
II. The New Silk Road

The Win-Win Solution: One Belt, One Road

This is an edited transcript of Helga Zepp-LaRouche's keynote address to the Schiller Institute conference in Manhattan on Feb. 4.

Dennis Speed: My name is Dennis Speed, and on behalf of the Schiller Institute, I want to welcome you to today's conference. This is part of a series of conferences that the Schiller Institute has been sponsoring for several years now, on a dialogue of cultures and civilization, but this conference has a very specific significance.

America and the new American Presidency can and should commit itself to a new economic outlook on behalf of all humanity. Today's conference is devoted to exploring the possibilities of radically transforming the relationship between China and the United States for the better, but that is merely one aspect of our purpose.

The World Land-Bridge proposal advocated by Helga Zepp-LaRouche and the Schiller Institute—first advocated over 20 years ago and now refined and updated—is not a proposal for mere infrastructure development, but for a whole new economic platform and a new outlook on humanity:

- The prospect for a joint space mission to the Moon combining India, China, Russia, Japan, the United States, and other countries;
- The joint crash development of advanced nuclear power systems and of thermonuclear fusion power generation;
- Joint collaboration to end starvation, drought, and disease in Africa by building the largest water, rail, and power projects in history.



Helga Zepp-LaRouche addressing the Feb. 4 Schiller Institute conference in New York City.

This is the human economy that we can now create.

To tell you how this future can be attained and how that new economic platform can create a new human culture that will allow humanity to achieve adulthood and rise above the infantile diseases of war and conflict, it is my pleasure to introduce our first speaker, the founder and head of the Schiller Institutes, Helga Zepp-LaRouche. [applause]

Helga Zepp-LaRouche: Ladies and gentlemen, I'm very happy to be able to address you even if it is only electronically, but I am happy to be with you, because this

is very much a defining moment in history. The chances to build a completely new paradigm in the world is within reach and could be a reality in a very short period of time.

That may be difficult to believe if you look at the world as it is right now, which is clearly in the biggest uproar I have experienced, maybe in my lifetime. The election of President Trump in the United States has caused violent reactions in the United States and in Europe, and I have never seen a situation in which an American President, who just got democratically elected, was met with such a fierce opposition.

Therefore, I think it is important to situate this election in the broader context, because the election of President Trump was not the first such uproar. Really, the first one was last June: The Brexit vote of the British people, the decision to leave the EU, already caused a shock. Then you had the election of Trump, and then very shortly after that you had a referendum in Italy



White House

President Donald Trump

deciding on the change of the Constitution, where 60% of the Italians voted “no” against the policies of the EU. You have to see Brexit, the Trump vote, and the “No” vote in that referendum as a common development.

The Foreign Minister of Germany, Mr. Steinmeier, characterized the election of Trump as the end of the order of the 20th Century. Obviously, that is what is going on because you have, as the common denominator between all these revolutionary changes, the fact that the neo-liberal world order, at least of the 26 years after the collapse of the Soviet Union, indeed has ended and it will never come back.

You have even the more extreme reaction of Mr. Donald Tusk, who is the present President of the European Council, who just wrote a letter to the 27 remaining heads of state of the EU, in which he said that the Trump Administration represents the same threat to Europe as the newly “assertive China,” an “aggressive” Russia, and “wars, terror, and anarchy in the Middle East and Africa.”

Even if you discount the fact that Mr. Tusk is Polish and they sometimes have peculiar views these days—but to put Trump on the same level as ISIS? Well, it was very clear from Day One, that the representatives of the collapsed unipolar world did not accept Trump as a President. Already in the foreground of the election, you had the hand of MI6 very clearly in the fake dossier of MI6 agent Christopher Steele, which basically tried to argue that Trump won the election only because Putin hacked into the e-mails of the Democratic Party

and that therefore Putin stole the election from Hillary Clinton—a ridiculous view, which is still to the present day proclaimed by Hillary Clinton and by many of the Democrats.

The British Empire Against the U.S.

