

## LaRouche Youth Campaign To Reindustrialize Germany

The dynamic political force which led to the restarting of “Monday Demonstrations” against economic tyranny in Germany in the Fall of 2004, has gone into action again. When Helga Zepp-LaRouche and the LaRouche Youth Movement started up weekly demonstrations in July 2004, the point of mobilization was the government’s pending program for drastic cuts in unemployment insurance, called Hartz IV. The failure of the Social Democrats to take up Zepp-LaRouche’s call for creating 8 million new jobs, and restarting the economy with government credit, resulted in the Hartz IV plan going ahead in January 2005.

The nationwide mobilization which the Civil Rights Movement Solidarity (BüSo), the political party headed by Zepp-LaRouche, had kicked off, particularly with the election campaign in the state of Saxony, has had lasting effects on German political life. This is evident not only in the fact that Monday Demonstrations immediately began to emerge after Hartz IV was put into effect, but, more significantly, in the deepening discussion throughout the German political parties about the fact that only *job creation* in areas of high-technology production can turn around the deepening depression.

Zepp-LaRouche had already warned her fellow citizens last Fall that Germany’s economic collapse was far worse than the public figures showed, and that the equivalent of an Franklin Delano Roosevelt “New Deal” would have to be adopted in Germany. She also pointed out that further austerity measures would only make the government’s fiscal situation a lot worse, leading down the “slippery slope” toward the anti-FDR solution which Hitler’s backers chose in the early 1930s: fascist austerity. Her warnings have now been totally vindicated, as German unemployment has continued to climb, hitting over the historically significant 5 million figure (what it was in 1933) officially, and most likely, according to EIR’s calculations, at least double that amount.

After the Saxony campaign, which ended at the end of September 2004, Zepp-LaRouche called for a new electoral

mobilization, this time in what has been the industrial heartland of Germany, the Ruhr region. State elections are scheduled for May 22, and the LaRouche movement, spearheaded by the youth, are now campaigning heavily in the area, with the goal of recruiting candidates in as many districts as possible, and mobilizing the population around the solution to the economic debacle it faces.

The Ruhr district lies in the state of North Rhine-Westphalia, the westernmost state in Germany, which borders on both the Netherlands and Belgium. This state has the largest population of any state in Germany, and the Ruhr region, which lies in the heart of it, is well known as the most productive and industrialized region of all Europe. This district has also been a solid base for the Social Democratic Party and its trade union supporters.

### Deindustrialization of the Ruhr Region

Yet, over the last decades, a region well known for its coal, then steel, and now auto production, has become increasingly deindustrialized, in a way similar to “rust belt” of the U.S. Midwest. Industry has been shut down, the unemployment rate has gone up 30%, and, rather than attempt to save the industry, the powers-that-be have promoted the region as a center of the “fun society,” a center for light shows, discos, amusement parks, and the like.

Just during the Fall of 2004, the Ruhr region was hit with the shock of mass layoffs announced at GM’s Opel plants, an event which led to the first strikes in the area in 30 years. Mass demonstrations occurred in October, as the union workers garnered the support of much of the local population. Yet, ultimately, nothing substantive was won, due to lack of local, and especially *national*, leadership.

The LaRouche Youth Movement and the BüSo intervened in the Opel strikes, putting before the citizens the need for a fundamental change in economic policy. From October forward, North Rhine-Westphalia has become a center of

LaRouche organizing activity, from the universities, to the factories, to the public streets. BüSo Chairwoman Helga Zepp-LaRouche has visited the area, holding a round-table discussion with local citizen, and meeting with the youth. The political tempo is now heating up, as the BüSo recruits candidates for the April 4 deadline.

We reprint here Zepp-LaRouche's first Open Letter to the Voters of North Rhine-Westphalia, which was issued in early February.

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## Open Letter to Voters

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# Germany Needs 10 Million New Productive Jobs!

by Helga Zepp-LaRouche

*Mrs. Zepp-LaRouche is chairman of the Civil Rights Movement Solidarity (Bürgerrechtsbewegung Solidarität, or BüSo). This statement has been translated from German. Its full title is "In North Rhine-Westphalia: Good-Bye, Austerity! Chickens Back Into the Pot! Germany Needs 10 Million New Productive Jobs!"*

Dear Voters:

By now, everybody in Germany knows that things simply can't keep going the way they're going right now: *Officially*, we have 5 million unemployed, but already last Fall, the Econometric Institute in Halle was talking about 8.6 million unemployed, if you include all the categories of hidden unemployment, such as early retirees, those undergoing "job re-training," those who have simply given up looking for work, and so forth. And that was *before* the major layoffs at Karstadt, Opel, Walter Bau, and many more!

