

Editorial

A New Bretton Woods Now!

As a follow-up to the appeal launched in July 2000, in favor of reorganizing the world's financial system, which appeal was endorsed by many international leaders, including former heads of government, MPs, trades unionists, businessmen, civil rights, and church figures, the Schiller Institute's Chairman Helga Zepp-LaRouche has now issued an updated appeal. The text below is currently being circulated worldwide, and will appear, with the signatories' names, both on Internet sites and in newspapers. We call upon our readers to circulate and support this initiative, in view of the immediate crisis we face.

The paradigm shift of the last four decades, a period in which the world economy increasingly abandoned manufacturing and gave itself over to untrammelled speculation, is now drawing to an end. The world financial system is about to implode. Gross production worldwide stands at a mere \$40 trillion, over which looms a gigantic debt bubble 50 times that size, *viz.*, \$2,000 trillion worth of financial liabilities. The impending bankruptcy of General Motors and, potentially, of the entire U.S. automobile industry, is but one of many factors that could well lead to the collapse of the U.S. dollar, and thereby, that of the entire financial system.

To prevent the world's people from suffering the untold harm that the breakdown of the system would unleash, we the undersigned demand that an emergency conference be convened, to agree upon a new financial architecture along the lines of the Bretton Woods System launched at Franklin D. Roosevelt's initiative in 1944. We stress that Lyndon LaRouche is the economist who has best grasped the causes of the systemic crisis, and who has, moreover, put forward a package of measures that would adequately deal with it: a new New Bretton Woods agreement.

We the undersigned further stress that the Italian Parliament has taken up LaRouche's proposal, and on April 6, 2005, voted up a Resolution calling for "an international conference at the Head-of-State level, in

order to lay the basis for a new and just world monetary and financial system."

The following measures must be implemented if we are to alter the mistaken course that we have followed since President Nixon did away with fixed exchange-rates in 1971, a course that has led to the present upsurge of a grotesque and predatory form of capitalism, thanks to unchecked "globalization," after the fall of the U.S.S.R. The New Bretton Woods Conference shall decide as follows.

1. There shall immediately be re-established fixed exchange rates.
2. A treaty shall be enacted between governments, forbidding speculation in derivative products.
3. The debt shall either be cancelled, or reorganized.
4. New credit lines shall be opened by the State, to create full employment by investing in critical infrastructure and technological innovation.
5. The building of the Eurasian Land-Bridge, as the keystone for rebuilding the world economy, is the vision that will bring about not only a new *Wirtschaftswunder* (economic miracle), but peace in the 21st Century.
6. A new Peace of Westphalia will ensure that for no less than the coming half-century, raw materials shall be extracted and processed for the benefit of every nation on this planet.

We the undersigned believe that so-called "globalization," this predatory form of capitalism, has shown itself beyond all doubt to be bankrupt on every front, whether economic, financial, or moral. It is Man who must stand at the center of the economy, and accordingly, the economy must serve the common weal. The purpose of a new world economic order is to guarantee the inalienable rights of Man.

Signed,
Helga Zepp-LaRouche
Chairman of the Schiller Institute
Chairman of the Civil Rights Movement
Solidarity in Germany (BüSo)