

THE LAROUCHE SHOW

France's Jacques Cheminade: Why I Am Running for President

Jacques Cheminade is a candidate for the Presidency of France, and a long-standing associate of Lyndon LaRouche. He is the head of the Solidarity and Progress party (www.solidariteetprogress.org). Harley Schlanger interviewed him on July 24 for "The LaRouche Show," an Internet radio program that airs Saturdays at 3:00 p.m. Eastern Time (www.larouchepub.com/radio).

Schlanger began with LaRouche's recent emphasis on the urgency of political and economic change; that we have no time to wait, both to oust President Obama and to establish a Four-Power alliance of leading nations to reorganize the bankrupt global financial system. Schlanger continued:

Harley Schlanger: Joining me today will be Jacques Cheminade, and we'll be talking about this question of the timing, because some people have said, "Why is Jacques announcing now? The French elections aren't until 2012." So, we'll have a chance to discuss with Jacques on the program today, his sense of the timing.

Jacques, for those who don't know him, has run for President of France before. He's a well-respected economist, very well known among political figures in France—and feared, I might add, by some of them, as he was targetted in the same way that Lyndon LaRouche was, by French political police and financial authorities, who tried to destroy him. Jacques has a great familiarity with the United States, having spent some time here. I've had the pleasure of spending time with

Jacques in Paris and elsewhere in France, and doing meetings with him, and I can tell you that this is someone who is quite a political organizer.

So, Jacques, welcome to the program today. Let me start by just asking, why you did announce your candidacy now, when you did?

Cheminade: Well, because it's here and now; it's the end-game of the system internationally. And at the same time, we are in the middle of a regime crisis in France. All the bad habits of the entire French political class are called now into question, by a set of scandals. And in this situation, with an international disintegration threat, immediately, and the disintegration of the French political system, nobody really has a sense of the international situation. They have information, but they are emotionally disconnected from the consequences. Nobody understands, really, the issue of the nation-state, and nobody has a clear understanding of what a credit-based economy is, against a monetarist economy, and that's because they don't understand that the basis of an economy is human physical creativity.

This issue of creativity is something that, both in the [parliamentary] Majority, and mainly around President Sarkozy, but also in the Opposition, has been lost. They have lost the sense of the nation, because they have lost the sense of human creativity.

Look at Sarkozy: He is not attracted and perverted by money—he *is* money. He is an incarnation of money! He's nothing but money! And he is incommensurable with morality. He is absolutely unable to lead a fight, or



EIRNS/Simon Jensen

*Jacques Cheminade addresses a June 30 webcast from Berlin. French politicians, he told *The LaRouche Show*, do not understand the nature of the current global crisis. "They have lost the sense of the nation, because they have lost the sense of human creativity."*

to go in the direction of Glass-Steagall.¹ Why? Because, he is in this universe of money, of gambling. And at the time when all the gambling debts have to be thrown away internationally, he gave the authorization to gamble on the Internet. And he distributed the authorizations to his coterie of parvenus: for example, **Dominique Desseigne**, who is the owner of the [groupe Lucien Barrière] casinos in France. Desseigne is a personal friend of Nicolas Sarkozy; he organized the celebration when Sarkozy was elected, at Fouquet's restaurant in Paris, with all this coterie. And all the people, like **the Bouygues, the Dassaults, Stephane Courbit**—all these people around Sarkozy have been given the gambling rights. How could a guy, doing that, nationally, internationally, oppose the banks? Oppose the gamblers? He can't!

So, that's why I'm a candidate now.

Schlanger: Let's take a look at Sarkozy a little bit, because a lot of the American listeners don't know a

1. The U.S. 1933 Glass-Steagall bill, which separated commercial banking from investment banking, thereby preventing commercial banks from participating in a casino economy, was repealed in 1999.

whole lot about him, except they know he's a little short, and that he married a—whatever you want to call her. A celebrity, let's say, to be polite. The corruption that you just mentioned, the gambling, the support for derivatives, the alliance he has with the leading banks of Europe, all of that is also mirrored in his personal behavior, because there are these scandals now that have emerged. What is the nature of the scandals, and do these actually threaten his Presidency?

Cheminade: The worst scandal is that, when he went to England, he said that he was so happy to go bed in the sheets of the Queen at Buckingham Palace, because this was the thing that excited him the most in all his life. That's the real scandal! In that sense, he's British by intention, absolutely, because he's *money*. He's a merchant, he's a financier.

So, if you look at the scandals, it becomes extremely interesting. He was the head of **Edouard Balladur's** campaign, who was a candidate against Jacques Chirac in 1995.

Schlanger: And that was the campaign you were in.

Cheminade: That's the election where I was a candidate. I was about to come to that.

