness of the debt of the Third World. All of these are right in parallel with what you and Lyn were advocating, going all the way back to 1975, back to the Operation Juarez and also with this Marshall Plan Productive Triangle proposal at the fall of the Berlin Wall. So, I think that certainly puts his assassination in the correct context to understand *cui bono*. Who benefitted from the fact that he was killed?

Unification: The Real Story

Zepp-LaRouche: Well, I think I would like to take it back a little bit, because this is not just a question of a murder which occurred 27 years ago. I want to recall what the period was, because most people have forgotten that Germany was not always unified; that the Berlin Wall came down. But this was one of the most dramatic developments in the post-war period. You remember that you had the peaceful demonstrations in the GDR [East Germany], the Monday demonstrations; the



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German Chancellor Helmut Kohl in 1990.

Warsaw Pact still existed, and it was not clear what would happen. Would this lead to another 1956 like in Hungary, or a new Prague Spring, where Russian or Soviet tanks would come? Then the wall came down, and Mr. LaRouche had this idea about German unification which you referenced, which he had presented in the Kempinski Hotel in 1988; so we had a plan. We put out immediately this proposal that German unification would have a mission; to have the Productive Triangle: to take the region from Paris, Berlin, Vienna — the economic powerhouse of the world at that time—and develop corridors into eastern Europe to transform Europe. We were the only ones who had any idea, because we were the only ones who even had an inkling that the Soviet Union would collapse, which Mr. LaRouche had already forecast in 1984. He said, if the Soviet Union sticks to their military policy of the Ogarkov plan,—which was basically the idea of gaining world dominance,—then they will collapse in five years. And I can



Alfred Herrhausen (left), Chairman of Germany's largest commercial bank, Deutsche Bank, greets German Chancellor Helmut Kohl.

Kohl and said, either you give up the German D-mark and allow it to be replaced by a European common currency—what became the euro—or we will not agree to German unification.

Two days after Kohl had put out this 10-point program, Herrhausen was assassinated. Everybody in the German elite at that point—and we talked to many people at that time—said this is not just an assassination, but since Herrhausen was the closest advisor to Kohl, this was a message to Kohl: Don't stick your neck out; do not dare to pursue and assert sovereignty. Be-

assure you, not even the German government had any idea that unification could be close; even if that was the primary political goal of the entire post-war period. Then the wall came down; and in the official documents which the German government published ten years later, they admitted they had no contingency plan for the case of German unification. Can you imagine that? The policy goal number one was to have German unification; and they had no plan. But we did have a plan.

So, then developments became extremely dramatic. On the 28th of November, Helmut Kohl probably took the most important step in his entire political career by putting forward the 10-

point program. This was not yet a program for German unification, but it was a medium-term plan for the moving closer together of the two German states; the West German and East German states in a federation. But he did that without consulting the Allies, and he did it without even consulting his Liberal coalition partner, Mr. Genscher; but it was a first baby step in the direction of true German sovereignty. We know now that French President François Mitterrand gave an ultimatum to



EIRNS/Stuart Lewis

President George W. Bush's security advisor Brent Scowcroft, a proponent of containing Germany, at a Nov. 28, 1988 conference of the Netherlands Atlantic Commission and the Institute for Foreign Policy Analysis.

cause Germany in the entire post-war period was an occupied country; and at that time the saying went, “The best-kept public secret of NATO is that Germany is an occupied country and will remain an occupied country.” So this tiny baby step in the direction of sovereignty by Kohl with the 10-point program, was obviously a contributing factor to why this assassination occurred.

As you said, if Herrhausen had made this speech in New York the following week, you would have had a proposal coming from the leading banker which was practically in principle identical to what Mr. LaRouche and I proposed at the time; namely, that a unified Germany should take Poland as an example for the economic transformation of all the other countries of the Comecon.

