
II. Strategic Overview

ZEPP-LAROUCHE WEBCAST

Desperation Forces British Imperial Elites into a Major Blunder

This is the edited transcript of the March 22, 2018 Schiller Institute New Paradigm webcast, an interview with the founder of the Schiller Institutes, Helga Zepp-LaRouche. She was interviewed by Harley Schlanger. A [video](#) of the webcast is available.

Harley Schlanger: Hello. I'm Harley Schlanger. Welcome to this week's Schiller Institute international webcast, featuring our founder Helga Zepp-LaRouche.

The British have been in an open assault against Russia and Russian President Putin, using the Skripal case as the basis for that, with British Prime Minister Theresa May going completely wild in trying to build a unified front against Russia, and implicitly, against President Trump's efforts to establish cooperative relationships between the United States and Russia. This was just completely outflanked by a phone discussion between President Trump and Vladimir Putin. So we have lots to cover today, but I'd like to start there, with the significance of the Trump-Putin discussion, Helga.

Helga Zepp-LaRouche: I think this was a brilliant outflanking of this British operation. Just as Russiagate had almost collapsed in the United States and had actually turned against the role of British intelligence in this whole thing, that was the moment when Theresa May launched her incredible provocation against Russia. This was a clear effort to push President Trump into a corner, hoping he would not dare to try to make good on his promise to improve relations with Russia.

President Trump, instead, congratulated Putin on his re-election for another six years, and discussed the



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UK Prime Minister Theresa May.

very, very important global issues confronting the world: strategic stability, preventing an arms race, and the crises in Syria, Ukraine, and Korea. The two presidents once again reconfirmed an important direct connection. This makes clear that the British effort is nothing but an insane attempted provocation.

It's also very important that in that same phone call, President Trump not only congratulated Putin for his re-election, but he also was very positive about the fact that China had removed term limits on its presidency so President Xi Jinping will be able to stay on in these crucial years ahead. Trump said this is very good, because President Xi Jinping has provided very, very good leadership.

The geopolitical faction is going wild, which is reflected in hysterical media coverage. But *it is good* that there is a relationship and a dialogue among the presidents of the three most important countries on the planet—the United States, Russia, and China. Every-



NATO

NATO Secretary General Jens Stoltenberg.



bundesregierung/

German Chancellor Angela Merkel and French President François Macron.

one who loves peace and who is not a moron should be happy about those relationships. If you contrast that with the rather unbelievable warmongering of Jens Stoltenberg, the head of NATO—this guy basically said that the poison attack on Skripal, the former double agent, means there is a likelihood of Russia dropping nuclear bombs—this is really crazy.

The war faction has gone beyond all reason. German Chancellor Angela Merkel, EUthe accuser has to provide evidence, not the accused, and that is exactly what Russian Foreign Minister Lavrov said. He used that occasion to say that Merkel’s behavior, unfortunately, demonstrates that the European leaders have not yet found their way back to reason.

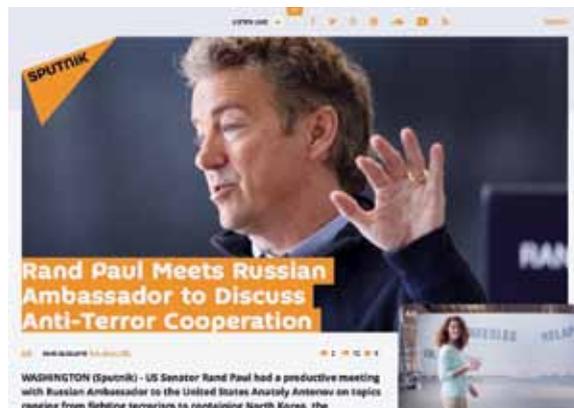
I think nothing can be expected from the Europeans at this point. The British are on a rampage; Merkel and Macron, for their own reasons, backed this up completely. It is very good that President Trump cut through all this hysteria and directly contacted Putin. After that telephone discussion, President Trump announced that they will have a summit fairly soon between the two of them. Serbia offered Belgrade as a neutral place for Putin and Trump to meet. I think this is a very, very good sign.

