

Helga Zepp-LaRouche Replies To Viewers of Her Berlin Webcast

July 31—Helga Zepp-LaRouche, Chancellor candidate of the Civil Rights Solidarity Movement (BüSo) for the German national elections on Sept. 27, held her first-ever live webcast in Berlin on July 21, under the theme “The World After Sept. 27.” (See last week’s *EIR*; the video is available in German at www.bueso.de.)

The BüSo will have two more webcasts before the elections, one in August and another in September.

In her presentation, Zepp-LaRouche discussed crucial aspects of the ongoing global financial collapse, and the role of Lyndon LaRouche as the only one who forecast what all the other “experts” did not want to see, over many years, and even after the crisis became all-too-evident after July 2007. She spoke on the collapse of the real economy, of the core of German industry like the machine-building sector, the assault by the Obama team on U.S. health care, and Europe’s cultural-moral degeneration, including the erosion of national sovereignty under the banner of “EU supranationalism.” She exposed the incompetence of the establishment politicians, and elaborated why it is crucial that she run as a candidate for Chancellor of Germany.

The almost two hours of discussion following her presentation ranged from the proposals by LaRouche for a fixed-parity global currency and credit system, LaRouche’s method, how to defend the sovereignty of European nations against the Lisbon Treaty, what is required to have a new cultural renaissance, to create new geniuses like Cusa, Kepler, Schiller, and for new scientific and technological breakthroughs. There were questions about nuclear power, space technology, and about how to generate real development by great projects.

We publish here a selection of the questions (paraphrased), and her replies (somewhat abridged), translated from German.

Toward a New Bretton Woods

Q: *The first question was from a person in Turkey who has followed LaRouche’s ideas for some time. In*

fact, he had several questions: In LaRouche’s concept, would the new fixed-exchange-rate system be based on the gold standard? Would a protectionist system apply to exports? Would reindustrialization of the States that thought they could leave industrial society behind, entail replacing or cutting imports? What about the stock exchanges, that are dominated by speculation and gambling? What will happen there?

Another question concerned Islamic banking: the principle of extending credit to believers, without interest.

Zepp-LaRouche: The introduction of the gold standard would not take the same form as it had in the 19th-Century British Empire, but rather as a gold reserve standard, such as Franklin Roosevelt introduced. It makes a lot of sense to have a gold-reserve system, which could be used above all for balance-sheet compensation among different states.

As for protectionism, although it’s considered today a taboo word, and belongs to the sacred—or rather, unsacred—cows of the free market, the answer is clearly, “yes.” Who benefits from free trade? Why should countries produce food that they don’t consume, but rather transport over long distances throughout the world? It would be much more sensible for each country to have food security, energy security, to develop a solid domestic market in which the citizens’ purchasing power is maximized. Then, the surplus could be traded among sovereign states. And of course, international projects, such as building the Eurasian Land-Bridge, could be jointly carried out.

But in the current system, the food sector is controlled by only five multinational corporations, and the huge trading companies make the profits, while the producers, especially in the Third World, are paid a pittance. That makes no sense! It’s only advantageous for those who control the financial markets, certainly not for the population. That’s why I would urge you to read



EIRNS/James Rea

Helga Zepp-LaRouche delivers a webcast from Berlin on July 21, announcing her campaign for Chancellor. She is the candidate of the Civil Rights Solidarity Movement (BüSo).

the paper *Gegen den Strom*.¹ I would even propose that every entrepreneur study it. It was written by the head of the German Industry Association, who advised Bismarck to carry out the famous Bismarck Reforms. What he wrote at the time, remains just as true today.

Coming to the stock markets, a very good model would be what Roosevelt did. Perhaps it can be further improved, but it was a completely regulated market. In fact, all high-risk speculation should be excluded.

As for the Islamic banking system, I would say, study the economic writings of Lyndon LaRouche.... He has just written a trilogy, one paper is called "Economic Science" and was just published in our newspaper. It was followed by a second paper on the signifi-

1. Wilhelm von Kardorff, *Gegen den Strom: Eine Kritik der Handelspolitik des deutschen Reichs an der Hand der Carey'schen Forschungen* (Against the Current: A Critique of the Trade Policy of the German Reich from the Standpoint of Carey's Researches) (Berlin: Julius Springer, 1875).

cance of natural law for economic science. And he is now writing a third, which goes into the true principles of economy, very intensively. We plan to publish them as a book.

I say this because Mr. LaRouche wrote another book years ago on the *Science of Christian Economy*, and this book, which is available, of course, in English, circulated very much among Muslim economists, and people in the Arab world. They told us at the time: Actually, it could also be called "Islamic Economics" because the very same principles hold. So I think one should take a good combination of both. One should take the economic, scientific depth of LaRouche's writings, and the absolute moral principle that is found in Islamic economics; they should be considered complementary.

