EIR Seminar Open Discussion

Here are excerpts of the discussion period which followed the presentations at the March 23, 2016 EIR seminar in Frankfurt, Germany.

Question: [BüSo organizer] I would like to ask Hussein a question, because about two years ago the Egyptian ambassador gave a presentation in Berlin, in which he gave a certain insight into the country, how it works, the role of the military, certain things that were quite interesting.

Now, your visit in Egypt and that really successful trip presenting this report came as a big surprise to me; I was not prepared, but I was very happy to hear about it. My question is this: Knowing very little about the general region, I would like to know, —I work in Berlin; obviously, we have some people we can approach immediately, not just with the report, but also the fact that this took place. But I don't know much about the relations of Egypt to neighboring countries—or I don't know, Israel—but the larger region. I would like to ask you for some hints or certain guidelines on how to approach this. Or maybe there are also other countries or

other organizations that would be a natural target to approach in Berlin? Thank you.

A New World Being Shaped

Hussein Askary: There's one thing, it's connected to our friend, Camille about Syria, the enormous and horrendous suffering that the Syrian people have to go through because of global politics and international politics. But the whole issue of our work and this report and everything we are doing and Helga is doing, is that we are trying to show, on a realistic basis that a new dynamic is taking place in the world. There is a new world order being shaped, although it's not so dominant in the West, but it's making itself felt in many parts of the world: Through the work of the BRICS nations, through the Chinese New Silk Road, and everything Helga has said. And it's being felt all around the world. People are looking forward to it.

But there is another aspect, because, we have discussed, we have written all about who is behind the destruction of the Middle East and Libya and all these forces. What we have to do now is to look into the



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The conference panel (from left): Hussein Askary, Consul General Mehreteab Mulugeta Haile, Claudio Celani, Helga Zepp-LaRouche, Marcello Vichi, and Andrea Mangano (speaking).

future, and see what is the dynamic that is needed to reverse this situation. And we are not talking about dreams or anything, because about 25 years ago, this whole New Silk Road thing was something like a dream, *but* there was a force, there was another work behind it, which Helga personally took on her own, but China, a major power, put all its force behind it.

Now, something else is going on in Syria, in other words the Russian President, who has proven that he is a real strategic genius, has intervened to change the whole picture through the intervention in Syria. So we either have World War III or the whole world order should change. That's what was at stake, when the Russian Prime Minister in the Munich [Security] Conference said, we are on the verge of World War III, he was not trying to bluff the others to surrender, he was not trying to scare people. This was a very, very realistic statement.

But what the Russians are trying to do is say, OK, we have two cops: The Chinese are coming with the soft power, saying we can help you build your country, build your region. If you don't accept our solution, you can get the Russian treatment, you know. That's what ISIS got in Syria. ISIS is going to disappear in Syria, they will disappear in Iraq, soon. And I'm very sure of that.

The problem is that policies that created ISIS are not being changed. The source of ISIS, the regime change policies in the West, are still—I mean, people are not being taken for trial in Brussels, NATO chiefs or people in the United States who supported this whole invasion of Libya, who supported the invasion of Iraq, I don't see them being on trial right now. So there's a lot of work to be done.

But the Russians and the Chinese specifically say that there's a new strategy we can work on. Do you want to fight terrorism, you fight terrorism with us. You want to build your economy, you build your economy with us. The Western, the trans-Atlantic model has *failed*. You just look at the world, and you can see, it has failed miserably. So there's a new situation in the world, and you have to utilize that.

And this was my message also in Egypt. Egypt is—Ministers and other people would say, "the situation here is very, very bad." I mean, they say it themselves, "we have a horrible situation." Egypt is under attack by terrorists; the Egyptian currency is under attack, it has been collapsing, and the central bank has been using the same IMF model by buying dollars in

the market and they drained all their reserves by trying to strengthen the currency, rather than stopping the currency speculation. And there are many outside forces who are trying to destroy the Egyptian currency. The level of unemployment, many of these things are still here, because you have an accumulation of 30 years of

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the destruction of Egypt's economy and society, through IMF, World Bank, EU, and the United States. They were destroying Egypt's economy in collaboration with its governments: That's what the Egyptian people revolted against.

