

LaRouche Forces Take On The Neo-Cons in Germany

Elke Fimmen, a long-time leader of the LaRouche movement in Germany, was one of the authors of Deutschlands Neocons: Wer führt den neoliberalen Grossangriff auf den sozialen Bundesstaat?) (Germany's Neo-Cons: Who is out to destroy the federal social state?), a book released in January by the Civil Rights Movement Solidarity party (the BüSo). She replied on May 18 to written questions submitted by Katherine Notley.

EIR: There is a big fight in Germany now, typified by Social Democratic Party Chairman Franz Müntefering's defense of the German Basic Law articles, that make the general welfare the state's prime responsibility, even over so-called "property rights." It states that property's primary responsibility is toward the general welfare.

The BüSo's book came out quite a bit before the public fight broke out over Article 20 as the pillar of Germany's "social market economy." Tell us, what sparked the decision to write this book?

Fimmen: This need to defend the German Constitution, the *Grundgesetz*, and its pivotal organization around the concept that Germany is a "democratic and social Federal state" (Article 20) was exactly the key argument of our book. Back in January, we were the only ones attacking by name those financial predatory speculators, who with globalization are determined to eliminate the principle of the common good and the institutions of representative government, and go for the imposition of fascism again. In our book we expose the international financial interests behind these various neo-con and neo-liberal "reform" front organizations, and attack the supranational International Monetary Fund and European Union/Maastricht dictatorships, which are ensuring the primacy of so-called "independent central banks" and their monetarist dictates.

Most important, in the beginning of this year, the LaRouche Youth Movement (LYM) and BüSo, which is led by Mrs. Helga Zepp-LaRouche, started an election campaign in the former industrial heartland of Germany, the state of North Rhine-Westphalia, to put forward our program for productive state credit generation to reindustrialize the Ruhr area, and revive this area as a motor for an overall reindustrialization of Germany—a New Deal Policy for Germany, in the context of a New Bretton Woods financial system. We challenged the Social Democratic Party [SPD] to stop its suicidal

austerity policies, and defense of globalization. Also, the danger of bankruptcy of GM and Ford was put on the table, since both firms—Opel in Bochum and Ford in Cologne—employ thousands of German workers, and a collapse of both firms in the United States would be a tsunami for Germany, as well!

Then, in April, in the context of the intensifying financial instability around GM and Ford and the other speculative debt bubbles, SPD Chairman Müntefering finally broke the neo-liberal, monetarist dominance in Germany: He attacked the international hedge funds and mega-speculators as “locusts,” which destroy the productive capacities of nations, and he identified some of these funds by name, which obviously drew a huge outcry from the relevant people. He also put the debate on a principled level, as we had been demanding all along, by referring to the German Constitution, which says that “property obliges”—that is, whoever has property, is also obliged to serve the common good with it. Violation of this principle can even lead to expropriation. Round-tables, talk shows, the media, starting from morning radio to the late evening news, had lulled people into belief in the “inevitability” that there is “just no alternative to reforms and globalization”: that people just have to accept job and/or income losses, drastic social cuts, and so on.

It should be also mentioned, that in this situation, various politicians began to quote the social encyclicals and the late Pope John Paul II, to underline that “man belongs at the center of economics,” and that it is the “image of man” which is at stake here. It was only the BüSo up to that point that had been formulating these views in the public debate.

While all of this is very important, the real concern of the international financial synarchists, is to stop the LaRouche “New Deal” policy from being implemented. At the end of April, the mouthpiece of the Mont Pelerin Society in Germany, the *Frankfurter Allgemeine Zeitung*, launched two articles in a row, attacking Lyndon LaRouche by name for having reinvigorated the FDR New Deal concept again in the United States, and BüSo Chairwoman Helga Zepp-LaRouche for having introduced this dirigistic concept of state credit generation into Germany. The article’s author quite hysterically accused the SPD of reviving the New Deal, which he calls “polite fascism”!

