

## LaRouche Says Schmidt Overlooked Great Britain

WIESBADEN, April 17 (IPS) — Slowly shaking his head and with a wry smile on his face, U.S. Labor Party presidential candidate Lyndon LaRouche, Jr. remarked on West German Chancellor Helmut Schmidt's television interview, "It is clear that the Chancellor was so much carried away by the sound of his own rhetoric that he momentarily forgot that Great Britain is also both a European and a Common Market country."

with the press April 15, in which the West German leader charged that "the weakness of present-day Europe is the weakness of several governments," notably those of France and Italy.

Said Schmidt, "Wherever social democrats make the laws, wherever they rule ... say, in Austria, the Federal Republic of Germany, Scandinavia — there you have social progress, openness, no conservative or reactionary clutching onto old forms and old ideas, rather a forward development of state and society, and as a result, no noteworthy Communist Parties. You have Communist Parties of great weight where the old circumstances have, through violence and force, remained firm: in Portugal, in Spain, and in Italy, and to a certain degree in France, which bears the Gaullists' imprint."

Ticking off points on the fingers of his left hand as he spoke, U.S. Labor Party candidate LaRouche noted, "In Great Britain, like the Federal Republic of Germany, there is a great social-democratic party, the Labour Party, which has effectively neutralized Communist Party influence. In Great Britain, the national trade-unions have already accepted far more austerity and at least as much speedup as has occurred in the Federal Republic. Yet, contrary to the Chancellor's impulsive line of reasoning, but for London market leverage, Britain is the Common Market nation in the worst condition — in worse internal condition than Italy.

"I think it is not surprising that a number of governments and non-Communist European political leaders have described the Chancellor's remarks as both unfortunate and notably unhelpful for Europe's present problems!"

LaRouche added, "What I wish to emphasize in making this point is that I fully understand what is passing through the heads of key West German political leaders at this time. I fully understand why the Chancellor of the Federal Republic of Germany would find himself sometimes making a speech in which he says things he himself might laugh at under other circumstances.

### Bankers Pressure W. Germany

"The Federal Republic is being subjected to hideous pressures. The first, and most serious pressuring comes directly out of the leading New York banks, banks which, to my knowledge, have made some extremely ugly threats against the Federal Republic. The second, less severe but still considerable pressure, is the Italy situation.

"Italy has been driven into national bankruptcy largely as a result of a wrecking operation directed by the New York banks. In reality, Italy has absolutely no choice at this point but to either make an orderly financial debt moratorium or slide into a disorderly state of default. In either case, a major

chunk of Federal Republic reserves — and the myth of the upswing — evaporate all at once. Moreover, an Italian debt moratorium or default is believed by many leading bankers to lead directly into a British debt moratorium or default, and who knows what other chain-reaction effects.

"You may be certain," he continued, "that both of these pressures are very much in the minds of all top officials of the Federal Republic."

LaRouche indicated that he had further points to add on the issue, "It isn't considered good form for a presidential candidate from one nation to speak too directly or bluntly about the internal political affairs of another. In this case, what I have to say should be understood as a proposal that certain present, ongoing U.S. interferences in Federal Republic policies ought to cease. Otherwise, speaking as a U.S. presidential candidate, I shall say as little about internal West German affairs as present U.S. interventions permit."

"Specifically, up to the November 1975 Rambouillet summit conference, forces identified with Christian Democrat Gerhard Stoltenberg, Social Democrat Herbert Wehner and Free Democrat Wolfgang Mischnick were on a converging course of policies which coincided with the objective interests of the Federal Republic as an industrial nation, and with the objective interest of West German workers. On the basis of objective considerations and information currently received on the thinking among key industrialists and Social Democratic Party (SPD) rank-and-filers, there is no doubt in my mind that the common thrust of Stoltenberg's, Wehner's and Mischnick's thinking last summer and fall is a fair indication of the policies the Federal Republic would adopt democratically if the nation were freed from its outside pressures and other interference.