And now the new President says in every speech: I know the Egyptian people are not going to forgive me. I'm not going to be here in a few months unless I do something, because the Egyptian people have learned that they don't care who is in power, they will overthrow them if they don't provide jobs, if they don't fix the economy, if they don't provide food.

There's a Vision in Egypt

Now, Egypt is importing 70% of its needs, from food to cars, everything! So the Egyptians are saying, "we are in a terrible situation." *But*, what they now have have a vision of the solution. They have a vision of the future. They are working sometimes on a crisis-management basis, solving problems every week, every month, and then they use a lot of resources to protect the Egyptian pound. The reserves of food, of grain in Egypt is only enough to last to June. After that they are working with Russia, with Belarus, with Ukraine, to get as much grain as possible, because after June there is no bread in Egypt!

But what is new in Egypt? There is a vision. There's a leadership which believes that they can do farm work. They have qualified people. In Egypt, the Egyptian engineers syndicate has 400,000 members! There are 400,000 Egyptian engineers, and they're very well-educated people. But their infrastructure has been de-

stroyed, their currency is under attack. Their vision of what we call "national credit" is not complete, and that's one of the things I tried to intervene on, that Egypt does not need money from Saudi Arabia or the EU or the United States to build the economy, you can do it internally, but you've got to understand the right mechanism. That's how the United States built its economy.

But what is interesting for me, is the future. But, are

Conditions in the Middle East are horrendous. But we are not alone. More than half the world is behind us. There is a new dynamic in the world which China has proven economically, and Russia has proven strategically. Either you join it, or we will all be destroyed.

people today working for the future? Or are they crying over spilled milk? And therefore, everybody here,— I mean, we know, and I come from Iraq. I lived through three wars before I left Iraq in 1991, and afterward was the horrendous sanctions in Iraq which destroyed the society. And then there was the invasion of Iraq, and we have had a civil war and religious war, and god knows what.

But, it's not good for my health to think about all the horrible things that have gone on in Iraq. What is good for my health and the health of the Iraqis is if I fight for a world order which can restore Iraq to its greatness. And it's the same thing in Egypt. It's the same thing with Syria, every nation. So the Syrians who are here in Europe, they should fight with *our* ideas to get these ideas on the table everywhere.

We are not alone. We have more than half of the world population and governments behind us. That's what is new in this situation. The Chinese have proven it economically. The Russians have proven it strategically and in military terms. So we have to invest all our energy, all our capabilities to bring into people's minds, whether it's citizens, relatives, people in government, everywhere, that there's an idea, there's a solution, there's a new dynamic in the world. You either join it, or we will all be destroyed.

So, that's my answer.

Celani: There is a microphone here. If you have a

question keep it short; if you have a statement, keep it shorter. [laughter]

Question: [The questioner spoke in German, with sequential translation] Since 1960, there's talk about a project Transaqua, but nothing has happened since. So what have the five countries in that region, the LCBC [Lake Chad Basin Commission], what have they done in that period to change the situation? I don't want to be too direct, but I would emphasize that it would be urgent to overcome the bureaucratic problems and really start to work directly on that project, to bring it forward. For that project we have to also bring our people together.

There are a lot of engineers, hydrologists, throughout the whole region of the five respective countries who know how to handle the technical issues. Why haven't you approached the organization of these technicians, these engineers, to really work on the details of that project? And why wasn't the government of the Democratic Republic of Congo been approached to present that project, or whether they had some insight into it?

The LCBC should definitely overcome its bureaucratic approach to that. I think they should definitely work on the hard facts how to implement them. And they also have to internally bring the money together, as Hussein Askary was mentioning with the Suez Canal project as the Egyptian government did it. They should just get their act together to put it nicely.

Celani: Thank you. Does somebody want to answer?

Motion on Lake Chad

Mohammed Bila: Thank you very much. I didn't get your name, maybe later. The biggest problem we're having, is how to run the LCBC. Since the LCBC was created in 1964, most of our projects ... were rejected, due to several reasons, environmental causes, and other reasons. ... The idea was to get the financial partners to support the idea. But nobody was willing to.