This freak-out appeared in the context of reviewing a new book that equates FDR’s New Deal with Hitler’s and Mussolini’s fascism, and refers to the “fear for democracy” of FDR’s opponents in the U.S. back then. This is nothing but propaganda by Friedrich von Hayek’s fascist Mont Pelerin Society, which did everything possible to sabotage the original post-World War II Bretton Woods arrangement; and the opponents of FDR in the 1930s were the very Morgans, Mellons, Harrimans, Prescott Bush, and the infamous Dulles Brothers, who helped to install the fascist regimes in Europe.

In fact, it is quite interesting, that the key “reform” think-tank in Germany, pushing for destruction of the social state, is the international Bertelsmann media conglomerate and its



Elke Fimmen (right) with Helga Zepp-LaRouche. The LaRouche party in Germany, the Civil Rights Movement Solidarity (BüSo), has taken off the gloves in its campaign against the German neo-conservatives.

foundation, which for years had employed a house historian, who wrote two books attacking Roosevelt as being responsible for World War II. He also hushed up the company’s own big business during the Nazi period, which continued after World War II with a British license.

So, it is quite obvious, that the LaRouche-led fight of the Democratic Party against Bush’s privatization rip-off of Social Security, the reference to the principles of FDR’s policies, and the overall growing resistance to the fascist imperial policies of the current U.S. Administration, are the crucial factors in creating maneuvering room and optimism in Germany, as in other countries. The situation is now wide open to shift Germany, which is of strategic importance for the situation in all of Eurasia, into the direction of the LaRouche-New Bretton Woods orientation, which is what the BüSo and LYM are working on at present.

EIR: Tell us about the history of the German neo-cons. Who are their friends, both in Europe and the United States? How do they collaborate?

Fimmen: It is important to realize, that in the U.S. fight against the neo-cons and their efforts to steal Social Security on behalf of Wall Street, in Germany, we are basically dealing with the same networks. The fight is centered on the same pivotal question: Will the present systemic breakdown of the world financial and economic system be “solved” by new wars, even nuclear ones, and imposition of fascist dictatorships as in the ’30s, or will a New Bretton Woods System create the framework for a new, just world economic order? As Lyndon LaRouche demands, only an orderly reorganization of a bankrupt financial system and a dirigistic restarting

of the productive economy provide a safe way out of the crisis. Only in this way can the common good principle, which sovereign nation-states should be based upon, be re-established and defended.

Of course, there is a close connection between the U.S. neo-cons and the German neo-con crowd, which wants to topple the Schröder government as soon as possible. The chairman of the leading opposition party, the Christian Democratic Union [CDU], is Cheney admirer Angela Merkel. And Jürgen Rüttgers, the CDU leader of North Rhine-Westphalia, and Bavarian Gov. Edmund Stoiber are great fans of California Gov. Arnold Schwarzenegger. Stoiber recently visited Schwarzenegger in California, and both agreed on the need for brutal austerity policies through “balanced budgets.” Both share the same Mont Pelerinite, free-market outlook, as exemplified by Milton Friedman and von Hayek. Schwarzenegger promised to visit Germany this Summer, and also wants to come to Bavaria, where he started his body-building career decades back. Of course, there are also joint elements of control over both politicians, above all in the media and film industry. So, the quicker the LaRouche movement succeeds in sinking this George Shultz asset [Schwarzenegger], the better for Germany.

Let’s take another recent example of the dangerous alliance between U.S. neo-cons and their German followers: Recently Count Lambsdorff, European chairman of the Trilateral Commission, invited Henry Kissinger to the party congress of the German Free Democratic Party [FDP], where Lambsdorff and another prominent German neo-con, Margareta Mathiopoulous, endorsed a declaration of support for preventive wars as part of the party’s platform. At the same congress, party chairman Guido Westerwelle attacked the German trade unions as “a plague.”

