

Paris Summit Failure: We've Reached the Point of Decision

Helga Zepp-LaRouche was interviewed on Aug. 17, 2011, by Hector Rivas of LPAC-TV, following the failed Aug. 16 “summit” meeting between German Chancellor Angela Merkel and French President Nicolas Sarkozy, on the European financial-economic crisis in Paris. The questions are summarized.

Q: How would you evaluate the outcome of the Paris meeting?

Zepp-LaRouche: It is quite remarkable that at this meeting between Mrs. Merkel and Sarkozy, which was heralded to be the one thing which would calm the markets down, and hopefully would bring in the Eurobond, they announced the establishment of the European economic government. Now, that is quite outrageous all by itself, because, you know, this is not democracy any more!

This is not the Constitution any more, it's not the Fundamental Law of Germany, it's not even the Lisbon Treaty, because obviously, as the Karlsruhe court, the Constitutional Court in Germany, had ruled on the famous Lisbon Treaty in 2009, to go to a European government, which this de facto would go very far in the direction to accomplish that, would require a change of the German Constitution! It would require, according to Article 146 of the *Grundgesetz*, the Fundamental Law, a public referendum: Do the German people agree to abandon the Constitution and go for a European government? And that obviously has not been done.

And who are these two people, Merkel and Sarkozy? They do not even represent all of the other European governments. So for them to announce that they're trying to establish a European government, as if it would be a *fait accompli*, a construction which is supposed to then meet two times a year, or more often if need be, to discuss the European budgets, the budgets of the European states, and give Herman van Rompuy, the so-called “President” of Europe, more power to then dictate the national budgets—this is *totally* unconstitutional! This is completely undemocratic. . . .

Peaceful Change or a Jacobin Explosion

Q: How do you see yourself, as perhaps the only sane leader in Germany, intervening in this situation?

Zepp-LaRouche: Well, I hope I'm not the only sane figure in Germany! Then I would give up hope. As a matter of fact, I have a fundamental trust that even if the political “elite,” so-called—which are not elite, they're pretty mediocre, these days; they're pretty crazy and terrible—but if I would not have a fundamental belief that there is something in the German population which can be reawakened, then I would have given up fighting a long time ago.

But I fundamentally believe, in the same way as my husband is talking about the United States, that there is this long tradition of the American Revolution, of Lincoln, of Franklin D. Roosevelt, which can be reawakened. In the same way, I believe there is the Classical



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The political “elites” of Europe have miserably failed to solve the crisis, Zepp-LaRouche charged. Yet we in the LaRouche movement have put the solution on the table: a Glass-Steagall credit system to relaunch economic growth, and a commitment to the common aims of mankind.

tradition of Germany—of Schiller, of Beethoven, and all the other great artists and scientists of this period—which can be brought forward: I fundamentally believe that.

You have a complete alienation of the governments and leading institutions in Europe from the population. I don't think that that's just a phenomenon in Europe, but it's also in Europe. Look at the Indignados, look at the people who sympathize with the Indignados in Greece. This morning, I heard a report about the tent movement in Israel; one of the organizers was interviewed, and these are people who have built many tents in the main cities, and they're demonstrating peacefully against the fact that there is no housing which is affordable. And he said, well, they implemented neo-liberal policies here, which has left the majority of the population completely out of it, and they never asked us, do we want that?

And I think that is exactly what is happening, what happened with the euro, what happened with Maastricht, and all the other EU treaties—there was not one referendum! And when there was a referendum, like in France and in Holland, it was rejected by an overwhelming majority of the population. Before they implemented the Lisbon Treaty, Sarkozy briefed a group

of parliamentarians in the European Parliament, and said: “Look, we should absolutely avoid any public referendum, because every time we do it, it's being lost.” So they try to implement all of this from above, always, with the argument that this is an emergency, the markets will go crazy if we don't do this.

And if you really look at it, it is exactly the argument of Carl Schmitt: Schmitt was the lawyer of the Nazis who wrote the Enabling Laws, and he is famous for having made the point, that the only power of the politician arises from emergency. Because in an emergency, you can implement things which you would normally never get through with parliamentary or democratic means.

So if you look at every step in this euro process, and the bailout policy, they always say, “Oh, we have an emergency, the markets will go crazy; we have to make a decision. In two minutes, the Asian markets open, so we have to go for this.” And there is a method behind it!