Schlanger: There have been a number of other discussions that I think are quite significant between the United States and Russian military, political leaders, and a briefing at the Russian Foreign Minis-

try. It does appear that the Trump administration and the Putin administration see this as an opportunity for outflanking the British provocations. Is that your assessment?

Zepp-LaRouche: Yes. As you said, there were all kinds of other diplomatic initiatives. The two military chiefs of staff communicated. There was a meeting between Russian Ambassador Anatoly Antonov and Senator Rand Paul, which is very important, because in the midst of all of this demonization, almost nobody dared to speak with the Russian Ambassador—because of what happened to Sessions. Ambassador Antonov and Rand Paul agreed to re-establish the United States-Russian inter-parliamentary dialogue.

Every effort to re-establish dialogue and trust building, confidence building, is an extremely welcome change. There was a policy of rapprochement through cooperation, and détente between Eastern Europe and Western Europe in the 1960s and 70s, trying to have a good-neighbor relationship in Europe. The dangerous and provocative approach really began with PNAC, the Project for a New American Century, led by the neo-cons when the Soviet Union collapsed. That led to NATO expansion, regime change, and interventionist wars. This so poisoned the atmosphere that you must really ask: what



U.S. Senator Rand Paul (R-Ky.).

was the purpose—or what *is* the purpose of that? Why are the British trying to build such a war-like enemy image of Russia? There are a few, lonely voices who share our view, that once you build up such an enemy image, and you poison the atmosphere by making completely wild accusations, you are creating the kind of atmosphere in which things can go **very quickly, very wrong**, and that would be devastating.

In this context, it's also noteworthy that there was a Senate Armed Services Committee hearing, where General John Hyten, Commander of the U.S. Strategic Command, was asked: Does the United States at this point have any defense against the kinds of weapons systems which were announced by President Putin on March 1? And he said, no. Hyten continued, saying that the use of low-yield nuclear weapons should be more strongly considered as put forward in the U.S. 2018 Nuclear Posture Review. He was immediately refuted by a Democratic Senator who said no one should think that the use of so-called “low-yield nuclear weapons” could not immediately lead to an all-out nuclear war.

People should not blindly repeat this Cold War demonization against Russia—which is in a certain sense also against China—because this is *really* dangerous. It's very dangerous. The present crop of politicians in leading positions, with the exception of President Trump and a few others, seem to have been so self-brainwashed, and are so incapable of strategic thinking, or even thinking of the consequences of what they're saying and doing, that they are not capable of seeing either the causes or the effects of their warmongering. We need serious discussion of this danger; we need cooperation, confidence-building, dialogue, cooperation on economic projects, and cooperation in space as positive steps forward. This kind of confrontation should stop. We should support President Trump when he is trying to mend fences with Russia and China, and not attack him.

Schlanger: There is a counterattack against May from within the United Kingdom, from Labour Party Leader Jeremy Corbyn, even from some of the people in the chemical weapons section of British intelligence. Will this cause the whole effort—to turn the murder of Skripal and his daughter against Russia—to backfire?

Zepp-LaRouche: This demonstrates, as never before, the role of the British, and that's a very useful thing. Those in our audience, who have been familiar with the LaRouche movement for a longer time, will



DOD/EJ Hersom

Stratcom Commander, Air Force General John E. Hyten.

remember that my husband, Lyndon LaRouche, was always attacked for having pointed to the role of the British, the British empire—which still exists, though not in its old form. The British empire now exists in the form of the leading financial institutions, and the whole system of private security firms, and the central bank/insurance company system. The trans-Atlantic financial structure **is** the present form of the British empire. My husband pointed to the fact that it is that system which is at the core of the corruption in the United States, and runs much of the dope traffic. He has been repeatedly attacked for saying that the British monarchy is behind all of this. Anyone who looks at the present manipulation of the situation, can now see, very clearly, the role of that British empire. Boris Johnson and Theresa May are acting as instruments of that imperial financial empire.