Lambsdorff is a prominent member of one of the many key “reform” organizations, the Assembly for Germany (Konvent für Deutschland), headed by former German President Roman Herzog, pushing for a change of the “outdated” German Federal and social-based constitution. The chairman of the board of this organization is international management consultant Roland Berger, who, besides having advised many firms and state institutions how to “reform”—that is, lay off people and go for deregulation and privatization—also played an important role in the change from an industrial to a “service sector” economy. Berger, among other things, represents in Germany the French management and consulting firm Publicis, on whose consultative board we find key representatives of influential private financial interests such as Michael David Weill of Lazard Frères, and well-known LaRouche-hater Felix Rohatyn, formerly also with Lazard, now Rothschild & Cie. A partner of Rohatyn both in the Rothschild Bank and Publicis is Gerard Worms. Both Lazard and Banque Worms in the 1930s and ’40s played a role in what former OSS [Office of Strategic Services] agent Langer reported about in his 1947 book, *Our Vichy Gamble*, on the synarchist conglomerate of

companies, banks, and governments in Europe.

In our book we have exposed these international synarchist financial interests, including their foundations, as a Conservative Revolution, a new variant of the same financial circles, which in the ’30s wanted to preserve their control over the the bankrupt Versailles debt system by any cost. Also today, in order to protect an already bankrupt financial system, international financial sharks are destroying the institutions of the nation-state, to loot still existing productive industrial potential, and to rob the liquidity of the state social, health, and pension systems under the banner of “globalization.” In Germany, these social security systems date back to the time of Bismarck. They were implemented in the context of a shift in European nations to the Lincoln-Carey industrial perspective of the United States, to collaborate for great infrastructure projects in Eurasia and to defeat the British “free-trade” imperial policies. Also, this was the time that the first social encyclical *Rerum Novarum* provided a crucial moral backbone to these efforts. The German state social system has served as a role model for many nations during the last century.

EIR: The BüSo election campaigns are dragging these neo-cons’ attacks on the General Welfare principle out into the light. Can you tell us more about this?

Fimmen: At the beginning of 2004, at the European Party Congress of the BüSo for the European parliamentary elections, Helga Zepp-LaRouche had declared war on those foundations and private financial interests, that want to destroy the social state and abolish the responsibility of elected representative institutions of government: Meinhard Miegel of the Bürgerkonvent (Citizens Assembly), Roland Berger of Konvent für Deutschland, Hans Tietmeyer of the New Social Market-Economy Initiative (INSM) [see Elke Fimmen, “Hans Tietmeyer’s ‘New Social Market-Economy Initiative’—Cui Bono?” *EIR*, Dec. 10, 2004], among others. These organizations are comparable to the Cato Institute, Atlas Foundation, or Heritage Foundation, which are offsprings of the Mont Pelerin Society, and are used by people like George Shultz and Arnold Schwarzenegger to push through brutal austerity cuts and social deconstruction to produce income streams for Wall Street.

In Spring and Summer of 2004, an unprecedented barrage of social cuts, attacks on trade union rights, and calls for change of the supposedly outdated constitution emerged in Germany, culminating in the infamous Hartz IV labor laws, which reduced the unemployment benefit claims of millions to an absolute poverty level, forcing them to take any jobs at whatever pay, and to spend their savings before getting a penny from the state—and all of that in an ever-collapsing economy. So, Helga Zepp-LaRouche issued in June her famous call to restart the “Monday Demonstrations,” which had brought down the unjust system of the former Communist East Germany in 1989. In effect, these demonstrations, which first were organized solely by the BüSo, in the context of the

Saxony state parliamentary campaign, gained such momentum, that by Autumn, millions of people all over the East of Germany—which was hardest hit by the Hartz IV laws—but also in the West, were out in the streets protesting.

Suddenly, just when the BüSo-inspired Monday Demonstrations had reached a new peak, there was an unprecedented selling of European state obligations by Citigroup on the London EMTS platform on Aug. 2, preceded by the open threat to downgrade German state securities by the rating agency Standard & Poors, if the German government would not stay its course! Then, on the weekend of Oct. 2-3, 2004, one-page ads appeared in leading German papers which urged Chancellor Schröder not to change his suicidal “reform course” at all costs. It was signed by about 60 top managers of insurance and management firms, bankers, and journalists, who did not identify their positions, however. Ironically, the call was titled “‘We are also the people!’”¹ We then investigated the background of these persons, and found a hilarious “right” and “left” cross-section of financial interests, as is the essence of synarchism.