And then we have Economics Minister Clement, announcing that it would be a mistake to fall into a kind of paralyzed state of shock. Well, then, Herr Clement, what did you expect? Your Hartz IV policy was guaranteed to plunge millions of long-term unemployed into poverty. And now, Hans-Werner UnSinn<sup>1</sup> from the Munich IFO Institute is demanding a "Hartz V," whereby recipients of unemployment benefits are to be lent out by community slave-labor centers to private industry, at a ridiculously miniscule pay. Hartz IV, Hartz V, Hartz VI—if it goes on like this, our economy will soon be in *rigor mortis*, and it will simply cease to exist, all because of this utterly incompetent austerity policy.

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1. A pun on the the name Sinn (= sense), turning it into Unsinn (= nonsense).

The Schröder government—albeit under pressure from international financial markets—is conducting the greatest assault against our population's living standards since the 1930s. And the Red-Green Coalition<sup>2</sup> believes that the only reason why they will not get whipped in the next elections, is because the opposition is pushing an even more brutal austerity policy on behalf of the banks—even for North Rhine-Westphalia.

But it can't go on like this forever! What formerly was considered unthinkable, is now coming to pass, blow by blow. Those who wanted to hold onto their jobs, have been forced to work at wages reduced by 30% (!), on top of a 42-hour work week—and even then, the prospect of further layoffs is "not to be excluded." Rapacious managers are sweeping away all existing wage agreements; obstreperous factory council members are being voted out as a result of threats from the management, after which they are fired. And so, the trade unions are now finally having to pay the piper for having obediently "kept the lid on things" for so many decades. "The Moor has done his work; the Moor can go."

Enough is enough! I say. People don't deserve to be treated this way. Sixty years ago, when we set out to rebuild Germany out of the rubble, it was the workers of the Rhine and Ruhr who played a key role in turning the Ruhr into the world's most productive economic region, and into the main engine of the German economy. Through their labor, they helped establish prosperity in Germany, and they grounded their pride and personal identity in the quality of the products which they were directly or indirectly involved in manufacturing. And they were pulling on the same cart alongside the productive *Mittelstand* entrepreneurs: Together they succeeded in transforming the phrase "Made in Germany" from a worldwide butt of jokes, into a mark of unparalleled quality. And the name of that cart they were pulling was: the General Welfare of all.

But then, some people who thought that speculation was more profitable than production, succeeded in putting Germany through a "structural transformation." First to be shut down were the mines—and today's coking-coal crisis shows how smart a move *that* was. Next to go were the nuclear power plants. Dortmund, for example, was transformed from an industrial city into a casino hub; the doors of many, many productive enterprises were closed forever; and the only investment to be had, was in the services sector.

After it had already become evident that this structural transformation away from industrial society into a post-industrial service, media, and information society, was an utter failure, the next hammer came crashing down: the Maastricht Treaty's Stability Pact, which had a devastating effect on municipalities' investment into the public sector. And now, when everything is bursting apart, they want to take the simple

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2. Germany's Federal governing coalition of the Social Democratic Party and the Green party.



*The Civil Rights Movement Solidarity (BüSo) campaigns at a factory in North Rhine-Westphalia, against the government's Hartz IV program, and for expansion of industry and jobs.*

people, the people who have worked hard all their lives and have built Germany with their own hands, and relieve their pockets of their last groschen—pardon me! I mean their last euro.

### **There Is an Alternative**

There's another way. Germany's states and municipalities are constitutionally obligated to ensure that certain requirements for the General Welfare are met. Over the past years, Germany has built up a huge "backlog" of unimplemented investment into infrastructure, on the order of approximately 1 trillion euros. According to a report issued by Dekra Akademie GmbH in October 2004, on the condition of Germany's bridges, there are 20,000 highway bridges in need of extensive repairs, and 14,000 of them are so ramshackle that they are dangerous to drive on, and really ought to be blocked off completely. And so, if municipalities, such as in the Ruhr region, invested in the revitalization of their infrastructure, that alone could create at least half a million new jobs, and could become an economic stimulus for the public and private sector.

Ask any of the frustrated drivers who have to sit through North Rhine-Westphalia's terrible traffic jams every day, whether they would agree that something must be done urgently to relieve traffic congestion on the main arteries. It's precisely here in the densely populated Rhine-Ruhr, where Prof. Dietrich Stein of Bochum University has proposed that we build the CargoCap Project, which envisions setting up an underground network of pipes for the fully-automated transport of materials, with the aid of freight-forwarding drones.

Each of these drones would have the same capacity as two full Euro-Pallettes. This system could remove most heavy trucks from our highways. At the same time, our infrastructure would be made viable once again, so that it could support a growing flow of exports into Germany's natural export markets in Asia. And the CargoCap project is merely one of many examples of how our economy could be revived.

### **Development Perspective: Eurasian Land-Bridge**

For many years now, the BüSo has been proposing that Europe's industrial centers—which, of course, includes the Ruhr region—be connected up with Asia's populous nations via the Eurasian Land-Bridge. Now that the Berlin Wall has been taken down, nothing remains to prevent us from integrating all of Eurasia infrastructurally and economically, thereby completing the task that was begun in the 19th Century with the building of the Transsiberian Railway. If we conclude long-term—i.e., 25-50-year—production and trade agreements with such nations as Russia, China, and India, then we in Germany will have no trouble getting back to full, productive employment.

