
Helga Zepp-LaRouche: The Strategic Solution

Let me talk about the coronavirus pandemic. What has to be expected, what can be done, and what a real solution for all mankind can look like.

It is an extremely grave moment, and many people have woken up and recognized that after this pandemic, nothing will be like it was before, because some of the basic axioms of thinking are shattering right now. A lot of questions are unanswered, and naturally, a remedy is not yet in sight.

But, let me start with an actual reference to what I was just reading in the *Washington Post*. They were reporting that now health officials from New York and California are calling for restricting the testing of the coronavirus to healthcare workers and affected people who are hospitalized in an effort to conserve the too-few medical devices such as masks, ventilators, ICU beds, and so forth. Because basically, according to these officials, the battle to contain the virus has been lost, and the whole thing has now moved into a new phase.

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Now, I don't think that should be the final word on it, because Friday a week ago, when President Trump gave a press conference in front of the White House (where he had CEOs of the major drugstores), he announced that there would be mass production of test

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kits, and the parking lots of these stores would be rearranged for drive-through testing. I thought that this was a very important step, and absolutely going in the right direction. If you look at what happened with the coronavirus in China, for example, in Wuhan where the outbreak started, they have successfully stopped the transmission.

Two thousand people in China died between January and now, and now for three days, there were *zero* new cases. Dr. Tedros, who is the president of the World Health Organization, gave advice to all health officials around the world, saying the best way to combat this virus is test, test, test. Many other health officials have come to the conclusion that the best way to approach it is a proactive sampling to identify potentially positive people with the virus, isolate them, and quarantine them. Not sending them home, not self-isolation, but actual quarantine.

Wuhan, China and Vo, Italy

I think this lesson is important, because it proves that an outbreak can be stopped.

This was not only done in Wuhan, but it was also done in a little town in Italy, the city of Vo, which has 3,300 inhabitants, where the first deaths occurred in Italy. Immediately, they started to test everybody, re-testing, finding the infected people, tracking down with whom they had been in contact, putting them in quarantine. Now also in the city of Vo, the transmission has been stopped. So, I think this is really something very important.

The reason why there is not the same kind of approach everywhere, is because there are not enough test kits. The WHO just announced that they have already distributed 1.5 million test kits worldwide, but that actually 100 million more would be needed. This goes along with many other steps; everybody is in a crash program to develop vaccines and so forth. I will speak about this a little later.

There is this incredible anti-China campaign going on in the United States and elsewhere, but especially in the United States, where people are talking about the Wuhan virus, the China virus. I don't even want to repeat all the nasty things which have been said against China.

But I want you to pause for a moment, and just think. China may have made some mistakes in not recognizing it quickly and lost a few weeks due to some mis-

takes. But once the central government in China recognized the dimensions of the problem, it implemented the most draconian measures possible. They shut down the city of Wuhan and the province of Hubei, quarantining about 60 million people. They had the strictest of all rules.

Families were only allowed to go shopping every third day—only one family member; they were absolutely not allowed to move around. They closed down all the production, and they built I think all together 22 hospitals, several intensive care unit hospitals in a week. Some of them they have taken down already because they are no longer needed, because they were temporary hospitals. But with that approach, they succeeded.

If you remember, the initial press coverage and what politicians said, that China is taking away your human rights, what a dictatorship. There was a complete frenzy about that.

Now, two months later, after China really gained for the world a precious two months, you look around and what do you see? You see that the governments in Europe and in the United States did not really use these two months to prepare, to go into a crash program production for test kits, for ventilators, for protective masks, protective clothes, ICU beds. But they started very slowly. As a matter of fact, German Health Minister Spahn, at the beginning of the pandemic said, “Oh, this virus will not come to Germany.” In January he said the German health system is completely prepared, there is nothing to worry about. Now, people are scrambling because they have not used the time to really go into a full mobilization.