The characterization of these demonstrations against Trump as a “color revolution,” was my first view on the matter, but President Putin also gave it the same name. If you look at what happened with the color revolutions, you had the same characteristics in the Orange Revolution in Ukraine in 2004 and the so-called Rose Revolution in Georgia. This was the same kind of process as in the Arab Spring, as in the attempted but failed White Revolution against Russia, and also in the Yellow Revolution with the yellow umbrellas in Hong Kong, which did not go very

far. And the governments of both Russia and China characterized these efforts at color revolutions as a form of war. Putin basically called it “a Maidan” against Trump, and that is what it is: It is by the same people, by the same political apparatus, and for the same motives.

To understand what is going on, in my view, one has to consider the entire history of the United States, because the British Empire at the time of the American Revolution, never accepted that America, their most important colony, would become independent, and they tried to reverse that, first, in a military way, with the War of 1812. They tried the same thing with the Civil War, when the British Empire was allied with the Confederacy against Lincoln.

But after that, they realized it would not be possible to militarily reverse the independence of the United States. Therefore, they changed tactics, and from that point on said, “OK, if we can convince the American establishment to rule the world as an empire based on the British model, then we have it.” And they succeeded to a very large extent in accomplishing that. This was the basis of the American policy since Teddy Roosevelt, with the very short interruptions of Franklin D. Roosevelt, and to a certain extent, John F. Kennedy.

With the collapse of the Soviet Union, the neo-cons saw their moment and that of the British to establish this principle of a unipolar world, where basically they would eliminate every government which would not submit to this unipolar world through color revolutions, through regime change, or through wars based on lies,



British troops burning the White House in the War of 1812.

as it was in the case in Afghanistan, Iraq, and Libya. They tried the same thing in Syria.

If you take the word or the concept of “globalization,” as just being another word for this Anglo-American Empire—a system where the profit of the few is what counts, the system where the rich became *unbelievably* rich, where the poor became poorer, and the middle class was vanishing—well, this left a lot of people who felt left out, the so-called “deplorables,” as Hillary Clinton called them.

People had this tremendous sense of injustice caused by the EU, and that was the reason for the Brexit: not just the refugees, but the general feeling that the EU bureaucracy does not represent the interests of the people. This was the case clearly with the rejection of Hillary Clinton, where the American population, or at least a large part of it, felt they had no future. In the rust belt, people have a shortened life expectancy—this is the clearest marker that a country is collapsing, when the life expectancy falls!

This is the reason for all of these developments, and also many strategic re-alignments in the world, which I do not now have the time to go into—but it was what caused Trump’s election victory.

Mr. Trump has been in office for two weeks, and it

is very clear that he is implementing all of his election promises. Some are good and hopeful; others are clearly more problematic. Take his “America First.” My comment on the first day he said that—I said “OK, it’s fine, ‘America First,’ but what about all the other countries? They need to be first, too.” We need a new paradigm, a completely new set of relations among nations, where we don’t have one country being the first but where the new paradigm defines the common aims of all of mankind.

Glass-Steagall

Clearly, globalization was at the expense of the American working popula-

tion. Because globalization meant outsourcing of industry—the United States has very little industry left, only the military-industrial sector, aerospace, and a couple of other areas. A lot of the productive, middle-level industries are no longer there. They were sent to cheap labor markets. So it is correct when Trump says he wants to bring production back to the United States, especially because you have tremendous problems: you have collapsing infrastructure, you have a huge drug epidemic, you have violence, and for sixteen years you have a rising suicide rate. As a result, he was correct to cancel TPP and NAFTA, because these were parts of the trade agreements of the system of globalization which has gone under.

But what about the effect this has on the other nations? Building a wall with Mexico? Under this system of globalization, the food self-sufficiency of Mexico, which was 80% in the time of President José López Portillo, has fallen to only approximately 50%. So how do you compensate for that? And General Kelly, who now has a new post in Homeland Security in the Trump administration, was absolutely correct when he said, “the Mexicans are not the problem, but it is the fact that all of Central America has fallen under the control of the drug mafia. People are running away because they

fear for their lives, kidnapping, drug addiction, murder.” Therefore, the question is not the Mexicans; it is really the drug traffic.