I think it is very useful that this is now all out in the open. The United States of America was created by the American Revolution, which was a War of Independence, for freedom from the British Empire. If you look at history, that same British Empire never gave up the idea of reconquering the United States. It succeeded, in a sense, in establishing the “special relationship” between the United States and Great Britain to run the world as a unipolar world. If President Trump breaks out of that,—and that has been the real reason for the attacks on him—and establishes direct communication with Russia and China, then that's the end of this kind of geopolitical manipulation, of divide and conquer, of the world. That would be very good, and I think that should happen, right now.



White House
John Brennan

back to protecting the privacy of its citizens? I think the idea that everything is transparent and everything is allowed, is the means to manipulate everyone. It's really means that you are giving up your individual freedom, and setting yourself up to be completely controlled, by being profiled, shaped, nudged,—nudged into any direction. I think people should reflect on all of this, and not be so absolutely naive.

This Cambridge Analytica story and the role of Facebook is a very useful revelation, a reminder to think about these matters in a different way.

Schlanger: When we talk about backfiring, this calls to mind something you often bring up, Schiller's idea of the "Ibykus principle." We see this happening with Russia-gate, in the firing of FBI Deputy Director Andrew McCabe in the last days and the new focus on former CIA Director John Brennan. There have just been a whole series of articles attacking John Brennan, who openly said that Trump is crazy and that he has to be removed. Then, there's a whole story of the attempt to ensnare Trump in these Cambridge Analytica revelations. There's a whole different story, however, that's now coming out on this. This is the Ibykus principle, isn't it?

Zepp-LaRouche: Yes and it's very useful. We have, for a long time now, warned of the danger of young people becoming addicted to the so-called "social media," in which real life, real friendships, and real discussions are replaced by an almost autistic dependency on the so-called social media, which is a virtual reality in which so-called "friends" are not friends. It turns out that this whole thing was simply a commercial operation to collect private data and then sell it to commercial and other interests. It is very useful that this is now out in the open.

A comment by Edward Snowden, in this context, is also very interesting. He said: A firm which collects and sells private data should be rightly called a surveillance institution. Calling those firms "social media" is the most successful fraud since the story that the War Ministry is really a Defense Ministry was officially sold to the public.

This whole affair should lead people to rethink these questions. What do you do about this surveillance apparatus? How do you trust this? How do you re-establish privacy control? How do you control the use of private data, and force government and its legislators to go

Schlanger: Then you have the other irony which came to the surface in the efforts by the media to pin Press Secretary Sarah Sanders down on why Trump didn't talk about fraud in the Russian elections. She made the comment that, "We're not in the business of telling other countries how to run their elections." However, it does seem as though we completely—by "we" I mean the United States government—constantly talk about Russian government interference in the private lives of Russians, when, what Snowden showed, and Clapper unsuccessfully lied to cover up, is that the biggest violator is the U.S. National Security Agency!

Now, on the Ibykus principle, Helga, I don't know if



we have enough on this yet for you to say much, but it should be noted that former French President Nicolas Sarkozy was arrested yesterday, one day after the seventh anniversary of his role in working together with then British Prime Minister David Cameron, and also with Obama and Hillary Clinton, to destroy Libya and kill Qaddafi. Do you have anything on that story?

Zepp-LaRouche: I have to see what our French colleagues have on that. But I can tell you this much: The story is widely being discussed in Italy. Many former politicians are now commenting on it, saying that it was a big mistake for Italy to be drawn into this war—by the British and Hillary Clinton—who then convinced NATO, and then drew Italy in to join in the attack on Libya. These Italian figures are now saying that they should have instead discussed this more seriously with Germany at the time.

German Foreign Minister Guido Westerwelle had refused to go along with the NATO military intervention in Libya, in 2011.