In 1994, the LCBC initiated a project, mainly financed by the United Nations Environmental Program, that they order a master plan for the Lake Chad Basin. And among these master plans, one of the projects is the feasibility study for water transport. Where would the financing come from? We got financing from the different countries. That idea was rejected, for the same reason that you have environmental impacts, it might be too costly, it's not realistic. But the member-states went ahead to raise the money. They raised \$5 million,

and then, instead of using the money for the Transaqua study, it was decided that there should be a smaller one.... That study was done between 2008-2011. After a technical feasibility was done, we realized that if we implement that project, we are only getting about half a meter in the southern region of Lake Chad, and probably 1 meter in the northern area of Lake Chad.

So, this is insufficient to raise the Lake Chad level to its normal state. So, these are the problems. And I think what I got from this seminar is that we have to stop looking at it as a project to save the Lake Chad: We should look at it as a project for developing the Central Africa sub-region. [hearty applause] This is a region where you cannot move from the capital, Kinshasa, to another part of the country unless you use a flight, and they have very, very old airplanes in that region. This is a region where there is no infrastructure, no roads, nor electricity, despite having a vast quantity of water. But the biggest part of the country doesn't have electricity. The biggest part of the D.R.C. is cut off. In the Central African Republic it is the same issue: you only have electricity in Bangui, the capital, probably five hours in a day.

So, we have to refocus the project. It is *not* about saving Lake Chad. It is about cooperating, it's about African integration and development of Africa: This is one lesson I'm learning from this.

And the next problem that you raise, what is the role of the D.R.C. government? We had to get the support of Kabila, to give his "no objection" for the study to be done, the initial study. So that means we have to increase our diplomatic approach. I think now we have a better need for union, to have the African Union. So we have to find a way to let the African Union take this as an infrastructure project for Africa. Thus we would be able to get full support from the government of D.R.C.

And most importantly, they shouldn't be listening to those who are emphasizing the impact of the project. We should be listening collectively, we want to raise the standard of living of our people. We want to stop the conflicts, we want to stop the poverty. So this will be the main or key points. How do we finance it? Do we have to put money up from Ethiopia, and also from Egypt? If we really want to do it, we can raise part of the financing internally, and I think this should be a solution.

It's not the way to go forward, but now we have a force, the Lake Chad Basin projects are being a force to do something ... Are our donor partners willing to support us, is what we shall wait and see. [applause]

Peace and Development

Celani: I want to ask something to our friend Ulf Sandmark, but allow me a short introduction. I spoke to Mr. Bila yesterday, and he told me something that shocked me. Because he lives in Germany and in Chad; but he's a Nigerian, so his family and friends are in Nigeria. So he used to travel from Germany and to Nigeria on a distance which here in Europe, I would make in seven hours; it's like going from Wiesbaden to Milan. And he would take a little bit longer, one day, or 12 hours, or whatever; until terrorists came, until Boko Haram came. And that Boko Haram came meant that this road which is the main connection between Chad and Nigeria was totally interrupted, because Boko Haram would come and would kill everybody whom they would meet on this road. This means civilians, this means military, but also commercial traffic.

So there was a total paralysis of commercial exchanges between Chad and Nigeria, with a very strong impact—I mean, not talking about the people who get slaughtered, right? Innocent people—but a total breakdown of food supplies from Chad to Nigeria. And here in Europe we didn't hear anything about this, right? Nobody talks about it, until the situation got reversed.

The situation got reversed when the Lake Chad countries came together and built a multinational force: This is an all-African army. The bulk of this is Nigerian forces, and the commanding general is Nigerian. And for me it's interesting how they succeeded in forming such a multinational force, which is not easy. You have to pull six countries' together and it was not difficult. Until somebody came out and, this is the story the executive secretary told us the other day, and somebody came out within them, and said "But we have already an international body of cooperation among those countries. So let's use this body to be the coordination of a multinational force." And this worked!

So now the multinational force has a political coordination body, which is also the political secretary of the Lake Chad Basin Commission. So the two things, the strategic peace achieving policy and the economic development body come together. And now the situation's been totally reversed because this army is effective! This army is destroying Boko Haram. Boko Haram has lost the capability to fight on the ground in a battle. They have two main terrorist centers, one which has been isolated, and now they want to isolate the second one which is around Lake Chad. This is not the story, I won't go into details, but what this showed to me is that,

if you have a common interest for development, then peace is easier!