Then naturally, everything went haywire. At the EU summit which followed at the beginning of December in Strasbourg, everyone started to attack Kohl. In an interview later, he said these were the darkest hours of



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Chancellor of the Federal Republic of Germany Helmut Schmidt, shown in 1976.

his life. The circumstances were such that Kohl knew that the euro wouldn't work, and he said this is against German interests. He knew absolutely that you cannot have a European common currency without political union. So, he knew it wouldn't work; he knew it was against German interests. But he was forced by the circumstances to accept it, because you had Bush Sr., who had the policy of containment of Germany in the EU. It is well-established that originally Bush was against German unification, and he only went along with it because more experienced political advisors like Brent Scowcroft told him that if you oppose German unification, then the United States will lose all influence in Europe,— so we have to agree to it. But let's make sure Germany is contained. And that is what led to the infamous EU Maastricht agreement, which was the beginning of turning the EU into an imperial ad-

junct of the Anglo-American system. Helmut Schmidt, the late German Chancellor, in an equally surprising interview recently, before he died, said the whole Ukraine crisis,— which is right now what could be the trigger point for a war with Russia,— really started with the Maastricht agreement, because this is when the EU decided to do exactly what NATO has been doing ever since. Namely, to go for an eastward expansion, and move the EU

and NATO just up to the borders of Russia.

So, the decision which was made in these really dramatic weeks and months, set the course. If Herrhausen had been alive and advised Kohl, conceptions like ours could have been implemented, and history would not be at the point where we are now. So the Herrhausen assassination not only meant the lost chance of 1989; everybody agreed at that time this was an historic chance that happens at best once a century. I called it the *Sternstunde* of Germany [literally “star hour,” a dramatically compressed, fateful moment], because if you had a uni-

fied Germany developing a peace plan for the 21st Century together with Russia, the whole world would look completely different. But as I said, all the successors of Herrhausen went in the direction of high-risk speculation, globalization, money for money's sake, the rich become richer, the poor become poorer, and all the problems we have today. All the problems we have today are not just caused by this one assassination, but the assassination is symptomatic for the paradigm shift to the worse.

It's a murder which has gone unpunished. The so-called murderers, the third generation of the Red Army Faction, probably never existed. There was even in the first German TV channel a documentary which said there has never been any evidence that any of the persons who supposedly were the murderers, ever really existed. So, the *cui bono*—well, it's the financial oligarchy which profited. And it really has the smell of something quite different—of an intelligence operation—as many of the leading figures who did not fit the Yalta norm were assassinated. But with the Herrhausen case, as you said, for Germany this is as important in terms of paradigm shift as the assassination was of John F. Kennedy.

And right now, when the entire banking system is absolutely at the verge of collapse, it is the last moment to do justice and really go back to the policies of Herrhausen. Even so, almost nobody knows any longer what real industrial banking is, because they are so money-greedy and absolutely suckers for the latest profit, that it would be a real uphill battle. But that battle must be fought if Europe and Germany and the rest of the trans-Atlantic sector are to survive; and probably beyond that, much of the world.

Ben Deniston: I think just looking at this transition period, I know that you and Mr. LaRouche had both made a warning that I think is very appropriate just to state in this context, that around the fall of the wall, this lost chance of '89, you had explicitly said to the world, if we attempt to replace this bankrupt, collapsing Soviet system with an equally bankrupt trans-Atlantic system, you're going to head to a collapse that's worse than what's happening now. But it seems like that really bridges this whole process from '89 to what we're seeing today as the culmination, the expression of what you warned of at that time. I think a challenge we have is to get across, is the importance of acting now on the level needed to make this shift we're talking about. What Lyn has laid out with this reform program for

Deutsche Bank is the beginning of this new paradigm. I think it's important to see it as an intervention in this whole collapse process you both had warned about, and forecast that this would be the consequence of failing to act then. That should help us understand how important it is to act now while we still have the chance.

There Is a Higher Power

Zepp-LaRouche: I remember that at that time, you had the problem of the Bush administration, Margaret Thatcher, François Mitterrand, who absolutely really ganged up to prevent Germany from assuming any such role of having an independent policy; especially in respect to Russia. They were always saying, "Oh, the West has won over communism." The only other person outside of us who totally contradicted them was John Paul II, the Pope of the time; who said, the people who now are triumphant and say the market economy is winning over communism, are absolutely wrong. If you don't believe it, look at the condition of the Third World, to see that the West has not won; because the moral condition of the developing countries speaks to the contrary.