The Price of Failure

However, if you look at Italy right now, which already has now more people dead than China [from COVID-19]. You have a completely overwhelmed health system in the north of Italy in the Lombardy region, in Bergamo. Maybe you have seen these horrendous pictures where the army is now helping to bring away the corpses because they are just overwhelmed and can't deal with it anymore. These are scenes from the 14th century; this is what happened during the Black Death. Boccaccio described that in the *Decameron*. We have some members in the north of Italy, and they are reporting the deep desperation of

people now, because the deaths are just becoming too many.

But what is the result? Now, the governments are doing more or less exactly what China did in January. They have imposed a lockdown in Italy, in Spain, in France. In Germany: in Bavaria, in Saarland, in the city of Dresden, and yesterday on the TV, they as much as said that people have to expect that there will be a lockdown by the beginning of the week in all of Germany.

Obviously, China did do something right, and nobody talks about violations of human rights now in these European countries, because everybody knows that the quicker you act, the better. The trade union of health care workers in France, and the organization of young doctors have just sued the French government for not imposing strict enough measures. They say the only way to contain this problem is by doing exactly that.

This requires a whole set of different measures. I think the testing, testing as widely as possible, retesting, that is obviously the very first condition. You have to shut down almost all economic activity. You have to close it for a certain period of time. But obviously, this brings a whole a bunch of problems. One has to expect that this pandemic, because it is a worldwide phenomenon, has to be answered with a complete change in the world system. Because you cannot deal with it in the current circumstances.

It is now the agreed opinion of many of the top experts, like Professor Drosten, who is the virologist of the Charité Hospital in Berlin, an expert, he said they had to revise the idea that the virus would slow down during the spring and the summer because of the summer temperatures, because there would be waves of the virus mutations. And in that period, which is the winter period for the Southern Hemisphere, the virus would spread more quickly in continents like Africa or Latin America, Asian countries, and that is really something one absolutely has to take into account.

The Pandemic in the Southern Hemisphere

Look at the situation in Africa. Professor Drosten said that this pandemic is now developing in parallel in all countries in the world. It just has arrived in South-west Asia, which has a high connectivity to Africa. These countries have no chance of social isolation. They may be able to wash their hands, but let us not

forget, there are *two billion people on the planet who do not have access to clean water*. Professor Drosten said we will see pictures between June and August, which we only know so far from the movies. We will see scenes which we cannot even imagine, and he is not sure what this will do to us.

Now obviously, in Africa, in South Africa alone, you have several million people who are HIV-infected, 60% of those have tuberculosis in addition. Now, these are people who are in high-risk categories. In Africa alone, you have 60 million children who are malnourished, and then you have the locust plague spreading. You have now a hunger catastrophe in many African countries. So, you can imagine what devastation this will cause in Africa, and the reports we are getting from Latin America are pretty much going in the same direction.

This pandemic will come back; it will not never go away, but it will come back reinforced in the fall; and since it is very unlikely that we will have a vaccine by then—maybe we will have some therapeutic medications which will give some relief to the milder cases—but this thing will stay with us.

One of the big problems is that in the initial phase, you have to shut down the economy, because you have to minimize, under the present circumstances, the contact among people. The more you close down, the better chances you have to contain it. But then when these measures hopefully have success, like they have now in China, you have to reopen the economy, and to the degree you do that, the absolute danger exists that there is a resurgence of the pandemic. So, this will not go away easily, but this will probably remain; as of now, that's what the experts say, probably until the summer of 2021; because it is expected that it will take that long to develop a vaccine.

Vaccines

There are about 20 different vaccines being worked on now worldwide, but you cannot just shorten that process for the very reason that was expressed by Dr. Mike Ryan from the WHO. He said there's only one thing more dangerous than a bad virus, and that is a bad vaccine, and that we have to be very careful not to use something on a mass basis, when we do not yet know all the effects of the new vaccine.

Now obviously, to work on a vaccine is a high priority, and that vaccine, once it has been properly tested,

must be made available to everybody. It must be available to the whole world. A very important component of this right now is China. They have some new cases, but mostly from people who have come back from other countries. They have activated what Dr. Tedros—in his speech at the World Belt and Road Forum in 2017 in Beijing—talked about, a Health Silk Road. He said there must be international cooperation among the countries cooperating with the Belt and Road Initiative, to set up health systems in every country, and China is doing exactly that.