Blood and Money

So, Balladur deposited in his accounts, 10 million francs, which is at this point, about \$1.5 million, in cash, which is absolutely forbidden according to French law. And the Constitutional Council *accepted* the Balladur account! Who was the spokesman for Balladur and the head of his campaign? Nicolas Sarkozy. So, the Constitutional Council accepted the Balladur campaign account, because they also had to accept Chirac's, who was involved in dirty tricks, and who had overspent, because there is an authorized maximum to spend in France—Chirac had overspent. Chirac was elected, so they could not reject his account, so they decided they could not reject Balladur's. But they decided to reject *my* account, for some really absolutely illegal reasons, against their own law, their own principles.

And the money that Balladur had deposited in



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French President Nicolas Sarkozy has mumbled about a New Bretton Woods system in the past, but is incapable of doing anything to make it happen. "He is an incarnation of money! He's nothing but money," said Cheminade. Here, at Davos, Switzerland on Jan. 27, Sarkozy appears to be "losing it."

cash—there are many stories about it: Balladur claimed at first that it was money from his supporters, but he had barely enough supporters, and all the bills were 500 French franc notes, and a supporter would never give that in cash. Then he said it was the secret funds of the government. Why did he say that, which is already quite bad? And he should be rejected if only for that. Because, he was involved in the Agosta submarine sales to Pakistan, and these Agosta-class submarines were sold to Pakistan, with, of course, *baksheesh* and a kickback. They were sold hastily. And this [kickback] money from the contract was supposed to come back, and part of it came back in the Balladur accounts.

So then Chirac, when he was elected, decided to stop the payments to the go-betweens, and among the go-betweens was a guy called **Ziad Takieddine**, a Lebanese Druze, who is a friend of Sarkozy. So, Ziad Takieddine organized that. He did not get the money, and the people involved did not get the money, because Chirac cut the money, because he did not want the kickback to go to the Balladur-Sarkozy camp at the time.

Then, the Pakistanis, who did not get the money, in

an act of revenge, bombed a bus carrying French engineers from the naval company who were arranging the building of the submarines in Pakistan, and 11 of them were killed. So there is blood in this, and it's a big, big scandal.

The interesting point is that Ziad Takieddine, who officially—and this was recognized by the Sarkozy people—arranged a deal, according to which Libya's Muammar Qaddafi released these famous Bulgarian nurses [who were being held by the Libyans on charges of having infected children with HIV]—and it is said that Cecilia Sarkozy, who went to see Qaddafi, got money from Qaddafi as a payback to accept her divorce from Nicolas Sarkozy. So, this is a second scandal.

And the lawyer in the Sarkozy divorce with Cecilia, his first wife, was **Georges Kiejman**, a former minister of **François Mitterrand**. Now, Kiejman is the lawyer of **Mme. [Liliane] Bettencourt**, in the Bettencourt scandal.

So you have all these connections, which it seems complicated to understand, but in fact, it's very simple: the same people getting money, money, and money, in all directions from all possible sources, and this is also the issue of the Bettencourt/Sarkozy/Woerth case.

Schlanger: Why is this emerging now? You mentioned that Balladur's campaign was in 1995, and some of these other things are spread over the last 5-10 years. Is it coming out now, because of the crisis in general, or how does it work?

Cheminade: In Venice, when you don't take care of the canals, something brews underneath, and then, suddenly, bubbles come to the top, and they tend to release very bad smells. This is what's happening. The Augean Stables have not been cleaned. So the whole thing, in a period of extreme crisis, is coming to the table.

The Bettencourt case is really remarkable, because in that you have everything you can imagine: the manipulation of the justice system, intervention of the Executive in the middle of trials, and with the prosecutors; the confusion of powers; all the scandals of intervention; and in the middle of that, the financial advisor to Mme. Bettencourt, who stole money, EU5 million, from her, **Patrice de Maistre**, who is a descendant of **Joseph de Maistre**! Joseph de Maistre, a European counterrevolutionary and the ideologue of the provocation of a French Revolution and a bloodthirsty revolution to create the conditions for a counter-revolution, and the establishment of an anti-republican power. So



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The swirl of scandals hitting France right now, said Cheminade, is like the muck at the bottom of the canals of Venice. When you don't clean the canals, "suddenly, bubbles come to the top"—the residue of centuries of oligarchism. Shown is the Grand Canal.

you have all that involved in this case, at the same time that Mme. Bettencourt is the heiress who owns 31% of L'Oréal, the international cosmetics company.

The L'Oréal firm was founded by **Eugene Schueller**, the father of Mme. Bettencourt. Eugene Schueller was the main financier of the Cagoule, anti-Semites, worse than the Pétain circles in Vichy, Nazi collaborators, admirers of the New Europe of Hitler. So, this guy had as friends **André Bettencourt**, the future husband of Liliane Schueller—Mme. Bettencourt, née Schueller, whose father was the founder of L'Oréal—**François Dalle**, and François Mitterrand. These three people were protected during the Liberation, because they became turncoats [against Vichy] in 1943, and became part of the Free French—ahem!

