

20th Century.

It became clear in numerous discussions around the conference, that there is a pressing need for the hope of fashioning a European future of positive dialogue, but that there is also much room for improvement. Neither the new EU members nor Russia need to be treated by the EU bureaucracy as cheap-production states or as raw materials producers; rather, their representatives have to express very clearly that they claim an equal status from the start. The different facets of the Prague conference made clear that Europe, in this time of unexampled radical change, must still do a great deal to see that the 21st Century takes a happier course than the century past.

On one thing, all the participants in Prague were in agreement: The dialogue of nations and civilizations cannot be given up. And perhaps one of the most hopeful signs for the future, was that a wide range of youth from both East and West were represented at this conference.

Plenary Session

Is There a Universal Image of Man?

by Helga Zepp-LaRouche

Helga Zepp-LaRouche is founder and Chairwoman of the international Schiller Institute. She gave this speech to the Plenary Session of the Prague conference of the World Public Forum, on May 4.

As the Rhodes Declaration dramatically pointed out: Mankind finds itself in an existential crisis, where the existence of a very large part of the human race is threatened by the presently dominating paradigm of globalization, and the need for a new more human paradigm was emphatically requested. In front of the terrible situation in Southwest Asia, and the deteriorating economic situation in many countries in the world, this becomes more urgent by the day.

Therefore, it is important to agree on the axioms which underlie the new paradigm. Obviously, the most important of these axioms is the question: What is the image of man of the new paradigm? While from the standpoint of Christianity this is clearly defined—that man is in the image of God, and derives his inalienable rights and dignity from that fact—if one looks around in the world today, that question is not so self-evident at all.

On the 16th of November last year, there was a popular

TV program on SAT-1, the German-Swiss-Austrian channel, called the “Philosophical Quartet,” with the title, “The Eat-able Zoo—of the Co-Citizen Animal.” All the four participants of this talk show—the “philosopher” Sloterijk, the biographer Ruediger Safranskim, the artist Peter Kubelka, and Thilo Bode, head of an organization called “Foodwatch”—agreed, that there is no essential difference between man and animal. Also, there is presently a flood of so-called “scientific evidence,” supposedly proving that the genes of humans and animals are almost identical, that man is just a higher ape, closely related to the pig and so forth.

While one could dismiss this as mere opinion of some cultural pessimists, unfortunately, this has real implications for the real world in which we live. If man is just a form of animal, then the sanctity of life, absolutely granted by the monotheistic religions of the world, is no longer there. If man is just a higher animal, then the value of his life is a debatable question. Especially, when the increasing economic crisis demands more budget cuts, maybe human life has to be valued from a cost-accounting standpoint. That this is not a hypothetical question, we can see, for example, in the United States with the HMO-system, where cost factors decide if it is worthwhile to treat a patient with certain treatments or not.

How is this question to be answered, when the international financial institutions are demanding that, for example, Argentina pay its foreign debt in time, even if most of this debt is completely illegitimate (Argentina has paid that debt in real terms many times), and the President of that country, Kirchner, underlines that it amounts to genocide against the Argentine people, if this debt is paid. Who is right: the international financial institutions, who demand that “the system” must be maintained, and that therefore it is legitimate to demand the “pound of flesh” Shakespeare wrote about in the “Merchant of Venice”; or the President, who defends the common good of his people? Is human life sacred or not?

Two Opposed Ideas of Mankind

In European tradition there have been two distinct traditions on this question. One, which essentially goes back to Plato, has an image of man as a cognitive being, making him absolutely distinct from all other living creatures. Here man is capable of reason, of infinite self-perfection, and with the ability to understand the laws of the universe in a better and better way. His cognitive ability enables man to continuously improve the conditions of his life through scientific discovery, and thus to increase the population potential of the Earth from a few million, circa 20,000 years ago, to presently above 6 billion people. No animal can willfully change and improve the conditions of his life. With the arrival of Christianity, the sanctity of each human life, [as in the Old Testament’s Book of *Genesis*], became explicit, even if it was not yet practically realized during the Roman Empire and the Middle Ages.

Only with the development of the idea of the sovereign nation-state in the 15th Century—the development of repre-



Some of the delegation of European leaders of the LaRouche Youth Movement who accompanied Helga Zepp-LaRouche to Prague.

sentative government, and the notion that a government is only legitimate if it is devoted to the common good of its people—this idea became practical. The government of Louis XI in France was the first approximation of this concept. The writings of Nicholas of Cusa were a crucial breakthrough in the development of the idea of the inalienable rights of all people, guaranteed by a republican constitution.

However, there was a totally opposite tradition in European history as well. As Friedrich Schiller points out in his *The Legislation of Lycurgus and Solon*, the city-state Sparta was an early version of the oligarchical model, where a small oligarchical elite thinks of itself as chosen, as privileged by birth or wealth, while the rest of the population, 95% or more of the people, are essentially not more than human cattle, helots, slaves, who are not really human. Therefore the oligarchs have the right to kill this human cattle, if necessary, breed them for their own benefits, cull the herd, if so desired. Since it is important to keep the privileged status of the oligarchical elite, the masses of the human cattle must be kept deliberately backward, ignorant, and bestial in their desires. In the Roman Empire, which was in the tradition of Sparta, this occurred with the help of bread and circus. Today in many countries, it is the ever more bestial entertainment industry, which plays that role.

If one reads, for example, the writings of the very influential Joseph de Maistre, who was ambassador of Savoy in St. Peterburg at the beginning of the 19th Century—how in his “Letters to a Russian Nobleman,” he defends the Inquisition of Spain and the use of torture to control the masses and keep them backward—one gets a very good insight into the mind of the oligarchical ideology. Unfortunately this is not an academic question: The fact that torture is very much alive today,

we have seen just now in Iraq.

