

EDITORIAL

HELGA ZEPP-LAROUCHE

Most People Are Still Unaware that We're at a Crossroads of Human History

Oct. 6—Helga Zepp-LaRouche, the founder of the International Schiller Institutes, began a weekly series of international webcasts on Oct. 5, at noon U.S. Eastern Daylight Time. See <http://new-paradigm.schillerinstitute.com/blog/2017/10/05/webcast-helga-zepp-larouche-october-5th-2017/>. The transcript of this English-language webcast has been edited, and a title and sub-heads have been added.



Helga Zepp-LaRouche, Oct. 5, 2017.

LPAC TV

Harley Schlanger: Hello, I'm Harley Schlanger from the Schiller Institute, and I'm very excited to welcome you today to the first of what will be a weekly webcast, to bring to you a full picture of the strategic situation, as well as what can be done to ensure that the situation moves in the right direction.

The world is a very dangerous place right now, as most of you know. And I'm sure you also are aware of the fact that you cannot trust most of what you read in the mainstream media or see on television.

The speaker today and for the next weeks ahead, is Mrs. Helga Zepp-LaRouche. She's the founder of the Schiller Institute and the chairwoman of the German Schiller Institute, and has been at the center of introducing a new dynamic which is known as the New Silk Road or the Belt and Road Initiative (BRI). She's played a role internationally to bringing this to the fore, in spite of the fact that there has been an almost total blackout of the developments that are quite significant in shaping the future of us all.

Now, we're going to hear from Mrs. LaRouche, who will bring us up to date on the developments around the New Silk Road, and also the strategic situation. Helga?

Helga Zepp-LaRouche: Yes, hello. We are at a crossroads of human history, much more so than most people are aware of, because right now two totally opposite dynamics exist in the world: One is what we know from the United States and European nations: You have a collapsing paradigm. You have a society which is clearly not functioning, as expressed by many symptoms, such as the Brexit, the election loss of Hillary Clinton, the recent vote in Italy against the change in the Constitution, the German election, which is dramatic, and now the Catalonia referendum—these are all symptoms that something is fundamentally wrong. The effort by the neocons to establish an unipolar world after the collapse of the Soviet Union, and the neoliberal policies which have shattered the livelihoods of many millions of people, have led to an ongoing revolt against this very system.

If you look at all of these different cases I just mentioned, they have one thing in common: the gap between rich and poor is widening, such that those people who are not profiting from this neoliberal paradigm don't see a future any more. They feel despair instead; they don't feel represented through the establishments of their respective countries. So this part of the world is in deep trouble.

But, the opposite dynamic is the growing number of nations which are working together with China on the New Silk Road. The New Silk Road is a very exciting prospective. Most people know that the ancient Silk Road, which existed 2,000 years ago, during the Han Dynasty, brought enormous development to the populations of all the countries which participated in this ancient Silk Road—not only porcelain, and silk, and book printing, but technologies enabling higher productivity of these countries' populations.

Four years ago, President Xi Jinping of China announced that the policy of China henceforth would be the establishment of a New Silk Road. In the four years since then, more than 110 nations have begun collaborating in one form or another with this concept. It has led to an enormous explosion of productivity and development. China in particular, in the last 30 years, created the Chinese economic miracle, the most impressive economic miracle which has ever taken place in history. China, with its New Silk Road policy, has now offered that kind of development to all other nations.

This has completely changed the framework for the nations of the world, because, for the first time, developing countries in particular, have access to credit. China and the BRICS countries, which are working closely with the New Silk Road conception, have established a big number of new and different credit institutions: the Asian Infrastructure Investment Bank; the New Development Bank, the New Silk Road Fund, the Maritime Silk Road Fund, and many others. China has now given credit for concrete development projects for Latin American countries, for Asian countries, even some for European countries, and also, especially, for Africa.

As a result, right now a completely new spirit exists. It's called the "New Silk Road Spirit": It's the idea that nations, for the first time, can hope to overcome under-



Nigel Farage of UKIP was anti-EU.

cc/David Holt



Losing candidate Hilary Clinton.

Xinhua/Yin Bogu



German Chancellor Angela Merkel.

courtesy of James Rea



Demonstration rejecting referendum in Italy.