Why is China in Africa?

Celani: I have a question now for the General Consul of Ethiopia, because you might have noticed a general line of the European media and general media on China, and China's activity in Africa. So this general line says, "China is in Africa to rape raw materials, land, etc." Now, I would like you tell us what is your experience, is this true or not, at least in your case?

And the second question: You mentioned the fact that the economic relationships between Germany and Ethiopia could improve a lot, and I would like you then to tell us a little bit more, what could or should Germany do? what are the steps, what are the concrete policies, that you would like to have from Germany, or with Germany?

Consul General Mehreteab Mulugeta Haile: Thank you. Well, when it comes to the Chinese activity in Africa, and China's activity particularly in Ethiopia, just to answer in brief your question from the experience of Ethiopia, I can say that the Chinese are not in Ethiopia for raw materials, because we don't have any raw materials. We don't have oil, we don't have other natural resources which the Chinese have been accused of looking for and coming for these raw materials in Ethiopia.

The Chinese are there as development partners in Ethiopia. They are collaborating with our government, by financing different development projects. As I said earlier, they are in Ethiopia helping to develop roads, they are constructing different road projects, they are engaging in the construction of highway projects, they are engaged in the development of our telecommunication mobile internet, they are financing different industrial zones.

So, in Ethiopia, the Chinese are helping the government to come out of poverty. The government has a plan for bringing Ethiopia out of poverty, and the Chinese are there as a partner of development. So I can say that the Chinese have no need to get raw materials, but they are there in financing different development projects.

When it comes to Germany, as I said in my presentation, Ethiopia and Germany established diplomatic relations in 1905. And over the last 111 years, there has been a good relationship between Germany and Ethiopia. The German government, through GTZ [German

Technical Cooperation Agency] has been helping in different development activities being carried out in especially in the education sector by building different technical and vocational institutions, by bringing students to Germany and giving training. There are a lot of Ethiopians who have been trained in Germany.

But, when it comes to the current development scenario in Ethiopia, where we are encouraging the private business, where we are encouraging investment, where we are encouraging trade, we are not seeing that much activity by the German private sector. The Germans are not coming to Ethiopia with investment. The Germans are not trading in Ethiopia, with Ethiopia as we would like to see. Of course, the Germans buy our coffee; almost 30% of Ethiopian export coffee comes to Germany, but there are a lot of products which can go to Germany, in addition to coffee.

So, when I say we need a lot of cooperation, what I mean is that the German government should encourage the German private sector to come to Ethiopia and Africa to invest, rather than sit and wait for others' initiatives. We found out that most German companies are really conservative when it comes to Africa. They prefer to invest in Eastern Europe, Southeast Asia, and South Asia.

But as they said, the Twenty-first Century is the century for Africa: Africa is developing and there are a lot of opportunities in development and trade. That's what I mean, that in addition to the development assistance it is providing, the German government should encourage the private sector to come into Africa as investors and trade partners. Thank you. [applause]

Celani: Yes, we have someone from the audience.

Question: Hello... We have heard a lot today about concepts and good approaches and doing something in Africa, having the Silk Road plan, all of which is good. On the other side, we have heard about the crisis which is coming close now. My question is, what is the timing? Where do we stand in these various approaches and how much time do we have? I mean, things can happen, also here in Frankfurt any day, as we have seen in Brussels yesterday.

The Urgency of This Mission

Zepp-LaRouche: I think it's very good that you put the focus back on the urgency, because that is what it is. If it were only about the New Silk Road conception, the World Land-Bridge becoming a reality, we could be

very optimistic, because that's on the table More and more countries are joining, it's a very attractive model. It brings favors as the General Consul from Ethiopia just was—I think it was very valuable that you said that, because a country that has no raw materials, no oil, nobody can accuse China of being out for [its own interest

So if it were only about the Silk Road, I think it's a winning development and it would be perfect. The only problem is that the trans-Atlantic financial system is so bankrupt. You see, in 2008 Lehman Brothers happened. We had the potential meltdown of the system and there was after Lehman and AIG, there were a couple of weeks where everybody was completely panicked and thought "this is it." Even Sarkozy was talking about the "need to have a New Bretton Wood system," but that only lasted a few days and weeks, and by the time you had the first G20 summit in Washington on Nov. 15, 2008, they all had basically agreed, "no, no, fundamental reform, we will go for bail-out," and you had all these packages, bail-out packages, the Federal Reserve spent altogether spent, I think at the high point about \$30 billion to bail out the banks. They put through Dodd-Frank to prevent Glass-Steagall, they had the Vickers Commission, they had all kinds of proposals about how to maintain the high speculation system by throwing confetti into the eyes of the people so they wouldn't see it.