Naturally, that is all the more true today, because if you look at the inhuman treatment of the refugee crisis, for example—they are still coming by the hundreds, every week by the thousands, over the Mediterranean; drowning. Even more are starving and dying of thirst and lack of water trying to cross the Sahara. That is also the condition of this system. The system is what causes all of this. Therefore, it is absolutely high time that we come to the question of how can we—as a human civilization—give ourselves an economy and a financial system which is adequate to human beings. And I think it's very important that we go back to the question of what is actually the creation of wealth. Is it what Margaret Thatcher said, is it the ability to buy cheap and sell dear,—the famous saying of Margaret Thatcher the greengrocer's daughter? Or is it the possession of raw materials? Or is it the control of the financial system? No; it's not. The only source of wealth is the creative power of the human being; and when that creative power is applied, then you have scientific and technological progress. That then leads to an increase of productivity in the economy.

That has been the battle between the American Revolution and the British Empire; between the free-traders and people like Alexander Hamilton who insisted that it is the creative power of labor which causes the well-being and the living standard and the longevity of



Lithograph of Friedrich List, 1838.



Otto von Bismarck, the first chancellor of united Germany.

the people. That was the philosophy of Friedrich List, the great German economist, who is now the most famous economist in China, by the way. That was the policy of Friedrich List and Henry C. Carey, the advisor of Lincoln, who both advised Bismarck through such people as Wilhelm von Kardoff, who was the head of the German industrialists' association in the time of Bismarck, and who changed the mind of Bismarck from being a free-trader into being an absolute believer in a protectionist system and in the idea that you have to further the productivity and creativity of your own population as the only source of wealth.



Wilhelm von Kardoff, in 1903.

So, there is a lot of history involved; and what we are really talking about is taking Germany back to the ideas of Bismarck, of Friedrich List, of Henry C. Carey, and of Dr. Wilhelm Lautenbach, who in 1932 presented a plan to the Friedrich List Organization in Germany which was identical with what Roosevelt later proposed with the New Deal and the Reconstruction Finance

Corporation, Glass-Steagall, and Bretton Woods. That was all in these proposals by Dr. Wilhelm Lautenbach, which, as history knows, unfortunately were not taken up; but instead you had Hjalmar Schacht, you had Hitler, you had before Mussolini, Franco, Petain, and you are in bed with fascists.

The question today is, can we, in time, go back to those conceptions which have proven to be productive and valuable for the economy; or do we plunge into a catastrophe of new fascism and new wars? So, on this question of Deutsche Bank, most people are so much in the day-to-day routine of making

money, profits, and balance sheets,—and have dollar-bills coming out of their eyes,—that they have forgotten that there is something much more important about human life. And that is the happiness of people; the common good of people.



Dr. Wilhelm Lautenbach

That's the reason why, in this call to honor the memory of Herrhausen,—using

this crisis of Deutsche Bank now as a real paradigm shift to go back to these policies,—why I mentioned the great poem by Friedrich Schiller “The Cranes of Ibykus.” And by the way, I would really urge our audience right now, who probably are not familiar with that poem: we have a translation which we can put on the website so it's easily accessible. But this poem is so powerful; it's written by Friedrich Schiller. It discusses not only the murder of the beloved poet Ibykus, but more important even, it discusses the power of nemesis, the power of natural law, which is a power which works in reality. It's not that God punishes every little thief who steals something by immediately chopping off his hand, but it is a power which revenges great injustice. And this poem discusses this in



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An engraving of the Cranes of Ibykus, with the Erinyes in the foreground.

a very beautiful way by resorting to the Greek nemesis, the idea which was used in great Greek dramas to demonstrate this principle of the Erinyes. That there is this power that revenges this murder and other injustices; that there is a higher power than the arbitrariness of people's will. The poem is very, very powerful.