So they became turncoats in 1943, and they protected Schueller in the Liberation. As a favor, Bettencourt got the girl—like in a Western; Bettencourt got the girl, and married Liliane Schueller, now Liliane Bettencourt; Mitterrand got the money for politics, starting with a position in L'Oréal's magazine *Votre Beauté*, and then he got a lot of money from this Bettencourt, while claiming that he never did. And then, François Dalle became the CEO of L'Oréal.

So these three guys were at the basis of this reconversion of people who had gone on the bad side with the Nazis during the war, and then went over to the other side in '42-'43. And this is a tragedy of France, a tragedy in French history.

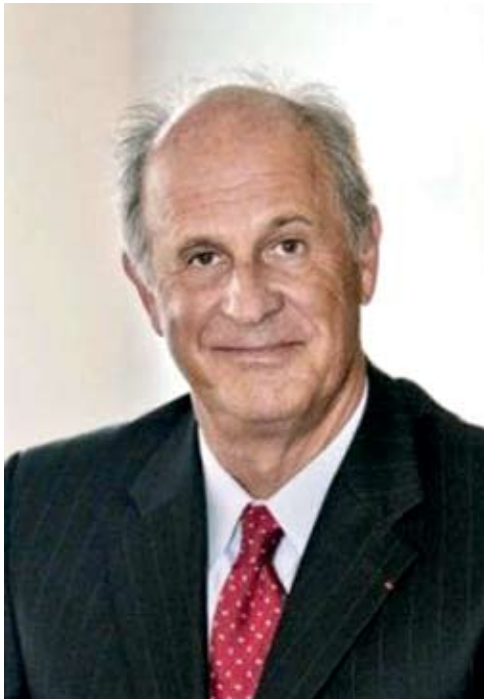
So now, everybody taking advantage of this type of situation tried to get as much money from Mme. Bettencourt as they could—Mme. Bettencourt is 87; she's deaf from tuberculosis when she was young, and she's abused by all these people, including a gigolo artist called **François-Marie Banier**. This gigolo artist was protected by de Maistre, protected by **Eric Woerth**, who is now the Labor Minister of Sarkozy, in charge of austerity imposed on pensioners; and before, he was Budget Minister; and before that, in 1995, this Woerth, who is now with Sarkozy and was the treasurer of Sarkozy's campaign in 2007, was the treasurer of Chirac's campaign!

So, you have the whole nest of people exposed! And as always happens in history, in the tragic moments of history, a small thing suddenly throws light on a big thing. And the beginning of the scandal was this François-Marie Banier, this gigolo who tried to arrange a special relation with Mme. Bettencourt, and got EU1 billion from her—*EU1 billion!* Not all for him, people say in Paris; probably he was a conduit for political favors.

So, he got this billion, and the daughter of Mme. Bettencourt went before the judges and the prosecutors of the Nanterre Court and said, "This is a scandal, my mother should be protected." And she has been under, what they call in France, "abuse of influence" from this Banier. So the prosecutor, **Courroye**, rejected the case, and then tried to cover up everything. But Bettencourt's daughter had a lawyer, called Metzner, who was also the lawyer for former Prime Minister **Dominique de Villepin** in the Clearstream affair. The opposition between Villepin and Sarkozy followed another route and managed to get the case re-started.

And since little things in history always leading to big things, one of the servants of Mme. Bettencourt put a wiretap in her room and made tapes, and they are the secret tapes that the daughter obtained, and now the court has them, and this exposes fully the influence of Sarkozy in the case, through **Patrick Ouart**, who was the chief of staff of the Justice Minister and a Sarkozy man, through the prosecutor Courroye, who tries to cover up and who speaks to de Maistre, while all the time, this is a confusion of justice and Executive power, a violation of separation of powers, an absolute confusion.

Schlanger: Is it big enough that this could topple



Patrice de Maistre (left) is the financial advisor to L'Oréal heiress Mme. Liliane Bettencourt, who is at the center of the scandals that are eviscerating the French political elites. He is also a descendent of Joseph de Maistre (right; 1753-1821), the ideologue of Synarchist fascism.

Central Bank, the so-called “stress tests,” where they said they were going to test to see if the banks are solvent. And even from the press, which usually are defenders of the banks, you have, for example, the *Daily Telegraph*, which said that, not only were the banks allowed to include even the most spurious assets, when calculating their Tier 1 capital, but the definition of “stress” didn’t actually appear that stressful, with a set of assumptions, in the worst case scenario, that appeared to be far from the worst that many in the markets have feared in recent months.

the Sarkozy government?