They have sent now medical teams to Iran, Iraq, Italy, Spain. They have sent large amounts of masks, test kits, protective clothes, to Italy, to Spain, to France; even Ursula von der Leyen, the President of the European Commission, said that the EU has to thank China for sending all of these things.

My deep conviction is that the United States should stop the anti-China campaign and take up the offer by President Xi Jinping to cooperate. There was some cooperation, and President Trump vacillates; sometimes he talks about the China virus, then he talks about his good friend Xi Jinping.

I think that latter approach should be taken, and I think President Trump should talk to President Xi, and they should just say, we are in a health emergency; you have to send millions of test kits so that we can do everything possible to get this under control. While naturally, the United States gears up its own production with the National Defense Production Act now being activated, with many firms being called on by the government. That should all be done, but time is of the essence.

The Chinese Foreign Ministry has just announced that they are now helping both in terms of medical supplies, as well as in sending experts to 82 countries in the world. The Chinese equivalent of the CDC just had an emergency conference with representatives of 24 African countries, promising that they would help in this situation.

We're in a race against time, but I think that the steps which need to be taken, in addition to these, are really in the field of finance and economics. There are many signs that the financial system was already bankrupt before this crisis erupted. We know that nothing was done since 2008 to remedy the underlying causes of the casino economy and why it crashed in 2008.

The Deeper Causes

Lyndon LaRouche was absolutely correct in saying this was a global breakdown crisis. There is absolutely nothing that can be done to save that system; it's bankrupt and you have to replace it through his Four Laws. Through a new credit system, the New Bretton Woods system, and nothing else will help the situation; this has remained true in all of these years since 2008.

We also know that the Federal Reserve, since September 17, 2019, went into these incredible money-pumping operations, the so-called "repo overnight credits" which supposedly are being taken out of the system again every morning. But, if you look at the balance sheet of the Federal Reserve, it is very clear that they have *added* several hundred billion dollars to this balance sheet, and that the situation is one of hyperinflationary money pumping.

One has to differentiate; I'm not saying that the measures that were taken by the EU—the ECB for example, that is providing \$750 billion in various means, buying bonds, that governments are helping firms to stay afloat, they delay tax payments—that these measures are inappropriate. There are many measures which are very useful, and the Federal Reserve has done similar things. I think all together at one point, \$1.2 trillion and more to come.

But there is the point that, while I'm not saying that these measures should not be given—including giving money directly to individuals to stay afloat, because what is the situation of unemployed and homeless people? All of that has to be really be taken care of, but that does not solve the problem. If you keep the casino economy, and if you keep this totally financially bankrupt system and just keep adding liquidity, it may be a supposed solution in the short term. But it is going to have a hyperinflationary effect not in the long term, not in the medium term, but relatively in the short term.

That is exactly what will happen worldwide. If you look at what happened in Germany in 1923 when hyperinflation destroyed the life savings of everybody, because money became increasingly worthless, that is the big danger. That is why I have called, as of a couple of days ago—in a short statement which was referenced by Dennis at the beginning—that you have to shut down the financial markets. If you keep this casino economy going, it will lead exactly to hyperinflation. I think that this must be done; you have to shut down the markets. There are many economists in the meantime

who have called for similar measures. Also, the military analyst Pat Lang basically said the same thing, because of these wild fluctuations in the stock market; this is a holocaust that will not stop.

Then, you have to go for Glass-Steagall; now! Don't wait! Don't put it on the back burner. President Trump promised in the 2016 election campaign many times, that he would implement Glass-Steagall, and *now* is exactly the moment to do it.

Positive Lessons from History

What that means, is the exact measures of Franklin D. Roosevelt in 1933, must be implemented exactly as before. My late husband always stressed, "Don't change a thing." The arguments that the markets today are "more complicated," and they "need derivatives"—he always categorically rejected that.