A New Pecora Commission

Q: A member of the Provincial Council of Massa Carrara in Italy, which council passed a resolution calling for creation of a Pecora-style Commission to investigate those who are responsible for the current financial crisis, asked whether a similar debate is going on in other countries in Europe, and what the prospects are for success.

Zepp-LaRouche: I think such a Pecora Commission is urgently needed. Ferdinand Pecora was a New York prosecutor, who began investigating the causes of the crash of 1929, even before Franklin Roosevelt came to power, who then encouraged him to go further. Pecora ascertained that not only economic incompetence was to blame, but there was also insider trading and criminal thievery, just as we have today. Just take the example of the Madoff scandal: the former head of the NASDAQ, i.e. the New York technology exchange—this was not just anybody, but the head of the stock exchange!—ripped his clients off for \$50 billion. That just shows how widespread the fraud is.

And Pecora found that that was also a factor in the 1929 crash. He had subpoena powers, and everyone he subpoenaed had to testify under oath before the Senate Commission [for which he was the investigator]. He wrote a very good book on the subject, which I recommend, *Wall Street under Oath*, in which he describes how he "grilled" the head of J.P. Morgan. For example:

“When was the last time you paid income taxes?” “Euh, aah, I don’t know.” He describes it in detail. His investigation laid the basis for a whole series of laws adopted by FDR, to stop the speculators.

That would also be needed today. In fact, it’s even more urgent today, thanks to globalization, which makes the whole fraud worldwide. Unless a real investigation takes place—not just a few little rules, or closing a few tax havens, while leaving others open—the problem will remain unsolved.

I don’t think those in power want that to happen—Obama certainly does not, and Nancy Pelosi just managed to block a bill for a Pecora Commission in the U.S. That, however, can erupt again, because now the grassroots, the victims of this policy, are demanding a Pecora Commission. And efforts are being made in the Senate. I think that those who are hit by these schemes need to be represented, their interests have to be defended.

And a Pecora Commission would be especially important for identifying, in a rational way, what must be changed. It would address what I consider to be a huge problem—that the population has long since lost confidence in the elite. They don’t trust the political elite, the managers who fill their own pockets and lay off tens of thousands of people, or the cultural elite, who are in a sorry state.

The danger is that, as the breakdown worsens, we will have Jacobin unrest. There has already been social unrest in Greece, in Latvia, in France.

And that’s no solution. Once Jacobinism breaks out, as a form of popular discontent, it leads to ungovernability very quickly, and to chaos. A very real danger that I see coming, is that we will sink into chaos, which the government no longer has the power to control.

We saw it in Albania in 1997, when the pyramid companies collapsed, and suddenly, the banks shut their doors, there was no more money, people began attacking grocery stores and gun shops. Had the Italian Carabinieri not come in to more or less restore order from the outside, the country would probably still be in chaos today.



Library of Congress

A hearing of the Pecora Commission before the Senate Committee on Banking and Currency, Jan. 11, 1934. The Commission subpoenaed the top Wall Street moneybags to testify under oath about their role in the 1929 crash. Seated, left to right: Sen. James Couzens, Sen. Duncan Fletcher, investigator Ferdinand Pecora.

That is the danger. So I think whoever has a sense of responsibility should not oppose such an investigatory commission. This is the orderly way to set things right. If the population has the feeling there is no authority they can turn to, that is really bad! Already today, we have about 40% non-voters here. That means that 40% of the citizens say it is useless to vote for any one of these parties. That is highly dangerous for democracy.

Therefore, I think that a Pecora Commission, which brings together all kinds of people—mayors, municipal counsellors, jurists, anybody who feels called upon and is concerned with the general welfare—they should take up the Massa Carrara initiative, and decide to come together as a body to investigate.

The EU’s Lisbon Treaty

Q: A viewer from Sweden asked whether it is useful to continue demonstrating against the Lisbon Treaty, and whether Helga Zepp-LaRouche thought Sweden should join the euro system. A young activist in the audience then pointed out that young people always hear that the EU is indispensable for guaranteeing peace, prosperity, and democracy in Europe.

Zepp-LaRouche: The argument of the EU bureaucracy, claiming that peace can only be maintained through the EU Treaty and European integration, sounds good, but it is a misrepresentation. It assumes that World



European Union

Two fundamentally opposed conceptions of Europe: The late President Charles de Gaulle (left) championed the idea of a “Europe of the Fatherlands”—meaning an alliance of sovereign nation-states. Britain’s Tony Blair wants to replace the Westphalian principle of the nation-state with one of Empire. And guess who is being mooted as the first “President” of a new imperial European Union, if the Lisbon Treaty is rammed through?