Cheminade: Sarkozy is finished, in a way, at this point. Not only because of that, but because the elderly, the pensioners, see him imposing austerity on their pensions—they don’t like that too much! And the Internet gambling. I don’t want to compare Sarkozy and Lafayette (for Lafayette, it’s not fair), but the syndrome has a similarity: Sarkozy doesn’t want to see what is happening around him, and he is convinced that he can manage. He intervened on July 12 in a one-hour TV interview with journalist David Pujadas, who acted like the servant of Sarkozy. And everybody’s laughing at this; at this point, Sarkozy has lost control of things; he has absolutely lost control of things.

What people see, and what I said in my declaration of candidacy, is that de Gaulle wanted to make Europe a cathedral, and now, with Sarkozy and the present leaders of European Union, it’s a house of pain.

Stress Tests and Toxic Assets

Schlanger: ...I’d like to turn to the economy, Jacques, because this is where I know you have a great deal of influence among certain networks in France, people who are looking for an alternative.

We just saw this crazy thing from the European

articles from Spain, but especially from Britain, making fun of these stress tests. So, ask, what is your sense of the actual situation with the banks there, and to what extent is the idea of a global Glass-Steagall gaining support as a result of this?

Cheminade: The banks have great confidence in each other, that’s why they don’t lend money to each other! No, the whole thing is a joke. The stress tests are a laughable swindle. All their figures are messed up, and what they take as a situation of “stress” has nothing to do with what is going to happen in the next month and a half. They don’t want to see the future. They don’t want to go into the unknown. They think that by extrapolation of what they know, they can master a process, and they are absolutely quite wrong!

For example, Wolfgang Schäuble, the German Finance Minister, came to Paris, and he participated in the French Council of Ministers [Cabinet meeting]; and at the end, he praised austerity—all the French press describes him as a German apostle of austerity, and in [the financial daily] *Les Echos*, he calls the British austerity measures “truly impressive and admirable,” and expressed great respect for the measures that France announced, including against the pensioners.

The worst of it, of course, is in England, where they

called for cutting public expenses by 20-40%. And you look at these two guys, David Cameron and Nick Clegg, the heads of the coalition between the Conservatives and the Liberal Democrats, and these Eton/Oxbridge hypocritical fascists—you can read it on their faces! Cameron's first visit was not to the United States; he came to France to discuss with Sarkozy. And Sarkozy went to London on June 18 to celebrate de Gaulle's call of June 18, 1940 from London [rallying the French for the Resistance against the Nazis], and Cameron behaved with him in the most obnoxious way: He said, "For us, June 18 is the celebration of Waterloo, but now with de Gaulle, we forget, and we celebrate de Gaulle's call." Then he said, we agree now. France left NATO, and we agree with France's joining the military decision-making body of NATO, and this is proof of French-British friendship as expressed by de Gaulle.

But it was de Gaulle who had pulled France out of NATO! So this is unbelievable!

And then he said, "and we share the same commitment for the cause of liberty in Afghanistan, and we fight on the same side and the right side."

This was absolutely incredible. Everybody in France was commenting, "This thing is getting wild." The old Gaullists are furious, even certain Socialists are reacting, and the old Communists are also furious. But the problem is, that the whole Left is infected by ecologism; and the ecologists, because they are not properly fought by others, are getting quite a bit of influence now, not only with the ecological party, which is called Europe Ecologie, but throughout the Opposition.

Schlanger: Let me go back to the stress test and a couple of things on the economy, because you've raised a couple of things that are quite important: [European Central Bank President Jean-Claude] Trichet just came out with a very strong statement calling for drastic austerity, and there are a couple of others. But I want to get at just one aspect of the stress test. One of the things that happened in the United States, is that they allowed the banks to keep the bad assets on their books at face value. As long as the government is willing to provide funds to those banks, when they need funds to cover costs, they're able to look fairly good. That is, the so-called Tier 1 capital is phony assets backed by government money. Is that pretty much the same in France?

Cheminade: Yes, sure. And when they have toxic assets, when they have problems, they go to the European Central Bank, and the European central banks,

and they deposit their toxic securities or bills at the European Central Bank, and they get, in exchange, cash for one week, three months; in the past, it was one year, now it's only three months. And this appears as part of their equity. It's considered as part of what the banks have consolidated. And also, all that money is not considered a danger, because the banks don't plan to sell it.

Schlanger: So they can keep it at the original market value, even if they tried to sell it, it would be maybe—

Cheminade: Yes, exactly. Especially for banks.

Schlanger: So, Trichet is saying, "Okay, the bailout is over, now we're going with austerity." But from what I understand, they're going to continue with the bailouts, but they are serious about killing off the pensioners, the sick, the elderly, the poor.