You must put a firewall between the commercial banks and the investment banks; put the commercial banks under state protection so that they can continue to provide credit to the real economy: the small- and medium-sized firms, trade, retail; all these things which are essential for the real economy. But, you separate the investment banks completely. That means the investment banks should no longer have access to the savings of the commercial banks, and they should not be bailed out through taxpayer money.

Some of these products are complicated, because the pension funds and other valid things which belong to the life savings of the people, in the meantime, are interwoven with the derivatives and the whole casino aspect of the financial system. This is why you have to have a pause; you have to freeze everything and then a state commission has to investigate what is valid in those assets, and they have to be protected and separated. That may be complicated, but it has to be done. Then, obviously, if you eliminate the investment bank part of the financial system, you don't have enough liquidity.

And this is why Mr. LaRouche said [this is the moment] when you have to re-establish Hamiltonian banking; you have to establish a national bank—not only in one country, but practically in all countries—and then you have to connect those national banks through fixed exchange rates. You have to make long-term reconstruction; reconstruction of the health sector, protecting and rebuilding sovereignty in the agricultural area to reconstruct war-torn regions, like South-

west Asia. Remedy for good the reasons why the African continent and other countries from the Southern Hemisphere are so vulnerable; which means you have to, in earnest, start industrializing these countries, the countries of Africa and countries of Latin America and Asia, and you have to help them to build infrastructure as the precondition for industrial production and the development of agriculture. And that way, you create the conditions to create a sufficient health system in every country.

Not One Simple Fix

All of that has to be done simultaneously, and obviously it will not go smoothly, but if you don't go in this direction, the danger is that not only the coronavirus will come back with a vengeance, but there is absolutely nothing which will prevent the outbreak of new viruses and new diseases. And therefore, this is an absolute must that we correct the mistakes of the last several decades, especially the last 30 years of deregulation of the markets, of giving every right to the speculators and cutting down on the common good. Why is it that the United States and European health systems are in such poor condition?

Because there was a takedown; hospitals were shut down, everything was privatized, essential production was outsourced in cheap labor production, and warehouses where you would have stockpiles of testing kits, protective gear, that has all been abandoned. Hospitals were closed, and production was outsourced to China and India, which is why we in the so-called advanced countries now don't have these kinds of resources. So that all has to be corrected.

I think this necessity to go back to the idea of the common good as the center of the economy is absolutely the question of the time. And I think we also have to reflect on what were the mistakes which were made, and we have one unavoidable measurement, and that is what Mr. LaRouche has said over the last 50 years, starting in 1971 when he pointed to the danger of a new depression, a new fascism, when Nixon decoupled the dollar from the gold standard and abandoned the fixed exchange rates. He said at that time, if you continue on that road, you will end up in a catastrophe, the danger of a depression, the danger of a new fascism.

In 1974, he established the Biological Holocaust Taskforce, which had the aim to study what would be the effect of the policies of the World Bank and the IMF

in not allowing Third World countries to develop infrastructure, a health system, and of having the conditions which forced them to pay back their debt to these institutions and debt to the western banks before they would be allowed to invest in their own economies. That is the reason that Africa is still in that condition. That has to be faced.

IMF Worse Than Hitler

We said at the time, the policies of the IMF are worse than those of Hitler, and there was a big freak-out; I remember this very well, but it was absolutely on the mark. If you look at the millions of people who have died for no good reason but the lack of development, then that is justified.

This organization has produced in the following years, all together six major studies, which you can find either on the internet or find them by contacting us, where we developed what would be the result of these policies. Now, we have to really re-think what went wrong with the liberal system. There were a lot of attacks on China because it is a dictatorship, and well, I mean if you have a benevolent dictatorship, a benign dictatorship which is good for its citizens, which uplifts 850 million people out of poverty and now is helping 82 countries in the world to fight the pandemic, maybe this dictatorship is not so bad, and maybe it's just a wrong way of naming it. Maybe it's a Confucian state which is more concerned with the common good of the people.