Concretely, that means investment sufficient to create *10 million new productive jobs* in Germany, with about 2 million of these in North Rhine-Westphalia.

It is likewise necessary that we abandon the obsolete stability pact, and instead reactivate our 1967 Stability Law, which was originally passed because the unemployment level at the time, 400,000, was considered to be intolerable, and so the state was empowered with not only the possibility, but also

the legal obligation, to overcome the crisis by the issuance of government credit.

And that's exactly what we need today: We need a "New Deal," similar to the one put into effect by U.S. President Franklin D. Roosevelt. Concretely, we need an annual average of 200 billion euros additional government credit earmarked for investment into the creation of productive jobs.

The assumption that "we have to cut back," is flat-out false. When you're in an economic depression—and that's what we're in right now—making cutbacks is an extremely expensive proposition. Every year, the government is already spending almost 90 billion euros for unemployment benefits, and the economy is losing an additional 230 billion euros of value which the unemployed would have produced had they been employed. Government-issued credit for future production would remedy this problem, and it wouldn't be inflationary, because genuine capital value would be created in the process. High unemployment, on the other hand, is inflationary, because the money spent produces no corresponding value. And so: Good-bye, austerity, and in with production!

At a recent international seminar in Berlin with representatives of about 30 countries, my husband, the American economist Lyndon LaRouche, proposed a new strategic policy: The hopelessly bankrupt "free" market system must be replaced by a system of such long-term international trade agreements. In parallel, agreements on the order of 25-50 years must also be made for development of, and access to, strategic raw materials for all the world's nations. Because, on the one hand, only in this way can we prevent future warfare, and possibly even a global war, over the control of raw materials. And on the other hand, this is our only way to ensure that countries with little or no domestic raw materials, such as Germany, can have long-term economic security.

This visionary proposal for how we can shape the 21st Century as a century of peace, has been welcomed by many governments and political forces around the world.

## Resistance Against Bush

Everyone in Germany also knows, that our future depends quite directly on whether there will be a positive political change in the United States itself. Under Lyndon LaRouche's leadership, the Democratic Party has now taken up the cudgels against the Bush Administration. Not only have they questioned the legitimacy of the election results in the state of Ohio, and have forced Congressional hearings to be held on this, but now they are also determined to kill Bush's proposed "privatization" of the Social Security system.

Because the real issue with this "privatization," is a scheme to divert employees' \$275.5 billion in contributions to the Social Security fund, into private investment funds, in an effort to salvage the bankrupt U.S. dollar. It's well known that in order to keep afloat, Wall Street currently requires a financial influx of \$2.5 billion *per day*. But this influx is

dwindling, and they are looking toward the huge flow of regular Social Security payments into their private investment funds—a real bonanza, estimated in the range of \$3.5 trillion over the coming ten years.

Bush's model for his plan, is identical to what the Chilean dictator Pinochet implemented with similar methods. But now the U.S. Democratic Party is fighting back, and during Bush's recent State of the Union address, they booed him—something quite extraordinary for this kind of event.

Indeed, a revolution is currently under way in the United States against Bush's policies, and if the Democrats succeed in killing Bush's privatization plan, and in getting back to policies oriented to the General Welfare in the Franklin D. Roosevelt tradition—and that can happen very soon—then economic prospects for Europe will also undergo a change. Because then, we in Europe will be able to return to our customary social-welfare government policies, while the monstrous ideas of Hartz I through IV can be relegated to the trash-bin of history.

## A New Deal With the BüSo!

Perhaps even before elections take place in North Rhine-Westphalia on May 22, the international financial system will be rocked by huge storms. Because today's so-called "free"-market global financial system is just as bankrupt as the German Democratic Republic system was toward the end of October 1989. During this interval, the Maastricht Treaty's stability pact must be abandoned, and Europe's governments must make available lines of long-term credit at low interest rates, for the creation of productive jobs. In Germany, we need 10 million new productive jobs—approximately nine million for those who are currently unemployed, and about 1 million for all those who are "employed" in ridiculous "mini-jobs."

As I said: Everyone in Germany already knows that things can't go on the way they are now. We need a real change in policy, and that can only—and must—happen at the election box.

I'm counting on you, dear North Rhine-Westphalia voters, not to lapse into passivity in the face of these terrible attacks on our standard of living and our social security, but instead to help us, the BüSo, to make the elections in North Rhine-Westphalia into a turning-point in German political history. The Ruhr must once again become the motor for the entire German economy. And the BüSo has the program for doing it.

If, over the coming three-and-a-half months, as many of you as possible were to become engaged in an active dialogue with us on the future of the Ruhr region and of Germany in the 21st Century, then this would make me very happy. Write to me, and also actively support our campaign to save Germany. Germany must once again become the land of poets, thinkers, and inventors—that's our identity—and then we'll get the job done!