Cheminade: It's the Greek treatment: bailout for the financial institutions, and austerity for the people. And now what you see, is the anger of the middle classes. In fact, the austerity policy followed by the European governments, and in particular, the French, will hit the youth, students looking for a flat, the handicapped, pensioners. So it's the entire middle class and working class, and it's exactly the policy of [Vichy leader Pierre] Laval in 1935, and [German Chancellor Heinrich] Brüning in Germany in '32.

Growing Discontent

Schlanger: Are you seeing a kind of mass-strike process emerging? I know we did some mass leafleting back in the Fall of last year. Are we seeing the kind of mass-strike ferment that we've seen in the United States, yet, among the middle classes in France?

Cheminade: At this point, what you see is a lot of anger and resentment, but people express it in an inwardly turned way. It's not yet outwardly turned. Some are expressing it openly, for example, there was a scandal in which General Motors in Strasbourg—General Motors as you know, now, is owned by the American government, and the workers accepted a cut in their wages by 10%, and they are, of course, angry at Obama! They say that we believed that Obama was good, now we have a 10% cut in our wages, some of us are kicked out. And then, General Motors said, "That's not enough, we want to cut your holiday time and we want to be able to have you working 60 hours, if we want, in Summer. We can completely control the agenda of the working

hours.”

These people are furious, and understand the connection between the American policies and the European policies at this point. The General Motors story in Strasbourg is very important, but there are many others. But, overall, it has not yet exploded.

Nonetheless, there will be a big, big demo on Sept. 7, of all the trade unions, and all the Opposition, against the pension cuts that the Sarkozy government is planning. Sarkozy is quite concerned by that—he claims not to be, but he is quite concerned by that. And at this point, the Minister of Labor, who is running the thing, is Woerth, the one involved in the Bettencourt scandals.

So, the government is very weakened, and the people are angry. And anger sometimes can explode over a small thing, like the case of Woerth: Woerth did nothing other than to act according to the rules of the game, to get as much money as he could for his party and the operations of his government, on orders of Sarkozy. People are saying, “The scandal is the Woerth/Bettencourt/Sarkozy scandal.” It’s not “Bettencourt,” it’s not “Woerth/Bettencourt,” it’s also “Sarkozy.” And people are seeing that more and more.



French Labor Minister Eric Woerth is in charge of austerity against retirees, among others.

him too much to hate him.

He has to go, because he’s no longer in a position to go for Glass-Steagall.

That’s why I called for the resignation of Sarkozy. Sarkozy should go, same as Obama.

The extreme right wing and the extreme left, also, called for the resignation of Sarkozy. But they do that with no program, and on the basis of hatred. I said that I call for the resignation of Sarkozy with neither pleasure nor hatred, because I despise



EIRNS/Julien Lemaître

The French labor movement is mobilizing against the government’s austerity program, and a big demonstration is planned for Sept. 7. Here, organizers from the LaRouche Youth Movement hand out leaflets in Lyon on March 19. The worker’s sign is a pun that reads: “Our wages stink.”

A Global Glass-Steagall?

Schlanger: This is what I want to ask you about next, because I know, from a number of meetings that you and I did, when I was in Paris and several other cities, that there were economists, already back last October, who were talking about “global Glass-Steagall,” who were interested in Mr. LaRouche’s ideas. Many of them have known you for some time. We had the phony regulatory bill, the Dodd-Frank bill, where they kept Glass-Steagall out, they kept regulation of derivatives out: How closely was that followed in France? And are people moving toward a Glass-Steagall perspective now?

Cheminade: The government is negotiating with the German government on this famous “Berlin Club” approach, which means that, in the case of a bankruptcy of a state, or a national bankruptcy, banks and private investors exposed to states in difficulty would only recover, at best, half the nominal value of their loans. This has nothing to do with Glass-Steagall. This is only a restructuring in case of collapse of a state. So the thing I want to point out, is that they are considering the collapse of a Euro-

pean state. It's not something out in some fairytale; it's happening! The French and German governments consider it may happen. But, they don't go for Glass-Steagall, at all, at this point! And the Opposition doesn't.

We were told by the head of the Opposition, directly—one of our members of the LaRouche Youth Movement in France was told directly by the Socialist Party head Martine Aubry, privately—that she's in favor of Glass-Steagall, that she's considering it. But that it's not good for an electoral campaign, because people cannot understand such an issue.

You have to understand how this oligarchical system works: Even when they understand something and what it means, they don't want what they see as the "amateurs" from outside being involved in their own dirty little games. So that's what's happening.

