

# Eurobankers Drive For Financial Fascism

July 24—Helga Zepp-LaRouche, writing in the German weekly *Neue Solidarität* of July 24, described the imposition of emergency financial rule in Detroit, Greece, and Cyprus, concluding that “the truth is that both the U.S. and the European Union have come within millimeters of fascist regimes.” The battle lines are clearly drawn, she wrote: Glass-Steagall separation of speculative investment banking from commercial banking, or the financial fascism of the mega-banks.

Two recent documents explicitly advocate the fascist scenario for Europe.

## The Word from JPMorgan

JPMorgan Bank, in its “[Europe Economic Research](#)” newsletter of May 28, wrote that the problem in Europe is that national constitutional governments, established in the European “periphery” after World War II, are obstructing the austerity programs “necessary” to save the banking system.

“At the start of the crisis,” they wrote, “it was generally assumed that the national legacy problems were economic in nature. But, as the crisis has evolved, it has become apparent that there are deep-seated political problems in the periphery, which, in our view, need to change if EMU [Eurozone] is going to function properly in the long run. The political systems in the periphery were established in the aftermath of dictatorship, and were defined by that experience.

“Constitutions tend to show a strong socialist influence, reflecting the political strength that left-wing parties gained after the defeat of fascism. Political systems around the periphery typically display several of the following features: weak executives; weak central states relative to regions; constitutional protection of labor rights; consensus building systems

which foster political clientalism; and the right to protest if unwelcome changes are made to the political status quo.

“The shortcomings of this political legacy have been revealed by the crisis. Countries around the periphery have only been partially successful in producing fiscal and economic reform agendas, with governments constrained by constitutions (Portugal), powerful regions (Spain), and the rise of populist parties (Italy and Greece)... But, outside Spain little has happened thus far ... the process of political reform has barely begun.”

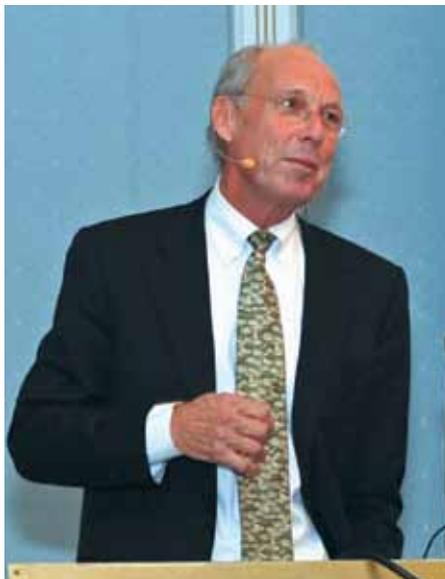
Translated into plain English, this means that countries like Greece and Spain have to dump their constitutional governments in order to impose the austerity demanded by the “Troika”—the European Commission, European Central Bank, and IMF. This is the austerity that has already created 50% or more unemployment in these and other “peripheral” nations (see Dennis Small, “The British Empire’s Concentration Camps vs. Glass-Steagall,” *EIR*, May 10, 2013).

## Malthusian Rule by ‘Elitocracy’

Zepp-LaRouche also drew attention to the “solution” to the crisis offered by Jorgen Randers, one of the co-authors of the 1972 report, *Limits to Growth*, which used computer modeling to relaunch Thomas Malthus’s discredited theories. That book claimed that whereas population grows exponentially, resources grow linearly, and at some point society will collapse. Not only is such an assumption, wrong because it excludes the effect of technology in redefining, and therefore expanding, resources, but eventually, the authors of the report were forced to admit that their computer models were flawed.

In the 1990s, Randers was deputy director of the World Wildlife Fund International, the mother of all environmental organizations founded and headed by the Queen’s consort, Prince Philip of Edinburgh.

Last year, Randers relaunched the *Limits to Growth* blueprint with a new report, titled *2052, a Global Forecast for the Next Forty Years* (see <http://larouchepac.com/node/22634>). He concluded with a recipe for dictatorship and fascism: that democracy has failed, because



Jorgen Randers

it is incapable of imposing the solution to the number-one problem that is causing climate change, which is population growth. The best model for such a dictatorship, in his view, is the unelected European Commission.

In an interview with *Sette Green*, a weekly magazine of the Italian newspaper *Corriere della Sera* on April 16, Randers explained that “The best system I know” to force citizens to swallow the bitter medicine “is the Commission of the European Union, an ‘elitocracy’ formed by very competent people, not controlled by the European Parliament, which succeeded in passing resolutions that probably would never have been approved by single, democratically elected national parliaments. It has been a leading force in negotiations on climate change.”

Randers praises technocratic governments such as that of Mario Monti in Italy (an extension of the EU Commission, it had recently fallen), for their ability to make quick decisions, “even with high immediate costs.” Prime Minister Monti’s “modern technocratic government,” like ancient Rome, “was ruled, in emergency situations, by temporary dictatorships.”

Lastly, people should have as few children as possible, he says, “especially in industrialized countries

where a child, on average, consumes 40-60 times more resources and energy than a child in India.” Again, Italy is a model for Randers, not because it chooses to be so, but because of economic hardship. Italy, he notes, has the lowest birth rate in the world (1.3 children per woman), “because in the last 20 years a society has been created that has made it totally impossible for a woman to have both a job and a child. Italian women, in a wise and rational manner, have chosen to work. And this, frankly, gives me great hope for the future.”

In an earlier interview with *transitionculture.org* in August 2012, Randers spelled out how constitutional governments should simply let the central banks take over economic policy. “Another more interesting modern example is of course the central bank,” he said, “which is an institution invented by democratic society, where parliament basically delegates to someone else, to pass the situation on, how much money to print, and many democratic societies have chosen to do so—to run monetary policy at arm’s length.”

Nothing could be further from the republican conception of national banking, as developed by Alexander Hamilton and as advocated by the LaRouche movement today.

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