After the ban on immigrants for 90 days—citizens from seven Muslim countries cannot come to the United States for that period—there was a huge outcry in Europe, but what a hypocrisy! European politicians felt that they had to lecture Trump on human rights and all of these things. What a double standard! The EU for a very long time has tried to prevent *all* refugees from coming to Europe. In 2016 alone, more than 5,000 people drowned in the Mediterranean *officially*, and that does not count the many uncounted. They are trying to keep people from coming through the Greek and Balkan routes, which are now blocked by NATO barbed wire. The head of the CSU Party in Bavaria, Mr. Seehofer, said that there should be a preference for people that come from Christian Western areas. That is just another formulation for what Trump said, when he said he wanted to keep the Muslim population out.

The EU has no problem in leaving the Greek people alone with terrible refugee camps of 100,000 people, who are not receiving much care. They don’t care about the refugee camps in the Balkans, where people without enough to eat, and without heating, are trying to survive the winter.

After the very dubious deal with Turkey, the EU just concluded a summit in Malta, where they decided to make a deal with Libya—Libya, which does not even have a clearly defined government—where competing militias are fighting it out, and the EU is now training the Libyan Coast Guard. And even the First Channel of German TV, on a program called “Monitor,” said this is a deal with human traffickers and torturers, and competing militias who are absolutely criminal. With these people, the EU is trying to solve the refugee problem.

Therefore, the EU in this respect is not one iota better than the idea of a wall with Mexico.

Trump also promised to implement Glass-Steagall,



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Inhabitants of Suda refugee camp in the Greek island of Chios on the Aegean Sea, seen through a barbed wire fence surrounding the camp, Sept. 29, 2016.

the banking separation law of Franklin D. Roosevelt. Around that there is a huge fight in the United States right now. It is very clear that the bosses of Wall Street are dead set against Glass-Steagall. They are moving like crazy to prevent it, to keep control. The designated Secretary of the Treasury, a Mr. Mnuchin, has already said in a hearing with Maria Cantwell in the Senate, that he is against Glass-Steagall as it was. He wants to have some modern variety, which basically is exactly *not* what is required.

So right now, we are in a huge battle. Marcy Kaptur [D-Ohio] announced a new Glass-Steagall in the American Congress, in a press conference by Congressmen and -women: Walter Jones [R-N.C.], Tim Ryan [D-Ohio], Tulsi Gabbard [D-Hawaii], who are all for Glass-Steagall. LaRouche PAC is in a major national mobilization. You have many other organizations trying to put Mr. Trump’s feet to the fire on his election promise. But this is clearly the Achilles’ heel of the Trump administration, because you can have at any moment another 2008 financial blow-out of the system.

Yesterday he made a new executive order, giving to his Cabinet the task of making a review of all aspects of the financial system within the next 120 days. Today, all the financial media were jubilant, saying Wall Street won; the bankers won. Well, it is not yet decided.

U.S. Relations with Russia

On the positive side, Mr. Trump has started to improve relations with Russia. There are very positive signals and that is one of the reasons why the representatives of the unipolar geopolitical faction are so absolutely upset, because they want to have regime change in Russia, and not U.S.-Russian relations. They are now even pronouncing Mrs. Merkel to be the leader of the free world—which is a sort of a joke. Anyway, as to the first telephone discussion between Trump and Putin, both sides characterized it as being very important. This is really a very important precondition, because if Trump had not been elected and we had a Hillary Clinton Presidency, we would be on a short road to World War III. So therefore, this is a positive first step.

But, what about U.S.-Chinese relations? Well, that's a little bit more problematic, because Mr. Trump did not make his first phone call to Xi Jinping, but to the President of Taiwan, thus signalling that he may question the One China policy, which obviously the Chinese government was not very happy about.

On the more positive side, the nominee as ambassador to China, Terry Branstad, is a known friend of President Xi Jinping, and he just attended the Chinese New Year at the February 1st concert of traditional Chinese music in Muscatine, Iowa. He spoke of the long, cordial relationship between Iowa and China, where Xi Jinping and Terry Branstad had met for the first time in the '80s. Friendship agreements of a sister-state relationship were established between Iowa and Hebei province. Mr. Branstad then gave an interview to Xinhua, in which he said that if he is confirmed as Ambassador of the United States to China, he will work for a win-win policy between the United States and China. He added that if the largest developed country and the largest developing country work together, it will not only be beneficial for the two of them, but for the whole world. And that is obviously the truth.