### Turnaround

"Although I cannot suggest that Chancellor Schmidt himself then agreed with the thinking of those Christian Democratic, SPD, and Free Democratic currents, it is well known that SPDer Schmidt had repudiated the earlier version of the upswing myth, and had made a number of economically competent public statements to the effect that this was the worst depression and that no recovery would be forseen under existing monetary conditions. He also had made some sound observations about the New York City mess.

"Then, at the Rambouillet summit, U.S. Treasury Secretary Simon, accompanied by a battalion-strength coterie of *Elementargeistern* (small, grotesque elves and spooks — Ed.) from various U.S. agencies, really put hideous pressure upon European and Japanese representatives. 'No new world economic order, and all will faithfully and constantly repeat after me, "There is now an upswing coming," and keep saying that publicly no matter how bad the economic collapse becomes.'

"Suddenly, after Rambouillet, West German forces shifted abruptly away from the earlier policies, with Wehner holding out until after the Lower Saxony affair, and then everyone began jumping on him and certain voices began repeating the rehearsed chorus-line to the effect that Uncle Herbert had suddenly become a figure of the past."

LaRouche continued, "There are two additional elements of the current policies dictated by New York bankers which have to be considered if one is to develop a compassionate insight into the horrible external pressures upon leading Federal Republic officials. These are, first, the fact that the New York bankers are openly demanding that all Western Europe, including the Federal Republic, submit to a form of austerity consciously modeled on the austerity policies of Nazi finance minister Hjalmar Schacht. Second is the military policy which New York financial circles are attempting to impose upon NATO.

"If I put myself mentally for a moment into Chancellor Schmidt's position, taking into account his backgrounds in both economics and military affairs, I can imagine what a nightmare Schmidt, as a German patriot, confronts.

#### Wall Street's Demands

"Consider what certain forces from Lower Manhattan are attempting to do to this small country. Those same financial interests in New York which forced upon Germany both the conditions for Hitler and initially pushed the Hitler regime itself, are again demanding that Germany undergo Schachtian austerity. Was not one Nazi austerity and one post-war "turnip winter" of starvation enough? What do these New York bankers wish to do to this nation? Do they hate the Germans as much as these policy demands suggest?

"The second New York bankers' demand, the military policy question, is perhaps more hideous.

"It is well known that the NATO posture is for a retreat to defense positions along the west bank of the Rhine, in the Low Countries and the Brenner-Trieste region. All the chattering about an alternative policy of so-called forward defense is

sheer nonsense.

"Imagine the West German army, a few British brigades and some U.S. divisions tucked along the west bank of the Rhine, with perhaps 50 Warsaw Pact divisions coming at them, and France, a neutral country, just behind them. Last spring, representative Federal Republic military figures rightly described that as a Rand Corporation "trummerfeld" ("field of rubble") policy for the nation. Yet Kissinger and Co. are pressuring the Federal Republic into actually lowering the nuclear threshold for the region through "wonder weapons" programs!"

LaRouche shook his head and said, "I cannot believe that such thoughts do not pass through the mind of any German patriot in the informed position of the Chancellor. Therefore, if he sometimes says perhaps some foolish things, I for one, would not react emotionally.

"As a U.S. presidential candidate, my responsibility is, first, to understand the actual objective interests and so forth of all nations, including the Federal Republic, so that a sane U.S. foreign policy can be formulated in the light of such knowledge. My second responsibility is to work to free nations such as the Federal Republic from the kind of hideous, improper pressures now coming from both Lower Manhattan and certainly various malignant or foolish quarters in Washington itself."

He added, "Naturally, I would be interested in discussing future U.S. policies with the Chancellor and other responsible persons at any time. They would find that they, and other Europeans as well as developing nations, would be pleased with the circumstances in which I was the White House figure with whom they had to deal."