Among the signers of this ad was a leading representative of Russell Reynolds Associates, a huge international consulting firm, whose top executives include Jonathan Bush, uncle of President George W. Bush, chairman of J. Bush & Co., one of the Pioneers (top financial contributors) of the Bush campaign, and a member of the executive of Riggs Bank! Another signer was Philip Caldwell, ex-president of Ford Motor Company and former member of the executive board of Lehman Brothers, Inc. The managing director is Hobson Brown, formerly vice president of Morgan Guaranty Trust Company. And on the advisory board is Robert V. Lindsay, former president of J.P. Morgan and Co.

The research into this operation was the stepping-stone for a series of articles on these networks in our German weekly paper, *Neue Solidarität*, which were widely circulated. We developed other historical material on Hitler’s Economics Minister and Reichsbank President Hjalmar Schacht and his Anglo-American backers, such as Montagu Norman, the chairman of the Bank of England; on John Foster Dulles, who represented the House of Morgan and later the U.S. side of the Nazi cartels; the role of the Bank for International Settlements (BIS); and the synarchist background of today’s international neo-Nazi movements. And we decided we would publish this material as a book, as part of our fight to expose the ghouls behind the looming danger of fascism, and to prevent fascist “regime change” in Germany. So, seen in the context of our overall international fight, we can say, that the first 4,000 copies, which were sold in a very short period, had a catalytic effect on the change of the political debate in Germany.

EIR: Why would the neo-conservatives, who are constantly

1. A reference to the slogan of the freedom movement in East Germany in 1989, “*Wir sind das Volk!*” (“We are the people!”).



polemicalizing against government regulation, be such staunch defenders of the strict regulations of the Maastricht Treaty and its Stability Pact’?

Fimmen: The answer is quite simple: The Maastricht Treaty and the Stability Pact are both instruments created by private financial interests, which through “independent central banking” like the European Central Bank, try to exert complete control over the policy of sovereign governments. These circles, as ideologically represented by the Mont Pelerin Society of Friedrich von Hayek and Milton Friedman, are absolutely hostile to the very idea of government’s dirigistic policies to favor the real economy and the common good, let alone the idea of “national banking.” European governments do not have the same power as the U.S. government, whose Constitution gives it the right to create state credit in order to promote the General Welfare.

One of the key enforcers of the Maastricht austerity regulations has been Hans Tietmeyer, former president of the German Bundesbank. Tietmeyer ensured that the “independ-

dence” of the European Central Bank would remain untouched, when the crucial negotiations about Europe’s future took place. He also advocated the additional implementation of the so-called ‘Maastricht criteria,’ which force the nations to observe a strict austerity policy and balanced budgets. Apparently as a “thank-you” for his services, the Bank for International Settlements named Tietmeyer its vice-chairman in 2003. He was also invited to join the board of Lazard Frères Germany, whose chairman is former U.S. Ambassador John Kornblum. Lazard Frères is number one in Europe for “mergers and acquisitions,” and was also instrumental in a failed pilot project in the east German city of Stralsund, to privatize the public savings and loans banking system.

In 2000, Tietmeyer funded the Initiative New Social Market Economy (INSM), which is one of the key, extremely well-funded foundations pushing for destruction of the social welfare principle and a ruthless continuation of “reforms.” In this initiative, you find people like international management consultant Roland Berger; historian Arnulf Baring, who repeatedly expressed his regret for the present lack of Article 48 of the Weimar Constitution, which enabled rule by “emergency decree” in the Weimar Republic [thus paving the way for Hitler]; and Dr. Hans Barbier, an economic journalist of the *Frankfurter Allgemeine Zeitung*; and the president of the CDU’s Ludwig Erhard Foundation, just to name a few. You also find a member of the board of the Friedrich August von Hayek Foundation, Dr. Lüder Gerken.