What these Italian politicians are pointing to—if the accusations are true, which does need to be determined—is that Sarkozy received a large amount of money from Qaddafi. Qaddafi’s son and a former adviser to Qaddafi have now testified that Sarkozy had demanded \$50 million for his election campaign and Qaddafi did give him \$20 million. Later Sarkozy—according to the Italian media and some politicians—engaged France in his personal warfare against Qaddafi, to eliminate a witness. If that is true, that is, indeed, stupendous. These Italian politicians, including a former deputy secretary of defense, are saying that this war led to a complete destruction of Libya, that terrible economic, social and humanitarian catastrophes have erupted because of that NATO intervention. The whole Libyan state is still completely torn apart. The refugee crisis, and the impact of it on Italy, in terms of the refugees, in terms of energy supplies and so forth, is also quite devastating.

But, this is just one more symptom among many. If you look at what has come out in terms of the political class, managers, and academia,—there have never been



so many disgraceful representatives of the so-called “elite” and establishment. I think it is a very serious problem we have in the West. In Europe, it is the reason for the growth of some of these xenophobic right-wing populist parties. There is, at the same time, a complete collapse and disappearance of the so-called people’s parties which are being replaced by populist movements or extreme right-wing movements. That is a serious reflection of the real moral

crisis of the West.

That’s why we need a change; we need a New Paradigm. We are calling on you, you our viewers, to help. Enter into discourse with us: Where should our future be? Why do we need a New Paradigm?

Schlanger: We should remind our listeners that Hillary Clinton played a big role in the Libya operation, and this was one of the points that President Trump focussed on, when he said that this administration would stop regime-change policies.

Now, let’s move away from this discussion of the corruption of the establishment in the West. Let’s move to something much more positive. You brought up the New Paradigm: President Xi Jinping just gave the closing speech at the “two sessions” conferences in China, in which he reiterated the long-term goals for China in his Presidency, and I’d like your thoughts on what he had to say there.

Zepp-LaRouche: Well, first of all, he emphasized both humility and pride. He said the purpose of leadership is to serve the people. He repeated that many times, and thanked the Chinese population for having the confidence to allow him to continue his leadership. The Western media is completely upset about Xi Jinping being now in a leadership position for an indefinite period into the future. From a Chinese standpoint, Xi Jinping has proven to be an exceptional leader. Xi said, this is going to be a very difficult period for China, because it takes place in a very complex world situation, and he, indeed, called for a new “Long March.” This is quite an amazing historic reference to the history of China.

He is clearly somebody who is devoted to the

common good of the Chinese people. Consider what China is actually doing, and how the Chinese people are happy to have such a leader. The Russian people are similarly happy to have Putin; after all, the 76% vote for Putin is much more than the West expected. There is a very funny way to look at these events in Russia: “Oh, Putin won the election—and the Russians did it!” I find it amusing, with all of this Russia-bashing, and the claims that the Russians are behind everything.

We have a situation where Russia is clearly responding to Putin’s leadership. China is clearly devoted to continuing on the course of the New Silk Road, the Belt and Road Initiative, with many more countries joining. Morgan Stanley, one of the Wall Street banks, released a report saying this is the largest infrastructure project in history and it will continue, it will make China a very strong, modern economy with wealthy inhabitants, and all the countries that join will experience the same result. The report says that the Asian Infrastructure Investment Bank has estimated that there is an infrastructure financing gap of about \$21 trillion. This is an enormous task to accomplish. The previous leading financial institutions of the West, the IMF and World Bank, did not provide that kind of development financing. China is uplifting the developing countries, which is actually priceless. For the first time, these countries have a chance to truly overcome their underdevelopment and widespread poverty, which has been really terrible.

That is very good. The New Silk Road Spirit is something that people need to understand. It’s based on the idea of the harmonious development of all nations, working together for the mutual benefit of all people. China is, of course, pursuing its own interests, but the other countries working with the Belt and Road Initiative are quite happy. For the first time, their interests are being seriously considered, and developed, as well.

