

EDITORIAL

URGENT APPEAL

To: Presidents Trump, Xi, Putin, and Prime Minister Modi, and leaders of other countries For: The emergency implementation of the Four Laws of Lyndon LaRouche

by Helga Zepp-LaRouche

Zepp-LaRouche, President of the Schiller Institute, issued this appeal on February 27, calling for it to be translated into all of the world's languages, and asking for signatures of support. Readers may [add their signatures](#) to this appeal.

As the spread of the coronavirus is threatening to become a pandemic, the impact on physical economic production is already challenging both the supply chains of the industrial production system—in which the sovereignty of national economies has been replaced by international cartels, creating extreme dependencies on those supply chains—and the very existence of small- and medium-sized industries. There are clear warnings that such disruptions may cause another “Lehman Brothers moment” in the global financial system.

The coronavirus crisis could soon become the trigger for the systemic collapse of this system, which is already hopelessly bankrupt with \$2 quadrillion in total financial aggregates. The massive issuance of so-called repo credits by the U.S. Federal Reserve since September 17 of last year, the continued policy of quantitative easing, and the zero and even negative interest rates by the ECB, the Bank of England, the Bank of Japan, and other banks, makes this clear. Within this system, the only choices left are an uncontrollable chain-reaction

collapse that could be triggered by any one of many causes, such as the debt crises of emerging market countries, or the collapse of the U.S. corporate bond bubble, or of any major U.S. or European bank, or by a hyperinflationary blowout. What happened in Germany in 1923 could be repeated in all countries that are part of this monetary system. The consequences of such a collapse would be chaos, the loss of millions of lives, and possibly war.

There is a solution for this existential crisis. The leading countries of the world, starting with the U.S., China, Russia, and India, supported by others, must implement the following steps required for the reorganization of the present financial system:

1. There must be an immediate implementation of a global system of bank separation, modelled exactly on Roosevelt's Glass-Steagall law of June 16, 1933. Under this system, the commercial banks must be put under state protection, and must be completely separated from the speculative investment banks by a fire-wall. Those speculative banks can no longer be allowed access to either the assets of the commercial banks, or the privilege of bailouts through taxpayer money. Toxic paper of these banks, including outstanding derivatives contracts, have to be written off. Legitimate claims, which have to do with the real econ-

omy or the pensions and other assets of working people, are to be marked as valid in the new system. Some categories of demand for payments have to be frozen for the time being, to be evaluated in terms of their validity by state institutions.

2. There must be the creation of a national bank in every country, in the tradition of Alexander Hamilton's Bank of the United States or the Kreditanstalt für Wiederaufbau in Germany after World War II, so that state credit for productive investments can supply the physical economy with the necessary funds. The issuance of these credits must be guided by the principles of high and rising energy-flux density and the optimal increase of the productivity of productive capacities and the powers of labor through an emphasis on scientific and technological progress.

3. Among the participating countries, a system of fixed parities must be established, and cooperation treaties must be established among these sovereign states for the purpose of well-defined infrastructure and development projects. These treaties together will represent in fact a New Bretton Woods System as it was intended by Roosevelt, with the explicit intention of providing credit for the industrial development of the developing sector.

4. An urgent increase in the productivity of the world economy—to accommodate a world population of presently almost 8 billion people—must be facilitated through an international crash program for the realization of thermonuclear fusion power and other advanced technologies, such as in optical biophysics and the life sciences, in order to find solutions to challenges such as the coronavirus. This facilitation of a productivity increase will also require international cooperation in space technology and travel, which can establish the necessary next higher economic platform for the world economy, as this has been developed by the economist Lyndon LaRouche.

We, the signers, are making this urgent appeal to the governments mentioned, to act in this moment of an extraordinary challenge to the safety and existence of all of mankind—to correct the mistakes of the present system, which led to this present crisis—and to return to the principles of the common good, of the sovereignty of nation states, and food and energy security, while we adopt a vision for the common aims of mankind and a community of the shared future of humanity.

There is no better time to implement these urgent changes than now, in the year of Beethoven, whose monumental work is a beautiful metaphor for a new paradigm for a better future of the human species.