Maistre also argues, like all of his oligarchical co-ideologues, that man is evil by nature, and therefore needs this oligarchical dictate in order to control his evil impulses.

Such was also the argument of the English Enlightenment, of Hobbes, Locke, Mandeville, etc., who all proceeded from the idea of man as being evil, by definition. The only way to keep any order in the state was, therefore, through a social contract, a strong state, as developed, for example, in Hobbes’ *Leviathan*. The most obvious self-serving argument is developed by Mandeville, who argued that private vice serves the public good. (Because there are criminals, lawyers have an income, etc.)

On the positive side, there is Leibniz, who saw each individual soul as a *monad*. In each *monad*, there is, implicitly, the entire lawfulness of the universe embedded. His predecessor, Nicholas of Cusa, saw each human being as not only as *imago viva dei*—as the “living image of God”—but also as a microcosm, whose ability to understand the laws of the macrocosm meant that they had to be coherent. Evil, for him, does not co-exist with the good forever, as the Manicheans think; but for him, it is a lack of development, which can be overcome through exactly that—development!

This Platonic tradition in European thought is, by the way, very close to the thinking during the Indian Renaissance, which started in the middle of the 19th Century; namely, that there was a cosmic order, which man has the duty to consider in his political action.

Idea of the ‘Beautiful Soul’

I personally also appreciate very much the very positive image of man of Friedrich Schiller, the German “Poet of Free-

dom,” who wrote that every human being has the potential to develop to become a beautiful soul. A beautiful soul is a person, who has educated his emotions to be on the same level as reason; for passion and duty, freedom and necessity, are one and the same thing. A beautiful soul will always act on the level of the sublime, as if by instinct.

It seems to me that, given the axiomatic importance of the idea of the image of man, for all the other assumptions man develops in this world outlook, the dialogue of cultures and civilizations should start with trying to establish the highest ideal of man, that which is universal about him, and then look for corresponding concepts and ideas in each of the cultures.

When man is generally accepted as the only cognitive of all living creatures, a major step has been taken to lay the foundation to create a new renaissance, which the world urgently needs. And it must be especially the youth, the young people of the different cultures, who lift the dignity of man on the highest pedestal ever. If the young people of all countries relate to each other, referring to the best traditions of their respective cultures, then mankind will have overcome its infantile stage.

Economic Workshop

FDR's New Deal Is Key to Today's Financial Crisis

by Helga Zepp-LaRouche

To the workshop on economic questions of the Prague conference, on May 6, Mrs. Zepp-LaRouche gave this presentation, "A Policy in the Tradition of Roosevelt's Global New Deal As the Way Out of the Systemic Financial Crisis."

Especially in a moment where the integration of central European nations into the European Union gives rise to the hope of their respective peoples, that the circumstances of their lives will improve—and the desire to hear “bad news” is not exactly great—I feel that it is my duty to warn the participants of this conference concerning looming dangers in the global financial system, that will greatly effect the economic situation in Central Europe. But I want to emphasize at the beginning, that a positive solution is absolutely possible, and that there are several historical precedents which we can resort to, at least in principle.

Even if this is not admitted publicly, behind closed doors there is a very far-reaching agreement among members of governments and executives of leading banks and insurance

companies, that the global financial system is finished. The more informed of those executives are in a state of panic, that not one new “LTCM”-like crisis is threatening, but many new LTCMs. About the bankruptcy of the largest hedge fund in 1998, which at that time could only be bailed out by the 16 largest banks of the world, the BIS [Bank for International Settlements] had admitted in their annual report of that year, that what was at stake was the complete meltdown of the global financial system.

In its first quarterly report of this year, the same BIS, known to be an extremely conservative institution, warns of the extremely dramatic situation concerning all aspects of the financial system, implying, although in the typical bankers’ language, that all bubbles of the system could blow simultaneously—ranging from the stock and bond market bubble, volatility in the foreign exchange markets, unsustainable mortgage and consumer debt, to skyrocketing volumes of derivatives—amounting together to a systemic risk of unprecedented proportions. The reality is, that the derivative bubble alone has reached an order of magnitude more than the world’s GDP. . . .

Bush's Big April 2 Fraud Backfired

In the short-term, it was the absolute intention of the Bush Administration and Federal Reserve chief Alan Greenspan, to postpone the blowout of the system under all circumstances until after November of this year, in order not to wreck the re-election chances of this administration; so the low-interest rate level was supposed to be kept, despite some warnings such as those from Fed governor Poole, that inflation could become a very serious problem, and when it had become visible, it would be too late.

When in September 1998, the LTCM collapse occurred in the wake of the GKO-crisis and the de facto bankruptcy of the Russian state, rather than working on a “new financial architecture” President Clinton spoke about in front of the Council of Foreign Relations in that month, the international financial institutions decided to prevent any major bankruptcy with a “wall of money,” meaning the massive pumping of liquidity into the system, whenever needed. The negative interest policy of the Japanese Central Bank was part of this “Washington Consensus,” feeding, via the “yen carry trade,” various bubbles in the U.S. markets. For the immediate crisis management, there was the “plunge protection team” in the form of a group of investment banks which would intervene, pumping liquidity whenever a problem loomed.

Until early April, the markets generally assumed that the Federal Reserve’s prime rate would remain at ultra-low levels for a long time to come. Investors were hoping for giant, almost risk-free profits for banks and hedge funds. They could borrow from the Fed at 1.0% interest rates and then invest the money into high-yield U.S. Treasuries, corporate bonds, emerging market bonds, stocks, and commodities.

But with things not going so well for Bush in Iraq and in