Another illustrative example of how these organizations are doing the dirty work for big private banks and insurance companies, to eliminate any government regulations that would hinder their looting operations, is the Citizens Assembly of Nietzsche-admirer Meinhard Miegel. This organization is extremely well funded—6 million euro per year, without any sources of financing being published. Its advertising is run by a firm called Abels and Grey, an official partner of RAND Corporation Europe. The organization is profiled around the radical Jacobin posture of Newt Gingrich’s 1994 Conservative Revolution: against the “incurable” corruption of big government and elected parliamentary representatives, as well as against unions, which are called “special interests.”

Miegel and his friend, former CDU General Secretary and Governor of Saxony Kurt Biedenkopf (a member of the Trilateral Commission), studied with German emigré and cartel law specialist Heinrich Kronstein, who after 1937 worked for the U.S. Justice Department and played an important role in the postwar break-up and reorganization of German industry. Both are members of the Global Aging Commission of the Center for Strategic and International Studies (CSIS) at Georgetown University in Washington. This organization plays a key role internationally in pushing the “reform,” that is, privatization, of European and Asian pension systems, which they call of “strategic interest.” Speakers at their conferences include representatives of the world’s financial and insurance giants, such as Prudential, Nationwide Global,

Watson Wyatt, Citigroup, Allianz, or Deutsche Bank. In Berlin, in May 2002, the CSIS organized a conference on “Pension Reform and Its Effects for Germany and Europe.” This was sponsored by U.S. insurance giant Nationwide Global, Deutsche Bank, and the American Council of Life Insurers. Participants praised the “Riester reform” as a first, symbolic step away from the state-run pension system, but pushed for going much further. Apart from leading representatives of CSIS, John Kornblum also attended, as well as Patrick Liedtke, general secretary of the Geneva Association, which unites the largest worldwide insurance companies. He is also an executive member of the Club of Rome. The European co-chairman of this initiative is former U.K. Social Welfare Minister in the first Blair government, Frank Fields, a fervent admirer of José Piñera—the architect of the destruction of Chile’s pension system and a good friend of Wall Street banker John Train.

Lastly, just to give a flavor of the mind-set of these people: In a two-page article in the weekend edition of the *Financial Times* of Nov. 28, 2004 about Miegel and his Citizens Assembly, he “foresaw” a *Götterdämmerung* [Twilight of the Gods] coming, because neither politicians nor the people are capable any longer of solving problems rationally. There is no luxury any more of a smooth change, he declared categorically. The German “economic miracle,” according to him, was an “error of history,” which cannot be repeated. The “Europeanization” of the whole Northern Hemisphere must necessarily come to an end. And, most important, he claims that the population growth in Europe which occurred after the Peace of Westphalia in 1648 has irreversibly come to an end, and with it the existence of those state institutions, as we know them, our culture and our economic growth!

EIR: What else would you like to tell our readers?

Fimmen: In the BüSo campaigns, both in Saxony last year, and in North Rhine-Westphalia now, we succeeded in introducing the crucial element of cultural optimism, in particular about the potential to shift the situation in the United States. Now, we see the reflections of this potential, including the situation in Italy, where parliamentarians were the first to pass a resolution calling for a conference for a new world financial system, based on production and development instead of speculation, inspired by Lyndon LaRouche’s proposals. Helga Zepp-LaRouche now has initiated an Ad Hoc Committee for a New Bretton Woods, to internationalize this fight. With a revival of the American System of Economics, as represented in Germany, for example, by Friedrich List during the 19th Century, we can put the image of man as a unique creative being right back into the center of the economic and political debate, where it belongs, and defend the constitutional institutions, which have to protect this image of man. In the current escalation of the financial breakdown, let us put the ghouls of the past into the cellar of antiquity, and jointly create a new future for mankind.