The important thing is what you stressed: At this point, there are important economists in France, and we saw them at the Aix-en-Provence meeting of Le Cercle des Economistes Français [The Circle of French Economists]—where, by the way, you had a few Americans like [former Treasury Secretary] Robert Reich. So at this meeting, we polarized the discussion, even if most of us were outside, because we went with Glass-Steagall, we were the "Glass-Steagall people." So, some economists, like Morin, a very important one from Toulouse; he hates the behaviorists. He understands very well what it means, because in Toulouse, you have the French behaviorists, such as Jean Tirole, who is a friend of Olivier Blanchard, who is the chief economist of the International Monetary Fund. Tirole has been given a lot of money by the French government to go on a counter-operation against Morin. So, Morin is calling for Glass-Steagall—we had a long discussion today; Stephane Cosse from the MoDem, he's the main advisor to François Bayrou, also is for Glass-Steagall. Stéphane Pollin, who is an economist from Orléans, is also for Glass-Steagall, and there are four or five others.

Very interestingly, Dominique Plihon, who is a very clever, left-wing financial economist from Attac, who is president of the scientific advisory board of Attac—he never wanted to be involved with us, because he's not very courageous. But he came out in favor of Glass-Steagall, saying at a recent Attac conference, "I think it



EIRNS/Julien Lemaître
LYM organizers in Aix-en-Provence, outside a meeting of the Circle of French Economists, July 2. The sign reads: "Glass-Steagall + New Bretton Woods = Get out of the crisis! With LaRouche and Cheminade."

is necessary to separate the activities of retail banks from those of investment banks, to create a strict separation between them in order to protect people's savings and credit to companies." He said, "There is no real progress on this issue in Europe, and it is worrisome." So, it is very significant that Plihon went for that, because next to him, sitting as featured speaker, was James Galbraith.

Schlanger: From the United States.

Cheminade: Yes, of course. From Texas.

Schlanger: Now, Jacques, with this kind of groundswell, at least in these kinds of circles, we have Lyndon LaRouche's forecast of having reached a boundary condition of the current circumstances, where the only way to save this system is going to be the most vicious, murderous austerity, which we're already seeing. At the same time, you have the crisis with the banks, the crisis with the so-called PIIGS countries in Europe [Portugal,

Ireland, Italy, Greece, Spain], but also, what you're talking about in France, the political crisis: Can the European Union hold together under these circumstances? One of the things Mr. LaRouche always says is, the United States is the center of the battle. What are your thoughts on the future of the European Union?

Cheminade: When waters become muddy, sharks tend to bite each other. So, I don't think this could continue very long. It's impossible to figure what will happen, because in an oligarchical setting, things go on under the table; they kick each other, they do whatever they do under the table. It's not out in the open. The only signs of tensions come from indirect expressions, indirect moments. And then, you have suddenly, an enraged face of Sarkozy, a nasty face of Cameron, and Angela Merkel fearing she'll be kicked out soon, because her coalition is extremely weak at this point.

So, I called for the resignation of Sarkozy, at this precise moment, saying it has nothing to do with the Presidential campaign in 2012, it should be here and now, because of this crisis. So it's a way to communicate to people, the fact that there is a boundary condition. Because most people that think in terms that something has to be changed, and new direction has to be taken, don't understand the agenda of the connection between the impact on the minds on people, of an austerity program, and the measures to be taken economically. They see that as a kind of different universe. They don't see the unity of the universe, because they do not have a sense of what is a creative human mind. Even the best of them.

The Economic Crisis in France

Schlanger: That's the same problem here, where Lyn has been talking about the disconnect that exists between people who see their own lives falling apart, and yet they're bombarded with stories about the recovery, and they get confused. I wonder if you could give us a picture of what the economic circumstances are in France, because most Americans are told that France and Germany are doing quite well. Give us a sense, from the farm sector to the workers in the cities, to the middle class, what it's like in France, right now.

Cheminade: France has lost all its industry! The proportion of the gross national product, the proportion of industry in France, relatively, is less than that of the United Kingdom. So, industry has been destroyed—in particular, the subcontracting sector. What's left is aeronautics, part of the nuclear industry, and what's con-

nected to the railways. These sectors are more or less under control. For the rest, for example, the automotive sector is a disaster. And all the mechanics industries have left. You have only 12% of the gross national product involving industry; 3% in agriculture; 5% in different things connected to agriculture industry; and 80% in services. So, it's a service economy, service-based economy.

And three things happen at the same time: The purchasing power of private pensions has been decreased, in the last 20 years, by 20%, and they want to create a situation where they would be decreased even more! At the same time, in the gross national product, the income portion has diminished by 10%, and there is the same tendency, a bit less, but the same tendency as in the United States: The wealthiest 5% control more and more of the national wealth, while the 20% poorest have lost control of everything, and about 50%, the middle classes, have started being hit now.

The difference probably from the United States, the only one, is that there's still a safety net, which is the social security system coming from World War II, and the hospital system, which still works quite well.

Schlanger: Is that under attack now?