But, where is the potential to make that relationship the crucial change in world history? Mr. Trump promised in the election campaign that he would invest \$1



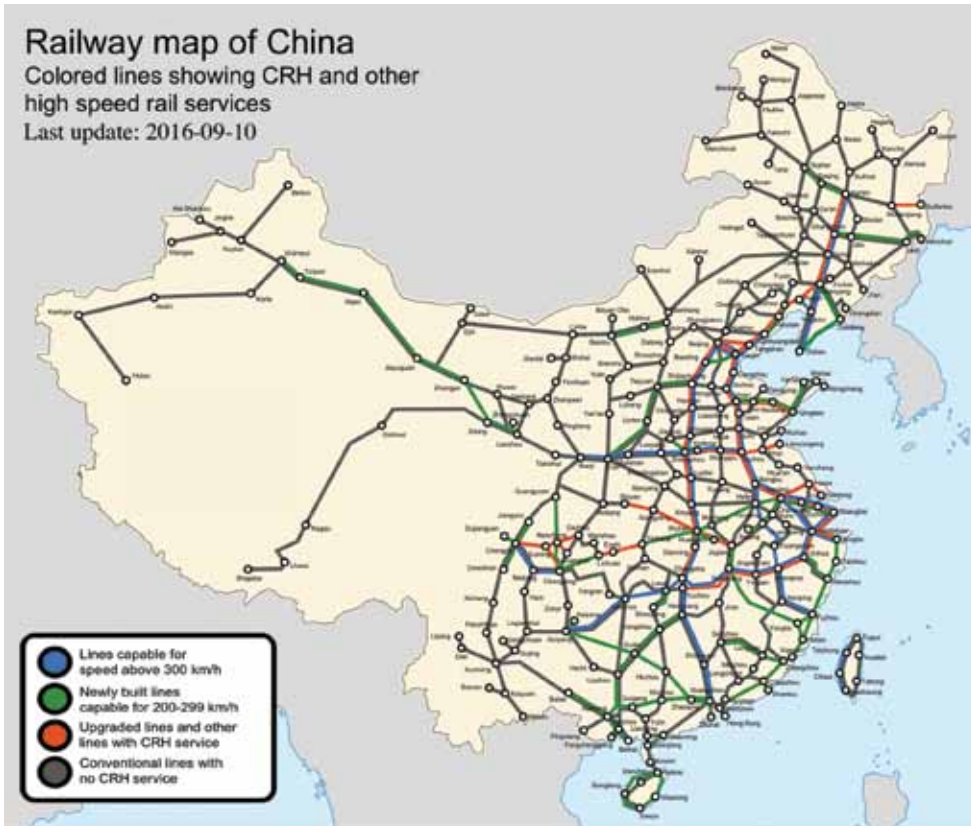
Xinhua/Lan Hongguang

China President Xi Jinping, center, with old friends in Muscatine, Iowa. To the immediate left of Xi is U.S. Ambassador designate to China, Terry Branstad.

trillion in the infrastructure of the United States in the next ten years. He already met the CEO of Alibaba, Jack Ma, and Mr. Ma offered to create a platform for e-commerce of another \$1 trillion investment for Chinese investors to invest in the United States, and American exporters to export to China. The Chair of the Foreign Affairs Committee of the National People's Congress, Mme. Fu Ying, recently spoke in New York, where she said the infrastructure cooperation between the United States and China can become a bridge leading to collaboration in the New Silk Road.

The New Silk Road and the U.S.A.

The Schiller Institute developed this idea of the Eurasian Land-Bridge—we called it the New Silk Road in 1991. It was the answer to the collapse of the Soviet Union, and we proposed the integration of Eurasia through infrastructure development corridors. We kept working on this program for 25, by now 26 years, with many, many conferences around the world. We kept enlarging this program, not only a Eurasian Land-Bridge, but to integrate Africa, Latin America, all of Asia into one World Land-Bridge. In 2014, very much encouraged by President Xi Jinping's New Silk Road, we published this report and we called it *The New Silk Road Becomes the World Land-Bridge*.



CC/Howchou

Map showing China rail network, including China High-speed Rail CRH (CRH), other high-speed rail, and conventional rail.