This then was followed by the bail-in policy. You remember the Cyprus crisis about three years ago, where they just expropriated the accounts of the people who had savings accounts or bonds in the banks, and that led to about 60% expropriation of people in Cyprus. And now, we are in a situation where the too-big-to-fail banks are about between 40% and 80% larger than in 2008: the outstanding derivatives debt is \$2 quadrillion; and at the recent Davos Economic Forum, the former chief economist of the Bank for International Settlements, William White, said that the situation of the debt is such that it's not payable, and that therefore, there are only two choices: One is an uncontrolled collapse, which leads to chaos, or an orderly reorganization, and he used the fact that in all great religions in the last 5,000 years, you had something called the "Jubilee," in other words, when the system becomes too indebted, you just write the debt off and you start anew. So that's one way of doing it.

You also could have a London debt conference like in 1953 concerning Germany, or even better, you have to go back to exactly what Franklin D. Roosevelt did with the Glass-Steagall banking separation law in 1933

Now, in the United States you obviously have a crisis. You have something which I don't even want to find a right name for it, it's called "Trump." This is a monstrosity, who says the most unbelievable things,

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and I think some newspaper just recognized his vocabulary is that of a second-grade pupil, his style is that of a mixture between Dracula and Mussolini, and a drug addict, a mafioso,— I don't know, but it's an unbelievable perspective.

But however, it's not a crash that could only happen in the next year: It's going to happen now. As a matter of fact, the urgency of the matter is that we're sitting on such a volcano that the financial system could evaporate as we speak here. When Draghi was announcing a zero interest rate, negative interest rates for banks which park money in the ECB, this is the end of the rope! Because the Bank of Japan, the ECB, the Bank of Norway, all went to zero interest rate, and that was intended to get the economy going somehow to further investment, and the opposite happened. What you have right now, is that the key currencies are in a competitive devaluation spiral, without effect. You know, this is a classical breakdown crisis.

And then at the same press conference, Draghi was asked by a journalist, what about "helicopter money"? Now, helicopter money was introduced as an idea by the former head of the Federal Reserve Ben Bernanke, who said famously, some 10, 15 years ago, he said, before we allow the complete meltdown of the financial system, we will put helicopters over the cities and just throw as much money out as is required. So when Draghi was asked, "what about helicopter money?" He said, "this is a very interesting concept and we are discussing it." And then, last Saturday, there must have been some background discussion, I only saw an interview by the head of the Bundesbank Jens Weidmann, who said that "helicopter money is a terrible idea, it

completely goes beyond the mandate of the central banks, because it's a gigantic redistribution, from poor to rich, and that must be decided by the governments and the parliaments.

We are in such a dramatic situation, that I can only repeat, we have to shake up people in Europe right now. Because you know, the only way that this thing could be solved is very easy. Now, you saw the cartoon with Mrs. Merkel making the little steps, where the next little step brings her over the cliff. The only way how this thing could be saved, easily, is if we create some pressure in the population, where Merkel will be finished if she continues with her Turkey policy, because this will backfire, it will not function. Just imagine: I was in New Delhi at this Raisina Dialogue conference, and one of the panels was "On the Failure of the EU Concerning the Refugee Policy." And the whole world is asking, where are the moral values of the EU if they are treating refugees like that? There was a complete common understanding that the EU is completely bankrupt.