Cheminade: Yes, absolutely under attack. It's being destroyed. For example, in France you have public hospitals and the private "clinics," as they are called. The public hospitals are put in a situation where they are supposed to compete with the private clinics. But the private clinics get the wealthiest people, and they get, also, the cases that pay better than others. While the public hospitals have to deal with public emergencies, they have to have a teaching function to train doctors and nurses, and also they take everybody and everything, even people who have no money. So to put them in competition with the private clinics is ruining them. And they are kicking out nurses and doctors by the hundreds and thousands—in particular there are not enough nurses. It's a big, big scandal.

The public hospital was a symbol of the post-war quality of public services in France. What is targeted is the notion of public service, and this is being targeted by both the control of the European Union, by the City of London, by the British system; and, inside France, by all these people who are what de Gaulle would call the "money party," the *parti de l'argent*. And this is involved in the destruction of everything connected to the public sector.

At the same time, for example, also in transporta-

tion: Before, you had the monopoly of the SNCF, the publicly owned railway system in France, and it worked well. You have these TGV high-speed trains, on the main axes of the country at this point. But now, trains from private firms, or from other countries, can run inside France, in a situation of so-called “perfect and fair competition” with the French railway system. Of course, this is absolutely destructive, just as with the hospitals and private clinics. These people will take the best deals, and the French railway system would have to get everything else.

So it’s a situation where the destruction process has accelerated at this point, and the symbol is the pensions. There’s the big, big demo planned for Sept. 7, and you should watch it very closely. Because they have decided—which seems not to be a tragedy—to extend the retirement age from 60 to 62. But in fact, to have a full pension, you will have to be 67 years old, because at 62, most of the people do not have their full rights.

Schlanger: They’re doing the same thing in the United States, talking about raising the age of retirement, as a way of actually cutting the expenditures.

Cheminade: I know, I saw it.

Schlanger: At the same time, when you destroy the health-care system, you’re going to lower the average lifespan, so you’re going to be paying this out for fewer years. . . .

Third World Development Priorities

Now, we have an e-mail to the program, from Argentina. Someone who says, “Hi, Jacques, greetings from Argentina, a country I understand you are personally related to.” And there are two questions asked. One is, if you were elected President in the 2012 Presidential election, would you immediately enter treaty agreements with the countries of northern Africa and the Sahel, for the long-term financing of an aerotrain-based North African high-speed triangle? And secondly, what role do you see for the small, flexible nuclear power plants, like Argentina is developing for this kind of transcontinental or inland development drive? The questioner says this also could be used in places such as Haiti, where there’s a huge need for power to do water desalination.

Cheminade: If you look at the case of Haiti for example, the money given to Haiti, of course, was not enough, but most of it went to administrative services;

the money that was given to Haiti went to the helpers and not to the population. So this has to be stopped; all these parasitical organizations have to be thrown out, and what we need is a true state intervention, for a certain type of Great Projects association with development.

What LaRouche said for Haiti, for example, is to have new housing for all these people! It’s a scandal that the period of diseases is coming with the rainy season, and these people are only protected by inadequate tents. Sometimes it’s plastic sheeting, taken from wherever they can, in whatever form they can. So, we need a housing program, immediately, in a situation like Haiti’s.

We need for the Third World, these nuclear reactors, high-temperature reactors, the type of reactors produced in Argentina—all these types of things; we should throw them into these diverse countries to create the energy influx that can maintain the economies and develop the people.

Then, connected to that, in Africa for example, I have a project, the Lake Chad project. Lake Chad, in the center of Africa, is dying! It has no water, and there is increased desertification. You have 30-100 million people who are already in a disastrous condition. Already in Niger today, there are 7-8 million people suffering from malnutrition and hunger. So I launched a call for all the European countries, instead of blathering, to arrange for a plan to develop Lake Chad, with the water coming from the Zaire River basin. This project was developed 30 years ago—certain Italians developed it—and there was a lot of thinking around the project. It doesn’t require a lot of money, probably EU1 billion to EU1.5 billion. And with that, you can save Africa.

Instead, what they are planning is this crazy solar energy system; they want to capture the sunlight from the Africans, and, through electrical lines, have this energy brought into Europe! They steal the lives of the Africans; they have stolen the goods; now they want to steal the Sun! It’s an incredible project: The Germans are into that, the French are starting also to be involved—all these crazy, crazy projects.

In contrast to that, these highly mobile, very safe nuclear reactors have to be developed. We called for that in the election campaign in Brittany: If you look at the case of Brittany, a peninsula in France, they don’t have enough electricity. The whole country of France has a relatively good electrical system, with nuclear plants. But they are not building *new* nuclear plants, so we will have a problem in the next 10 years, with the old nuclear plants, and no renovation. And the answer which is given

Cheminade's Forces on the Move



EIRNS/Julien Lemaître

Campaigning for regional elections in Brittany (Bretagne), March 2010.