War I and World War II were caused by nation-states, when in fact, they were waged by empires, and the EU itself is well on the way to becoming an empire now. [EU chief of economic and military affairs Robert] Cooper himself, and I think also [EU representative for foreign policy Javier] Solana, admitted that the EU is an “empire,” and the most extensive one so far.

Things become very critical when you consider that just now in Great Britain, the government proposed to make Tony Blair the first-ever EU President, for 2.5 years. Tony Blair! This is outrageous! This is the man who gave a speech in Chicago in 1999, where he said that the system of the Westphalia Treaty is over, that it was time to move into the post-Westphalia era. But the Westphalia Peace was the beginning of international law; it was based on the principle that the interests of others should define the basis for one country’s own actions. It put an end to 150 years of religious warfare in Europe, and basically introduced international law. The UN Charter is also based on it.

When people today say that the interest of others and national sovereignty are no longer the main principles, this is simply a contorted way of saying we should go with international intervention troops, who can be deployed all over the world under the pretext of human rights, natural disasters, or other grounds. That means militarization.

Add to that, that Mr. Blair is really the last person who should become EU President, since, as is well known, he is the author of the Iraq War! He is the person who put out the disinformation from MI6 about the alleged weapons of mass destruction on Iraqi soil, which could reach major cities in the world within 45 minutes. That turned out to be a lie, but as far as I know, Mr. Blair never denied spreading the fabrication.

Moreover, he is now under investigation for scandals involving British Aerospace, BAE, different Saudi contracts, and 9/11; it’s being investigated in America, with the help of official documents. I would urge you to read about this on our website. These are all good reasons why Mr. Blair should be going into retirement, rather than floating such ludicrous ideas.

As for Sweden introducing the euro, I can only recommend not to do so, because the Eurozone is now falling apart. Countries like Greece, Portugal, Ireland are so heavily indebted that they have to pay much higher interest for credit. The question remains open as to how long they can afford to remain in the EU. The other question is, how long will the German taxpayers agree to bail out speculative banks in Spain and elsewhere? When they realize what’s happening, they will quickly demand a change.

Otherwise, the idea that someone is hostile to Europe, just because he or she is against the Lisbon Treaty, is completely wrong. It is perfectly possible to be open to Europe, and to defend a Europe of sovereign republics, a Europe of the Fatherlands, as de Gaulle called it, in which sovereign nations work together towards a common mission, towards the common aims of humanity. For example, why couldn’t Europe help to develop Africa? And I mean real development, not with the conditions attached, such as “human rights,” which

are just used as pretexts for interventions into the internal affairs of countries. Europe could be strong as an alliance of sovereign nation-states that cooperate, without a supranational bureaucracy, and without a European Parliament that devours taxpayers' money, but otherwise serves no real function.

Basically, we could simply create a committee for representatives from the sovereign countries that are working together; there is no need for a supranational bureaucracy stuck on top. It's simply unnecessary.

I think that Europe will only survive if we give ourselves a common mission in the world. I have an image in my mind: If we don't manage to change ourselves, as a nation, as a people, and our values, which are catastrophic right now—if the German people take a good look at themselves in the mirror, they ought to be ashamed. If we don't change very quickly, my vision of the future is—if you know the pictures of the Khmer Empire, that went down in A.D. 1000 or so, and the ruins are now covered with creepers, vines, and undergrowth—that, in a few decades, the Brandenburg Gate might also look that way. Ivy and trees will be growing there, because the German people perished.

That is not what I wish. I hope we will take a different direction, but we should not be so arrogant as to think that, if we plunge into a Dark Age now, Europe cannot perish. It can.

Therefore, I think we have to completely change our policy; we have to hark back to our best tradition as a people of poets and thinkers, such as Cusa, Kepler, Leibniz, Lessing, Mendelssohn, Bach, Beethoven, Riemann, Gauss, Einstein! We have such a rich tradition! But it's not present in people's heads. That is what we must change; we have to bring great ideas back to life in our minds, and then we will have all the resources we need.

Defend the General Welfare

Q: *A medical doctor from Bavaria pointed out, in his question, that the German health system, "the best in the world," is being bankrupted, "on the altar of free-trade," and sold to huge clinic corporations (BMG, the Bertelsmann Foundation, Rhön Clinic), with the collaboration of the publicly authorized health-care companies. "How would you tame the infinite power of the lobbyists, in order to protect medical care for the citizens?" he asked.*

Zepp-LaRouche: I think the battle in the U.S. will be decisive. If we don't manage to stop the so-called health-care reform in America, I fear the dam here will

also burst in short order. But, if it is possible to change that policy by mobilizing the masses of the population, and bring America back to her positive tradition—that is, the American Revolution, the Constitution, the Declaration of Independence, the tradition of John Quincy Adams in foreign policy, based on sovereign republics, of Lincoln, of Roosevelt, the tradition that Lyndon LaRouche and his associates represent—then I think it would be relatively easy for Germany to follow the same path.