Servants of the Empire

And the big failure of the political class of Europe, is that they have, *since four years ago*, when the crisis had erupted with the secondary mortgage market in the United States—four years and one month—we've had this crisis, and they have completely failed to reregulate the markets, which would have been the only sane policy! And instead, they have transformed private debt of gamblers and speculators into state debt, which now the taxpayer is supposed to take on as a burden.

Now, this is completely crazy. What they're now proposing is a vicious austerity policy for every country, which just means these economies will shrink even more, because if you impose austerity on the state budget, then you shrink the economy.

There are two ways that you can eliminate a deficit in the budget: You can either impose austerity and make it worse, or you can go for a massive policy of economic growth and investment in high technology and an increase of productivity, and that way you generate additional tax revenue, and you can pay whatever you have to pay.

So the road they're going on right now is completely

insane; and either these people are bungling, stumbling, fumbling idiots, or they are evil-intentioned. And I haven't made up my mind yet, in each case, but there is no third option, because you cannot be so incompetent as this entire crop of politicians, which is completely capitulating to a supranational bureaucracy of the EU. And if I look at these people—Barroso, van Rompuy, Olli Rehn¹—these are technocrats, who are just the servants of an empire. And why should any national government capitulate to a policy which is so *clearly* against the national, fundamental interest of each country?

So you have a division, that the political class is completely oblivious, and the population is increasingly moving away. They've lost all trust in these political institutions, and either it will come to a peaceful change, or it will come to a terrible catastrophe, but this cannot last. And the danger is obviously what happened in Great Britain with the riots: There is a danger of a Jacobin explosion in all of Europe, there is no question about it. And naturally, the danger of provocations is always very big.

But this cannot go on. This will come to a point of decision very, very soon.

The Last Time a System Collapsed

Q: Do you think people will take advantage of the opportunity presented by the end of the trans-Atlantic financial system, which is hopelessly bankrupt?

Zepp-LaRouche: Well, you know, it's funny, but it's now the second time in my lifespan, that I have experienced the collapse of the system. And it gives you sort of an advantage when you have gone through that experience already once, because you can reflect on it, and you can think what went wrong the first time. And what I'm referring to is the collapse of communist system, between '89 and '91, and the fall of the Wall, which led then to the German reunification.

And I don't know if people remember—at least maybe some of the older people remember—that this was an *unbelievable* moment! The Wall had come down, the dictatorship of the D.D.R. [East Germany] all of a sudden disintegrated. There was no violence, there were no tanks used; the people jumped over the Wall; they fell into each other's arms and were crying with joy.

And there was a tremendous desire to have Classical

music: Beethoven was played all the time, the *Ode to Joy* of the Ninth Symphony. And people were absolutely elevated! And would have responded to great ideas.

And at that point, it would have been possible, given the fact that the communist system disintegrated—after two years, the entire Comecon, the Warsaw Pact countries had dissolved—there was a moment in history, where you could have established the true vision for the 21st Century. You could have established an East-West peace order, which would have radiated and transformed the entire world into a much more livable, human place.

And we had a plan. We had the plan of the Productive Triangle, first for Europe, East and West, and then, when the Soviet Union collapsed, we immediately expanded that into the Eurasian Land-Bridge, and we were planning to connect that to our development plan for Africa, for Latin America, for other parts of Asia. And, in a certain sense, it *was* possible! There was a moment in history when that change could have been made. And I made *many* speeches, in '89, but especially during the course of 1990, where I said: If you make the mistake now, and impose on a collapsing system of communism, the equally bankrupt system of a free-market economy, maybe you can loot the world for a couple of years, but then will come a collapse of the system, which will be much, much worse than the collapse of communism.

And that's exactly where we are right now. And now you have, *again*, the collapse of a system, except this time it's not just one superpower, or two, but it is the globalized system as a totality. And now, obviously, the question is: Have we learned from the mistakes which were made then: which was essentially, the so-called reform policy, the shock therapy, the imposition of privatization at all costs in the former D.D.R. and the former Comecon countries?

And history would have gone in such a different direction. But the people who went for this American Century doctrine around Bush Sr. and the British Empire faction which imposed the euro and the European Monetary Union in Europe—they decided to go for a world empire instead. And that empire is now collapsing.