In 2015, we elaborated a chapter of that World Land-Bridge report, and we called it *The U.S. Must Join the New Silk Road*. We had several conferences about that subject in New York, in Washington, in San Francisco, in Seattle. We tried to convince the American industrialists, trade unions, and people in general, that it would be in the absolute self-interest of the United States to work with China on this World Land-Bridge idea. [The audio/video, transcripts, and programs of these conferences are available at <http://newparadigm.schillerinstitute.com/>]

It is very clear that the United States urgently needs a New Silk Road. If you travel over the American highways, if you are unlucky, you may end up disappearing into a pothole. If you look at the number of miles of high-speed rail in the United States, you can't find any. China, on the other side, already by the end of last year, had 20,000 kilometers of high-speed rail systems. By the year 2020, they want to have 50,000 km of high-speed rail systems, connecting every major city in China through a high-speed rail

system. And I can assure you, having had the good fortune to travel on these trains, that they are *really* fantastic. They are fast and quiet; they don't shake you around like European trains.

China is the world leader right now in such high-speed rail systems. They have a new project by which they want to connect the greater region of Beijing, together with Tianjin and smaller cities, into one very large region, in which people living in the so-called commuter cities can take a high-speed train like people elsewhere take a bus, and be at their workplace in 20 minutes. That kind of a system is needed for the United States as well.

You need to have a new infrastructure of high-speed rail systems connecting the North and the South, the East and the West. Why not build 50,000 miles of high-speed rail in the United States? Then you could combine that with other large infrastructure projects, like solving the water crisis of Southwest America through NAWAPA—the creation of new water from ionization of the atmosphere, creating new water and weather patterns, building a couple of new science cities for international cooperation, starting joint research in fusion power, space cooperation, and just have a completely different approach to the idea of collaboration among nations.

This is where the cooperation with China and other nations comes in. China has already offered cooperation in infrastructure investment in the United States. The United States could immediately join the Asian Infrastructure Investment Bank, the AIIB. And if we use the present motion to implement not only Glass-Steagall, but to implement the Four Laws of Lyndon LaRouche—which are:

- Glass-Steagall,
- A national bank which creates credit lines for these investments,
- An international credit system for joint ventures around the world, and
- A crash program for fusion power and space cooperation.

With that, the United States, China, and other nations could immediately start transforming the world.

It is quite interesting. For the last three and half years, since Xi Jinping put the New Silk Road on the international agenda, most Western think-tanks have been completely ridiculous: They have basically been saying that the New Silk Road is just another effort of Chinese imperialism. That they have ulterior motives—just one report like that after the other.

But now there is a change. There is a realization at least among some of these think-tanks, that what is already happening is the biggest infrastructure project in history. What is already happening is twelve times as big as the Marshall Plan in buying power in today’s dollars. It already involves 4.4 billion people. More than 70 countries are already cooperating. It is expanding very quickly. It already involves trillions of dollars in investments. For example, there are already eight regular train routes between Chinese cities and Europe, through which container trains arrive every week. As a result, while the EU is still stand-offish, and the German government is still stand-offish, nevertheless there are some changes.

The Vice President of the Federal Academy for Security Policy in Germany, a Mr. Thomas Wriessnig, just put out a paper where he talked about the “Geo-Strategic Significance of the Chinese New Silk Road initiative, OBOR.” In his paper, he still reflects a little bit of the old view, being a little suspicious here and there—but after all the ifs and buts, he recognizes the fact that the Belt and Road Initiative has a tremendously stabilizing effect everywhere it exists. Therefore, he basically proposes at the end of the paper that Europe should be open to the Chinese offer to cooperate. And then he says that despite Trump’s previous statements that were critical of China, it cannot be excluded that the United States would jump at this initiative and join the AIIB.



Egyptian Transport Minister, Dr. Saad El Geyoushi (left) presenting the Arabic version of EIR’s World Land-Bridge Report in March 2016 in Egypt. EIR Arabic editor Hussein Askary is on the right.

And given the fact that the United States has leadership in digitalization, and the Chinese have expertise in other areas, these could be complementary, and they could work together to each other’s benefit. That is exactly the point.

The New Paradigm

Not only would that benefit the United States. For example, China certainly has better high-speed rail technology than the United States at this point, and China could help the reconstruction of the American economy. But there could be also joint U.S.-Chinese-Russian-Indian-European cooperation, for example, in Southwest Asia. Through the Russian military intervention in Syria and the Astana peace talks, there is the possibility of peace in the Middle East for the first time. But that requires building up the economies of Afghanistan, Iraq, Syria, Yemen, and North Africa, because that will be the only way to dry out the atmosphere for recruitment for terrorism.