The whole propaganda war against China is based on nothing but lies. It’s naked propaganda coming from geopolitical warmongering people in the West. We should build a mass movement of people who say “no” to these lies. We should take up the offer of Xi Jinping and have win-win cooperation and join the New Silk



Xinhua/Xie Huanchi
President of China Xi Jinping, at a panel discussion with deputies from Inner Mongolia, at the 13th National People’s Congress on March 5, 2018.

Road projects. There are plenty of tasks for us to join; we can participate in the common destiny of mankind. Xi Jinping, in this speech, used a very beautiful idea, “Let the Sun shine on the shared community for the one future of humanity.”

Schlanger: In contrast to the positive report from Morgan Stanley on China, the chief market economist for Goldman Sachs, Charles Himmelberg, warned of the financial fragility in the West, especially if liquidity flows are cut. Yesterday the Federal Reserve Board met and said it’s going to cut liquidity flows by raising interest rates another three to five times over the next twelve months! So I think we can see the contrast very clearly.

Now one of the other areas where a contrast comes in, is that in spite of the threats from the anti-China lobby in the United States about the “danger” of China becoming a hegemonic power, there are continuing, positive developments on the Korean Peninsula, which include collaboration between President Trump and Xi Jinping. There are a couple of summits that were announced. Helga, it looks as though this is going to continue to build toward the possibility of an outbreak of peace.

Zepp-LaRouche: Yes. It is now very likely that there will be a trilateral summit in May, between Trump, Kim Jong-un, and President Moon Jae-in of South Korea. There will be other meetings involving Japan and Russia. I think there is a strategic realignment going on.

The countries that are stubbornly insisting on geo-



Morgan Stanley report: “*The Next Decade of China’s Transformation.*”

political confrontation will be sidelined. I’m not underestimating the danger, as we can see by the British behavior, but I think the overwhelming tendency is really development and cooperation, and this is very good.

Let me just mention one last point on this contrast. China is cooperating with many African nations, building railways and industrial projects. We have spoken in these broadcasts about the beautiful Transaqua project, which is now on the table; this is bringing the Silk Road Spirit into Africa.

The reason I am mentioning this, is that the neoliberal/neo-con geopolitical system is really not out for win-win. It exploits its own advantages. The fact that the EU is doing that is really one more reason to say that it represents a system which is not in the interest of anybody it cooperates with, nor in the interest of its own members. If you need proof, just look at the southern European countries, which have been completely smashed by the austerity policies of the Troika. I think that what we need instead is exactly what Italy is now doing—working with China and the African nations in building up real economic development like the Transaqua project.

I think we have a crystal clear picture in which you see the intentions of the two paradigms—the old paradigm of neoliberal control of the world, and the New Paradigm of harmonious development of all nations. People should join with us to help make sure that the second one becomes victorious.

Schlanger: Helga, speaking about being stuck in the old paradigm: Do you have anything to say about the new

appointments to the new German government?

Zepp-LaRouche: That is a very sad story. Mrs. Merkel has had nothing better to do than act as the puppy dog of the British. This is disgraceful. It should be well noted and understood by everybody.

The SPD is also in a deep crisis. It has fallen in the preference polls to less than 15%. What did the new Finance Minister Olaf Scholz do? He appointed a banker from Goldman Sachs, Jörg Kukies, to be deputy finance minister, and that has caused a revolt in the German population. There was a poll reporting that 64.9% of the people thought this was disgusting. He also appointed Werner Gatzert, who is known to be the architect of the hated

“black zero” (no deficit) policy of former Finance Minister Schäuble. Scholz then reported that he’s happy that he was able to put together a good team.

That is a foreboding development for Germany. As most people know, we are on the verge of a new financial crash. Sheila Bair, the former head of the FDIC in the United States, warned of the consequences of the continuation of the derivatives trade and speculative excesses. This non-correction of the causes of the 2008 crisis means we face the danger of a new, even bigger crash. She contrasted those dangerous policies with what China has been doing, in its efforts to completely forbid speculative investments, and stabilize the banking sector by increasing required bank reserves to 15%.