So, I think it is very important to reflect on this history, because what was done to the Soviet Union and the Comecon countries after, respectively '89 and '91, namely brutal austerity, brutal privatization, led to the collapse! So this policy right now, is unworkable!

And I think it would be very good if a lot of people

1. José Manuel Durão Barroso, president of the European Commission; Herman van Rompuy, president of the European Council; Olli Rehn, European Commissioner for Economic and Financial Affairs.

would start to think about it, because we have now the chance to re-regulate the markets, to go in the opposite direction of what Wall Street and London and Frankfurt are dictating right now. And if we would revive Glass-Steagall in the United States, and then have a similar system for Europe, it would be so easy, to start to re-launch economic growth.

Obviously, it would also require a complete break with this insane environmentalist doctrine, which has crept in, especially in Germany: There will be a very bad awakening this Fall, when people will see that there will be brownouts and blackouts and whatnot. But you know, I think Germany needs some help from the outside to get rid of this Green mental disease which has befallen, unfortunately, a part of the population.

The Common Aims of Mankind

But it would be so *easy*, to simply say: Okay, now we see that the world is falling apart. Look at Eastern Africa: 20 million people or more are in a horrendous condition. What would it require, a couple billion dollars maybe, and the problem could at least be solved to the point where the immediate deaths would be stopped. And then you need a couple of other billions, maybe a two-digit number of billions, to start a serious agricultural program, in the context of our African development program, which we have worked on since the '70s!

Now, nobody in this world can tell me that it is not possible to stop the disease and the deaths in Africa. Anybody who says this is either a liar, a traitor, a moron, or just a criminal mind: The condition of Africa is really what is the moral mirror of the state of mind of this civilization. And if we can mobilize the population and just say: "Look, why do we not join together, and say: 'Let's stop having these fantasies of conquering the planet for the sake of the empire, which is really for the sake of a very few billionaires and millionaires and other parasites. And let's just really mobilize to make this planet human! Let's start with Africa, as a moral commitment to build infrastructure, build water systems, build agriculture, build roads, build railways, develop technology, new cities!'"

It would be so easy. And I think we need to arouse the population for the common aims of mankind, namely to eliminate poverty, to eliminate hunger, and then, take civilization to the next level of development, by bringing evolution into accord—*or* bringing the political and economic order into cohesion with the laws of the universe, and take evolution to the next step,

which obviously is the magnificent conquering of space and the development of space-travel.

I think we are at an absolute branching point: Is civilization fit, morally, to survive or not? And I'm really appealing to people, that they should not sit on the fence, but become part of a great movement to liberate mankind from the present chains of this usurious system.

We Have No Time To Lose!

Q: Do you wish to make any final remarks?

Zepp-LaRouche: I think that people should really understand that we are in the weeks, at most, where the decision is going to be made. Because the system is collapsing. Don't listen to the ups and downs of the markets, because they put money into the markets, and take it out; you know, they manipulate the statistics. They have computer systems rigging it.

But in reality, you have a process of deleveraging going on. I find it an irony of fate, that the famous shadow banking system, you know, the unregulated part of the financial sector—the hedge funds, the private equity funds, the vehicles of all kinds, which they have created to have this kind of completely unregulated banking—is now turning out to be the Achilles' heel of the system. Because there, you have this deleveraging going on, and that cannot be stopped.

And no matter how much you are trying to calm the situation with austerity and all of these things—it's like a pyramid—the part of the iceberg which is underwater. It's unraveling; it's deleveraging, and there's nothing which can be done.

So, that means we are in a very short period of trying to change this. And the only thing I'm worried about, is if that moment is not used—it's very difficult to say: Do we have a day; do we have an hour; do we have two weeks? It's very difficult to say this, because there is always free will; there are always unforeseen developments.

But if you look at history backwards, you can always say, "This was the moment, when it was too late! This was the moment, where it was impossible to stop World War I; or impossible to stop World War II." So if you look back in history, you can identify that such moments do definitely occur in history, and all I can say is, we are now *dangerously* close to such a moment. And I can only appeal to people, whatever you may have intended to do, in terms of getting America back to being a republic, getting Glass-Steagall back, do it now, because we don't have much time to lose. As matter of fact, we have *no* time to lose!