As a matter of fact, I would even urge you to learn German, just to read and understand that poem; because it teaches something about history. I think right now the Erinyes, those goddesses of revenge whom Friedrich Schiller has in this poem marching in the amphitheater—in circles—are bringing forward this higher

power through the prism of the poem. It's a very, very powerful way of reminding people that there is a higher power than what people think when they read the daily newspaper. So, please make the effort. Read it in English if you have to, but read it in German because there is another dimension to history than what people think. But only if you bring this forward, this inner strength, this inner power which people have almost lost in the trans-Atlantic sector, because people feel small, they feel impotent, they feel helpless. But what we have to unleash is exactly this inner strength so that people really become truly human again, and take history and destiny in their own hands. And that's exactly what the message is of Friedrich Schiller; who always thought that man is greater than his destiny, by resorting to these kinds of inner powers and higher authorities than the laws of money.

I think that having said that, I want to come back to the absolute need to find a handle, because right now the problem is, nobody has a handle on how to intervene with this financial crisis. And if the proposal of Mr. LaRouche is taken seriously, you have a way of dealing with the consequences, while avoiding the dangers of an uncontrollable collapse. You have to untangle this; you have to shut down this derivative system; you have to shut down the bubble. You have to do it in an orderly manner, because there's no point to merely say let's just close it down or tax it or whatever. You have to find a skilled level of how you take over management of a bank—in this case, the Deutsche Bank; you have to put in a supervisory management committee which has to evaluate the validity and integrity of the outstanding obligations. Many of

the derivatives have much more than two parties; they have two, three, four, and more parties. You have to untangle that. You probably have to write down the nominal value of these outstanding obligations. That way, you can put in a new basis, a new business plan for the bank which is in cohesion with the idea of credit policy in general. But you have to start to do that somewhere. The Herrhausen history and tradition is exactly what makes it very practical. We are not proposing something completely outlandish, utopian; this was the policy of Deutsche Bank at one point.

So therefore, I want to bring it back to this point; and

I would really urge all the people who are watching to make sure this proposal is distributed to all institutions which have anything to do with the economy, with industry, with people in political positions who should take care of the common good. And make sure that we get a serious debate. I know that in both election platforms of the Democratic Party and the Republican Party, you have the Glass-Steagall law in the platform. Now that is very good; we will have the conventions in the next weeks. This is not necessarily the stated position of the candidates; but it is in the platform.

So there is hope that if we mobilize in the right way, this change can occur before it's too late. But it's really one second, or maybe a nanosecond before midnight; so it's not a time for complacency. It's a time for action. Therefore, I would really urge you to join us; because we have a beautiful future ahead of us if we do the right thing. If we miss this moment, it can be the end of civilization; because the war danger is very real, not only in respect to NATO against Russia, but also the escalation around the South China Sea. We are not in a political void, but we are in one of these moments in history where a lot depends on the individual courage and the individual action. Therefore, I really ask you to join us to bring history in a better direction.

Ogden: Would you like to make any final remarks before we close?

Zepp-LaRouche: I would like to express my hope

that enough people recognize that we have now reached a point where history will either be a total catastrophe—and most people are already thinking that; the people who are not completely dead because of drugs or other problems, they know that we are in a really unprecedented civilizational crisis. Even worse than any of the prewar situations of the 20th Century.

Just yesterday, one of the key advisers of the Kremlin said all the signs are of a prewar period; and that's true. We are in a prewar period; and unless we remove the real reason for the dynamic for war, which is the danger of a collapse of the trans-Atlantic financial system,— unless we remedy that, I'm almost certain that war will happen; and if that war happens, it's the logic of war that in that case all weapons available will be used. In the case of thermonuclear weapons, that would be it; there probably would not be anybody to even record what happened, because it would be the elimination of civilization. And therefore, the remedy for the financial crisis is not just a banking-technical affair; it really is the question of putting society back on a course where we all can survive as a human civilization. In a certain sense, it's what *The Federalist Papers* discussed. Can we give ourselves a political order which is suitable for man to organize his own affairs and govern according to the common good? So, it's a much larger issue; and I'm very optimistic that it can be done. But it requires an extraordinary effort, and it requires all of you.