Easy to Solve

Now, if this woman wants to solve the situation, it would be very easy. If I were in the Chancellor's Office, I would make a TV address and I would say, "I just talked to Putin, Xi Jinping, Modi, Rouhani, el-Sisi, and we decided that we will develop Southwest Asia with a Silk Road Marshall Plan." All the neighbors get together, we all have a security interest that terrorism must stop, and therefore, we have a plan that we not only reconstruct Syria and Iraq, but we will, together,—because infrastructure is not something you can just develop, a bridge in Syria, and road in Iraq. You have to have a complete, overall plan, like we do for Europe all the time.

And if you look at our World Land-Bridge report, we had proposed a development plan in 2012 for South Europe, because it was clear the Troika policy would not work, and we took one concept which was from the Transport Minister, the "Verkehrswegeplan," that is, a "general design for transportation infrastructure" of the European Transport Ministers from a conference they had in Crete in 1994, where they developed the idea, or decided to have 10 development corridors for the Balkans, for Southern Italy, for Spain. And this is ready, it could be started tomorrow. But because the Troika believes in saving the banks and not going into infrastructure, this has never been carried out, even if a lot of

feasibility studies have been done. For example, for the tunnel under the Strait of Gibraltar, between the government of Spain and the government of Morocco, a state treaty exists to build this tunnel. And a Swiss firm has made a feasibility study that it would work perfectly. It's an engineering project that could happen tomorrow. So a lot of aspects are ready in the drawers, and could start tomorrow!

But what we need is to have a general discussion in European media, in European blogs. People who have organizations, such as being members of the Rotary Club or members of the Chamber of Commerce, or they're members of other associations, and you have to fight to get this perspective known! Austria is much further ahead of Germany because they now have a whole bunch of articles in the official newspapers of the foreign trade associations, saying it would be to the benefit of Austria to work with the Silk Road. China is building a railroad from Vienna to Budapest, and this is in the interest of Austria that this be extended to the Balkans. And we need to mobilize! This is not a moment where we can be complacent, because we are sitting on a complete powder keg.

The solution would be very easy: We need Glass-Steagall, we need to end the casino economy, and then we need to have a credit system, join the organizations like AIIB, the New Development Bank, or go back to the Kreditanstalt für Wiederaufbau which did finance the Marshall Plan in Germany after the Second World War. We can finance all of these projects.

The solution is very, very simple; what is lacking is the mobilization of the population to put fire behind the behinds of such people. I always said, where there is no reason you can appeal to, there is still the policy of the burning shirt. When people feel that their shirt is burning, they get up and they start moving. And in that sense, as tragic as the situation is with the refugee crisis, I still believe that it is the game-changer, because it gives us the opportunity to tell people, "Look, we have neglected Africa for 50 years." We condoned the IMF conditionalities which lowered the living standard of an entire continent so that it *could not* develop!

This is now haunting us. And in the same way, we condoned lies, which led to wars. In Iraq there was no weapons of mass destruction. It was lies concerning Qaddafi, it was lies concerning Assad. You heard several people speaking about that. Assad had a good, functioning country: it was a secular country, religions

worked together peacefully. In the case of Libya, you don't have to be a friend of Qaddafi, but Qaddafi was investing in infrastructure, not only in Libya but in other African countries!

So we have to start to dismantle these lies and we have to put the alternative on the table. And I can only say, the fact now that we have this report in English, in Chinese, in Arabic, and we will soon be producing it in Russian. It's being translated into Korean; we are negotiating with people in Japan to publish it. And I think we need to publish it in Germany! [applause]

I mean, this is a blueprint for the reconstruction of the world economy, and we should get papers to write reviews about it, to just talk about it, so that it exists as an alternative. And then have a lobby or a mass movement—I don't care what you call it—but the solution is there, it's just not known well enough. [applause] **Celani:** Well, everybody's happy, I believe? Mr. Stalleicher?

Joseph Stalleicher: I just have a question for the Italians. Since you had the Renaissance, you had Brunelleschi. What do you think about this? You are the country in Europe that had this experience of getting out of the Dark Age. So, I think the kernel of this conference is that we have to have this optimistic vision. So I just want to ask you as an Italian what you think about this?

Marcello Vicchi: My impression is that we must be optimists. Because being pessimistic is too easy. [laughter] Especially today. But in the last period that we were [working at] Bonifica, always, I repeated to my collaborators, "We are paid to be optimists, and not to be pessimists. We are *paid* for this!" at that time. Now...? [applause]