

Stop Bankers' Coup Attempt in Germany!

by Rainer Apel

Sept. 2—Nothing that the governments of Greece, Ireland, Portugal, and Italy have done and promised to do, or what the German government has tried to do to “stabilize the euro,” is enough to solve the financial crisis. And nothing that the governments are planning to do will solve the problems either: Within the present system, these are as insoluble as squaring the circle. That is the source of the growing hysteria on the part of the politicians, notably Finance Minister Wolfgang Schäuble.

There is a desperate search ongoing by the banks and market funds for each new euro that they can scrounge up somewhere. Democracy? Parliamentary control? That's old hat, the “markets” say; today we act quickly, in a matter of minutes (to further inflate the global financial bubble), and the concerns of elected officials just get in the way. And Schäuble expresses it just as brutally: For days, his Ministry, assisted by the major media, has been bombarding those parliamentarians in the Bundestag who criticize the bank bailouts, with the warning that while they may set some guidelines for parliamentary oversight and have a voice in future “rescue packages,” they may do nothing that would delay or stop the new bailouts, to which there is supposedly no alternative. Actually, the financiers say, it would be quite sufficient if, instead of the Bundestag, just its Budget Committee, or even a small committee of selected parliamentarians, were kept regularly briefed.

That's what it sounded like at the hearing before the Federal Constitutional Court on July 5, where Schäuble presented his views. And now he is even going one step further, as on Aug. 31, when he tried to convince the members of the Bundestag's Budget Committee that his policies have calmed the “markets.” But the whole discussion about the bailout only created new turmoil, and the speculators instigated new attacks against the euro.

Chancellor Angela Merkel is tooting the same horn, in order to silence internal party critics of her policy: We can talk as much as we want, she said, but what we do has to “conform to the markets,” because there is really “no alternative.”

And on Sept. 1, one day after his incredible performance before the Budget Committee, Schäuble said, at the closed meeting of the Christian Democratic Union (CDU) party leadership, that there's no getting around it; we've got to give up more of our sovereign rights over economic and financial policies to the EU, or at least to the Eurozone, or there will not be enough “flexibility” for the next interventions by the European Financial Stability Facility (EFSF, the “bailout fund”) and its planned successor, the European Stability Mechanism (ESM).

A Turning Point in History

We have now finally reached the point where the alternatives are clearly on the table: Either the Constitution applies or it doesn't; policy is made either for the citizens or for the speculators!

And at least some of the critics of the government see it that way too. Frank Schäffler of the Free Democratic Party (FDP) said he would not violate the Constitution, and would not vote for the bailout package in the Bundestag vote on Sept. 29, because, as a Member of Parliament, he is bound to support the Constitution. Peter Gauweiler of the Christian Social Union (CSU), who is one of the plaintiffs in the lawsuit on which the Constitutional Court will announce its verdict on Sept. 7,¹ said he was outraged that the government is treating the Bundestag like a student group or a parents advisory council, and he only hoped that the constitutional judges would put a stop to it.

Economist Wilhelm Hankel, who is also one of the plaintiffs in the case, described the rescue package, including Schäuble's policy for “European economic government,” as “financial dictatorship,” which has to be prevented.

The tone of the critics is getting sharper, not least because things are really coming to a head now, with the pending court ruling and the vote in the Bundestag. Hankel, in a letter to the editor of the *Süddeutsche Zeitung*, attacked former Finance Minister Theo Waigel (CSU), one of the puffed-up euro-propagandists, for his views published in the daily two weekends ago, calling Waigel “a politician who clearly emerged from the folklore of this beautiful state: vain, incompetent,

1. The lawsuit argues that last May's second rescue package for Greece and other eurozone nations violates the no-bailout provision of the EU's Lisbon Treaty, and that the German government's assent to the bailout was an “abrogation of budget sovereignty.”



EIRNS/James Rea

The BüSo, the LaRouche party in Germany, is fielding 20 candidates in the Sept. 18 elections to the Berlin House of Deputies. The slate is headed by Stefan Tolkdorf (center), whose TV infomercial can be viewed, in German, at <http://bueso.de/node/9630>.

Christian, but ultimately just an unmasked Pharisee.” Since the introduction of the euro while Waigel was in office (1989-98), Hankel wrote, two-thirds of the German economy’s savings have drained away, sagging domestic investments are at an historical low, and the value of the money people have earned has been drastically devalued. “Either this is too much for the minds of Mr. Waigel and many of his colleagues to comprehend, or he knows it and says the opposite.”

This threatens us with “economic war of each against all, and the common impoverishment of both the euro-rescuers and the rescued,” warned Hankel. “If the young people on the streets of Athens, Madrid, London, and then Paris and Berlin, are looking for a person against whom to direct their protests, Waigel and Co. would certainly do,” concluded Hankel in his letter.

A Two-Tier Banking System

Things have now reached the point that the Federal government, whose policy is not supported by the vast majority of citizens, may soon fall. A loss of votes for the CDU and FDP in the elections in Mecklenburg (Sept. 4) and Berlin (Sept. 18), the ruling of the Constitutional Court (Sept. 7), and the lack of a majority for the government in the Bundestag debate (Sept. 29) could quite quickly lead to the end of the Merkel-Schäuble government.

Merkel could be overthrown by an internal party

revolt and/or a vote of no confidence in the Bundestag, as then-Chancellor Helmut Schmidt was in the Fall 1982; this could lead to early elections, and one way or the other to the formation of a Red-Green [Social Democratic-Green party] government, whereby the situation would inevitably become even worse. The financial markets would, of course, welcome such a government, which could introduce euro bonds and such measures without delay, as we’ve been hearing now for weeks from all possible channels. Peer Steinbrück² as the new Chancellor? Is he the right man for the “markets”?

It looks like things are heading that way, but it is totally untrue that there is “no alternative.” There is an alternative, and it would happen—along the lines of Friedrich Schiller’s famous “You come late, but you come,” from the play *Wallenstein*—when the critics

of the government finally use the ultimate weapon in this fight, and that is the initiative for a two-tier banking system (Glass-Steagall) and the program of Civil Rights Solidarity Movement (the BüSo).

Everything that was perpetrated by the grave economic and financial policy errors of the past 40 years, since 1971, in the U.S. and Europe, must be canceled without replacement and dissolved. There must be a New Bretton Woods, a new banking system that serves the real economy, and a Europe without the euro (in which no one would have to save the euro, because there would be no euro to save). The current system is beyond redemption; it must go! There is really no alternative to the LaRouche program, the proposals of the BüSo, unless one decided that whatever is left behind in the rubble would constitute an “alternative.”

And here is something that could change the German political situation decisively for the better: an election result for the BüSo in Berlin that makes the public sit up and take notice, and forces the media to give the BüSo’s program the coverage it deserves. The debate and vote in the Bundestag in Berlin, 11 days after the Berlin election, would take a different course then, as would many other things.

This article was translated from German.

2. Social Democrat, Finance Minister 2005-09.