Mr. LaRouche, in 1975, had already proposed a development plan for the Middle East which he called the Oasis Plan. This was based on the idea that you have to create new water sources through different technological means in order to have peace. In 2012, the Schiller Institute proposed the extension of the New Silk Road into the Middle East to develop South-

west Asia as a basis for peace. Our [World Land-Bridge report](#) has already been translated into Arabic, and a couple of months ago it was presented by the Transport Minister of Egypt in a big press conference in Cairo, together with Mr. Hussein Askary, *EIR*'s Arabic editor. Egyptian officials declared that what is in this World Land-Bridge report is also the Egyptian program for the Middle East. As a result, we are not starting from zero, but there is already tremendous motion in this direction.

When President Xi Jinping was in Iran last year, he proposed the extension of the Silk Road not only to Iran, but to Iraq, to Syria, and obviously, from there to Africa and into Europe. The development of Africa is already underway, with Chinese investments in many countries. Just a couple of days ago, the official opening of the rail line between Djibouti and Addis Ababa, Ethiopia occurred. This is a very important intervention which will transform many countries in Africa. China has also now started to make a feasibility study for the Lake Chad initiative, which would bring water from the Congo River to refill Lake Chad, and that would transform the economic prosperity for 12 nations in this region. So there is already tremendous activity going on.

Instead of training a very suspicious and dubious Libyan Coast Guard to keep the refugees back in Africa, would it not make more sense if European nations joined with China and others, like Japan and India, which already are involved in Africa, to develop the African continent?

The formulation by President Xi Jinping, that we have to build a community for the future of mankind, based on a win-win cooperation, is exactly the way to look at this. This is not a zero-sum game where one nation wins and the other one loses, but it is a new perspective where all countries of this planet can work together in the benefit of each. It is exactly the idea that Friedrich Schiller developed in the context of the American Revolution in his play *Don Carlos*.

In the famous scene between the Marquis of Posa talking with King Philip II, in which he said Spain should not be great because of this suppression of Flanders, but should allow all the provinces to prosper exactly like Spain. Posa said to Philip, "Be a king of a million kings!" This was a very clear refutation of the idea of equality of the French Revolution, where equality basically meant, for the Jacobins, that you achieve

equality by means of the guillotine, because then everybody is beheaded and everybody is equal. And Schiller contrasted that with the noble idea of the American Revolution that everybody in the whole country should prosper, and the common good should be what unites all.

This is what we have to accomplish today. We need a New Paradigm. That New Paradigm must be as different from the present paradigm of globalization as modern times were different from the Middle Ages in Europe. The Middle Ages in Europe were terrible. They were a Dark Age. They were characterized by scholasticism, by superstition, and by belief in witches. Modern times made it possible to have natural science and Classical culture.

The New Paradigm which replaces globalization must precisely leave the wrong axioms behind, and by wrong axioms, I mean geo-politics, and the neo-liberal idea of wealth creation, which maintains that it is the control of trade, free trade, which generates wealth. It must be replaced by the idea that the only source of wealth is the creativity of the human being. And therefore, the common aims of mankind must focus on this: that what is unique about the human species is that we are the only creative species, and that we can discover universal laws more and more deeply. And we call that scientific progress. When we turn that scientific progress into technology, it increases the productivity of the economic process. That, in turn, leads to a higher living standard, a longer life expectancy, and prosperity for everybody.

If we do this now, we can reach the adulthood of mankind. Wars will be a question of the past. We will no longer use violence to resolve conflicts, but we will concentrate on the common aims of mankind, of space exploration, of reaching energy and raw materials security through mastery of fusion technology, and similar things. If we are guided by such a beautiful vision of the future, we indeed will be able to create a new set of relations among nations.

And I think if we can convince the United States, with the Trump Administration, to cooperate with China on the New Silk Road, I am safe in the prediction that Mr. Trump will not only be a great American President, but that if he can mobilize his country to join hands with China right now, he will go into history as one of the towering giants of all of universal history. [applause]