Having a pro-bubble government in Germany is not good. There are many Italian politicians from the Lega and the Five Star Party who are calling for Glass-Steagall. The EU is trying, in stark contrast, to promote a Five Star-Democratic Party coalition government, which would be, from their standpoint, the best option to preserve this speculative system.

I’m emphasizing this because the Damocles Sword of a new financial crash is still hanging over the world. Given the fact that China has tried to move its financial system into safe waters, it is probably better protected against the effects of such a crisis than anybody else.

Join us, work with the Schiller Institute to mobilize for the Four Laws proposed by my husband, Lyndon LaRouche: Glass-Steagall, a return to Hamiltonian banking; a credit system and National Bank; a science-driver program for thermonuclear fusion research and power, cooperation in space exploration. Let us all join the New

Silk Road countries so that we can, very rapidly, have a New Paradigm in the world. But it requires you. And it requires people to become active and not leave mankind in the hands of a corrupt establishment.

Schlanger: Helga, I think we can conclude by coming to the commemoration of an event which proved that cynics—people who say you can't change the world with big ideas—are not right. Thirty-five years ago, on March 23, 1983, there was a shock effect around the world, when Ronald Reagan gave a prime-time speech, at the end of which he endorsed the policy, which your husband, Lyndon LaRouche, first introduced with his pamphlet "Sputnik of the '70s."—that is, the Strategic Defense Initiative. And it's especially relevant today, given what we're seeing from Russia and President Putin. So I'd like your reflections on the importance of the anniversary of this event from 35 years ago.

Zepp-LaRouche: The SDI proposal was grossly mischaracterized by the media, by calling it "Star Wars," and things like that. My husband's SDI proposal was a farsighted, clear vision of a New Paradigm. I strongly suggest you read more about it, especially the proposed draft for a dialogue among the superpowers, which was published one year later. You can find his memorandum in the *Executive Intelligence Review*, "The LaRouche Doctrine: A Draft Memorandum for an Agreement between the United States of America and the U.S.S.R.," which was published on April 17, 1984. This is a proposal for both superpowers to develop together, new physical principles that would make nuclear weapons obsolete. Putin's March 1 speech, which presented new weapons systems based on new physical principles, is absolutely in this tradition. Putin also asked for new discussions to negotiate and put together a new security architecture, including Russia, the United States, China, and the Europeans.

This was all envisioned by my husband in this famous SDI proposal. It was a very far-reaching proposal to dissolve the blocs—NATO and the Warsaw Pact—to have instead cooperation among sovereign re-



1977 LaRouche movement pamphlet.

publics, which is exactly what the New Silk Road dynamic today represents. And it was also the idea to use a science-driver in the economy to use the increased productivity of the real economy for extensive technology transfers to the developing sector, in order to overcome their underdevelopment and poverty.

This is what we're seeing today, also, in the collaboration between China, Russia and the countries that are participating in the Belt and Road Initiative.

In a certain sense, part of this potential of peace breaking out, so feared by the British empire, is that there is right now the very vivid tradition—and actualization

of that tradition—of the SDI. I think we should circulate this proposal by my husband again. I think we should enlarge it to become the SDE, the Strategic Defense of the Earth. It was just discovered that very soon, another big asteroid will be on course taking it very close to Earth. So we need to move quickly to the common aims of mankind. All countries should cooperate and become a shared community for the one future of humanity.

This is the New Paradigm which I think should be obvious. If you look at the long arc of history, we *have* to overcome geopolitics and we have to move to a kind of cooperation where we put all our forces together to solve those questions which are a challenge to all of humanity—nuclear weapons, poverty, asteroids—there are so many areas where we could fruitfully cooperate—space exploration is one of them. And I think we are in a very fascinating moment in history, but we need more active citizens: So please contact us, work with us, and let's together make a better world.

Schlanger: I think that's a very good place to end. People should now realize that giving up your pessimism is one of the keys to bringing online this new paradigm.

So, Helga, thank you very much for joining us today, and we'll see you next week.

Zepp-LaRouche: Yes, see you next week.

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