EIRNS/Julien Lemaître

Cheminade and Harley Schlanger (right) address the LaRouche Youth Movement in Lyon, Oct. 29, 2009.



EIRNS/Julien Lemaître

Organizing at a March 19 anti-austerity demonstration in Lyon.



EIRNS/Julien Lemaître

Cheminade addresses a meeting of his Solidarity and Progress party, in Paris (2007).

by the Sarkozy government is these crazy windmills and solar energy. So what is needed for Brittany, is like for Africa: a high-temperature reactor, a small one. Because Brittany is only producing 7-8% of the electricity it needs, and the rest comes from the rest of France.

In diverse regions of the world, with careful study,

we need to produce the energy that could maintain and develop the community of people with an industrial design. In Brittany for example, what's happening, is, it's becoming a tourist trap. They want tourists and old people. A lot of British people came there, because life was less expensive than in England. Now, they're going

back to England, because life is becoming more expensive with the euro.

So that's a crazy situation; we have to get rid of this short-termism, and what we need is a long-term project of the type involving these nuclear reactors, of 150-250MW, and we also need these water projects, like the Lake Chad project in Africa. And we need to have cooperation, not only North-South, but South-South. And I think, in that sense, Argentina can have very useful cooperation, together with Brazil and other Ibero-American countries, with Africa.

But this can only work, if we have a global change, it needs the Four-Power agreement that LaRouche is calling for, with the United States, Russia, China, and India. And we should kick out Obama for this program to work.

There are a lot of people having a lot of interesting ideas in France, but they are not in power. For France to be a catalyst, we have to kick out Sarkozy. And I think in Germany, Merkel is going to disappear by herself very soon. So a new generation of people has to come to power, and we have to organize the social ferment, so that people will not go in a chaotic direction. We have to discuss a true development program, based on the creative powers of the human mind, for the future.

This is what we are doing throughout the whole world, but in particular, in the United States, where our future is at stake. The decision point is there. So what we do in Argentina, what we do in France, what we do in Germany, what we do in countries that still have some republican impulse against the oligarchical impulse, is part of the impulse given to what's determining things inside the United States.

Governments in the Wings

Schlanger: I liked the way Mr. LaRouche put it when he talked about "governments in the wings," because there are people from the older generation who have been left out, but who are competent, including among bankers, even in the Federal Reserve System in the United States.

Jacques, we're short on time, but I wanted to ask you: On the question of Obama, there was a great deal of relief in Europe when Bush was gone, and an initial enthusiasm about Obama. Has that changed?

Cheminade: No. People are thinking, "The poor guy, he had to bow to Wall Street, he's a victim of Wall Street." They don't understand how evil he is. Some do. Some say, he's just a sucker, but they don't understand

the Nero aspect of his personality, his self-destructive and nasty mind. And they don't understand that, because there is still a lot of confusion about the fact that he is black. So I think that what's happening now, in the United States, with this Shirley Sherrod case, is very important. Because Shirley Sherrod and her husband Charles Sherrod were activists in the civil rights fights, and now Europeans will understand what Obama is doing to his own people, that he's trying to have a new type of Jim Crow policy. And Europeans will react on that, in particular in France.

Schlanger: Is there an understanding of the British role in the United States, in particular in the Obama Administration? That the events in the Gulf of Mexico, with British Petroleum, and Obama's defense of them—did that surprise people, or is that just not known?

Cheminade: It did surprise people, but they have a certain understanding of what happened. The *Torrey Canyon*² scandal before, in France, which created the same type of ecological crisis—in Brittany in particular—when they think back to that, and they look now at what's happening with BP in the Gulf of Mexico, people are opening their eyes. So, they see Obama as a failure, but they don't see him as a destructive evil.

Schlanger: Or as a self-failure, because as Mr. LaRouche said the other day, he's a "failed personality," who's self-destructive, because of this Nero complex—in fact, the Nero complex is merging into a Hitler in the Bunker complex.

Cheminade: Well, you would see that, probably, on our side, in Sarkozy. Sarkozy and Obama are different, of course, but they express the same type of failed personality, one with a French ideology, the other with a British-American ideology. They express the same type of failed personality at a certain determining moment of history.

They will be out at some point. The whole challenge is how, and replaced by what?

Schlanger: And that's the job that we have to perform. . . . Thank you very much for joining us, and we'll do this again soon.

Cheminade: One last thing: Keep your cultural optimism! The American cultural optimism. That helps us a lot.

2. The *Torrey Canyon* was a supertanker which was shipwrecked off the coast of Cornwall, England in 1967, causing an environmental disaster. About 50 miles of the French coast was contaminated.