Rather than huffing and puffing, people should really consider why China is successful, and why is it the West which is having these problems right now. China is *not* demonstrating *schadenfreude*, joy over the misery of others; to the contrary, and I think the most important lesson which we have to draw from this whole experience is, we have to learn to cooperate. There is no way that a geopolitical confrontation will win against the coronavirus or any other disease.

On January 3, I called for an emergency summit between President Trump, Putin, and Xi. This was because of the developments around [the assassination of Iranian General] Soleimani. In the meantime, President Putin has made a similar proposal by demanding a summit of the Permanent Five members of the UN Security Council to address urgent matters of all of humanity, and the other countries have already agreed that they will cooperate in such a summit.

And I think that the only way that we can get out of

this present crisis, is that you have such an emergency summit which, as Mr. LaRouche specified many years ago, must include the United States, Russia, China, and India; because these four countries are representative of the whole world. And that is not an exclusive idea; other countries and governments can participate and support this, but you need that kind of power combination to really establish a different world system.

The Four Power Summit

I think that the first question is an emergency cooperation to fight the pandemic. I think China gave the code of the genome immediately after they established it, to all laboratories, and that was a first positive step in the right direction. There is already a lot of cooperation among many institutions such as that between Chinese scientific institutes and the Pasteur Institute of France. That must be strengthened, and all the laboratories and all the scientists must work together and not fight each other, because this is too big of a problem to be solved by any one country.

And then, naturally, the kinds of measures I just mentioned with the Four Laws of Mr. LaRouche: Glass-Steagall, a global Glass-Steagall system; a national bank in every country; and then cooperation in a New Bretton Woods System as Franklin D. Roosevelt intended; not the Bretton Woods system which was established by Truman and Churchill, which more or less excluded the credits to the developing sector. Mr. LaRouche said emphatically that the New Bretton Woods must provide credit for the industrialization of the developing countries.

I think that such a summit is possible. I think that is the way to go. We have to reach a New Paradigm in the cooperation of mankind, and I think if we go in this direction and also pick up on the expression of the true humanity we have seen—as for example the leading doctor of the medical team from Wuhan, who said what has really gotten these doctors and nurses through this very difficult period was a sense of love, of love for your family, love for your nation, but especially love for mankind, and that an individual person is mortal, but love is immortal.

Another example is, the many expressions where people in the beginning in Italy were singing Classical songs from their balconies, giving each other courage. Now, I have been told by our members that has stopped, because they are all in mourning, because the crisis is

so big. Other places have offered—since orchestras can no longer perform in theaters because they are shut down—they are now performing Classical music to be aired on the internet for free.

There is a clear understanding that in a crisis like that you need the inspiration of beauty, you need the inspiration of the highest expression of Classical culture because you must give people the inner strength to get through such very, very difficult times.

The Power of Beauty

That brings me to my final point, that we must come out of this crisis by throwing out all this garbage which has dominated our culture in the last decades. All the ugliness of so-called modern culture, the ugliness of the youth culture, most of the popular culture just should absolutely go on the garbage heap, and we have to have a renaissance of Classical music.

And the beauty of it is that this year is the Beethoven year. And while it is very, very horrible that most or all

of the events of the Beethoven year in Germany have been closed down because of the pandemic, that does not mean you cannot listen to many good performances from previous times. And you can really listen to Beethoven every day to get the inspiration and the strength to think like Beethoven, as Mr. LaRouche wrote or titled one of his articles, and elevate yourself to the kind of thinking where you think like Beethoven or Schiller. “All men become brethren,” that’s the text from the Ninth Symphony, “This kiss for the whole world.”

And that beauty of the chorus of the fourth part of the Ninth Symphony is the spirit with which we should come out of these crises as one humanity. If we do that, if we unite as one human species, through an incredible joint effort in love for all of humanity, I think we can, if we get over this period, really enter a new era of history, of mankind, where we can actually, truly say that this is a human world and we will do things completely differently from here on.