But for such a turn of events, we must be prepared. We have to mobilize the population, so that people know what is going on. The main problem that I see right now is that many different categories of society see that their livelihoods are disappearing—independent physicians, hospital physicians, health-care workers, dairy farmers, Opel workers—the list is almost endless, of those who realize that the system is collapsing. There are regular strikes and demonstrations. At a recent demonstration of dairy farmers in front of the Chancellor's office, they argued that there will be no dairy farmers left, if the EU policy continues in effect.

The problem in all these endeavors, is that each is reduced to a single issue, and that cannot really work. Time and again, we've seen how people get mobilized, invest serious efforts, but then, at some point, it peters out, because they are given some compensation, or they have to worry about their personal existence; solidarity breaks down, and eventually, the mobilization is called off, people get demoralized, and the fight is lost.

But, in the current situation, I think that "small themes" are a thing of the past. Just how important I consider the health-care system to be, was clear, I hope, in my speech. But the health-care theme cannot be separated from the overall economic and financial collapse.

That's why I am issuing an urgent appeal to all those who are active on these issues: I ask them to look beyond their noses to see the whole picture. When the dairy farmers, for example, say we need food security worldwide, we need to increase food production to make up for the lack of food in the world, because over 1 billion people go hungry every day, with 50,000 more added every day, according to the FAO [UN Food and Agriculture Organization]. In other words, the system is breaking apart.

Here in Germany, every interest group should think hard about creating a debate on the way out of the crisis. And the reason I am so committed, is that I see that the parties represented in the Bundestag have no solution.



EIRNS/James Rea

German dairy farmers protest in Berlin on April 28, 2009. Their livelihoods are vanishing as a result of globalization and budget cuts.

No party now in the national Parliament addresses how to get out of this crisis. They all voted for the bailout of the banks—CDU, CSU, FDP, SPD, the Left, the Greenies. That shows they have no ideas. . . .

I, personally, called for a New Bretton Woods system in 1997, at the latest. At that time, I called on President Clinton to convoke an emergency Bretton Woods conference, and that call was signed by thousands of prominent people—parliamentarians, military officers, trade union leaders, etc. I repeated that appeal in 2005 and 2006. In other words, more and more people worldwide are convinced that what we proposed is the right way to go.

Fortunately, LaRouche's ideas are well known in Russia, China, and India. If you write LaRouche's name correctly in Russian, you will find well over 1,000 websites that comment on, or reproduce articles by LaRouche. In Chinese, if you use the right search for LaRouche, you come to hundreds of websites that present and discuss his ideas. In India, as well, my husband is a legendary figure, because of our work with Indira Gandhi. We worked with her in the 1970s on a 40-year development program for India. In India, LaRouche is considered to be the only really trustworthy American.

In other words, when LaRouche says today, that these four nations [the U.S., Russia, China, and India]

have to come together, it's not a gut reaction; it reflects 30 years of work that we have put into this, with conferences, seminars, etc. There are more scientists in Russia that have intensely studied LaRouche than in any other country. And that is because the intellectual tradition in Russia is simply much better there than in the West. That was already the case with the Soviet Union, and it has not yet completely disappeared.

I really think, that in the present crisis, one must have a real solution, or just shut up. People who are touting "free downloads from the internet," but have no answer to what I have addressed on the systemic collapse, are confusing the population. Sure, they are appealing to preferences, to fads, because many people spend their

lives on the Internet and they respond to that. But it doesn't solve the problem.

That's why we propose to build a real citizens' movement, with citizens who are thinking about global problems. That is, of course, much more difficult. The oligarchy has a much easier task, in seeking to dumb down the population. It is easier to banalize people through endless soap operas—many people live more intensely in their soap opera "family" than in their own, or feel more at home in videogames than in their real family.

It's much more difficult to get people to think for themselves, but that is the only way out of the crisis. We need more people who think for themselves, who go to their bookshelves from time to time, or to the Gutenberg Project on the Internet,² to read Classical works. We have absolutely incredible treasures! Kepler, Cusa—you find there all that we need today.

I think the only chance we have today is to make the BüSo stronger and stronger in this country, with individuals who think, and who consider themselves responsible for economic policy, health care, education, and foreign policy. That's what we have to achieve, and then, Germany will be in good shape.

2. http://www.gutenberg.org/wiki/Main_Page