Xinhua

development, to overcome poverty—China is committed to alleviate all poverty in China by the year 2020, and China already has fewer poor people than the United States, namely 42 million, as against 43 million officially in the United States. China is also committed to eliminating poverty on a global scale, in collaboration with the rest of the developing countries.

This is a very exciting perspective, and what we are trying to do, with the activities of the Schiller Institutes, is to make people aware of this alternative. It is our explicit aim to win over even the United States to work with China, with Russia, with India, and with other leading countries of the so-called “developing sector,” to establish a completely new paradigm as proposed by Xi Jinping, in which countries would cease to have geopolitical confrontations, and instead work together with a win-win perspective of mutual benefit.

This perspective is now taking place. In response, the people who represent the old paradigm—the neocons, the neoliberals—are absolutely freaked out about the success of the New Silk Road: They are in the process of launching one attack after the other, accusing

China of doing the same thing that Anglo-American imperialism, or other colonialists did before.

We, however, want to analyze in depth of what's happening, and as weeks pass by, we want to explain why what is happening with the New Silk Road is really a completely new model of international relations, and it is not a repetition of what existed in the past.

So therefore, I'm very happy to have this discussion with you, and you should send in questions and participate in this discussion, and help to spread the news everywhere.

Schlanger: Helga, you attended the May 14-15, 2017, Belt and Road Forum in Beijing. Over 100 nations were there. Just describe a little bit, the sense of optimism that you experienced there.

Zepp-LaRouche: I was privileged to be one of approximately 2,000 delegates from 110 countries which attended. There were 29 world leaders who spoke: First, President Xi Jinping of China, then President Putin of Russia, President Erdogan of Turkey, Antonio Guterres, the Secretary General of the United Nations, in addition to many others. And listening to these speakers, it was really clear to many delegates I spoke with afterwards, that we were participating in the formation of a new world economic order, and the beginning of a new era of civilization.

In a certain sense, people understand that if you stick to geopolitics, if you stick to the idea that one nation has the right to fight for its interests against other nations, or go as far as escalating to open warfare in the worst case, or if a group of nations defends their so-called geopolitical interests against another group of nations, or try to maintain a unipolar world, that, in this era of thermonuclear weapons would potentially lead to the destruction of civilization.

Therefore, for people who participated in this summit, it was not only the idea that the new policy approach will bring economic benefits to all participating countries, but that a new form of thinking, first about mankind, and then thinking about national interest, is absolutely necessary. President Xi Jinping has expressed that many times by saying, "We are a community of a shared future, of a shared destiny of mankind."



Schiller Institute/Stefan Tolksdorf

Helga Zepp-LaRouche (second from left, first row) at the Belt and Road Forum in Beijing, May 14-15: "We were participating in the formation of a new world economic order."

Will Our Species be Successful?

To begin to understand what this new paradigm will make possible, we have to concentrate first on the common aims of mankind, such as earthquake prediction. The case of Mexico again underlines why the ability to predict earthquakes is absolutely crucial. Other common aims of mankind include: overcoming poverty, developing energy and raw materials security, and developing joint space research and travel.

There are so many exciting tasks, which, in the final analysis, will determine if our human species will be successful and maintain adequate conditions for its life for the future. And that is what the new paradigm is: That we must grow up as a human species, that we absolutely have to stop having wars. We cannot have war as conflict resolution in a time of thermonuclear weapons. And that was the spirit of the New Silk Road which was very much present at the Belt and Road Forum in May in Beijing.

Attending the Forum was a very, very incredible experience. And I think all the people who participated in it—almost everybody had that feeling. There were a few exceptions, like the EU: Its representatives disagreed, saying "No, we make the rules." But that was a

minority. And most people from most countries were extremely excited that finally, an alternative to a collapsing system does exist.

Schlanger: And the United States was represented there by Matthew Pottinger, who was sent by President Trump. What's your view of Trump's relationship with this new paradigm, and his relationship with Xi Jinping. Is the United States about to join this? Or can the United States be brought into this?



U.S. Department of State
U.S. Secretary of State Rex Tillerson (second from left) meeting Sept. 30 with senior Chinese officials, preparing for President Trump's November visit to China.

Zepp-LaRouche: During his election campaign, President Trump was quite famous for China-bashing, but President Trump is not what the western media describe him to be. As a matter of fact, all the people who have met with him, and who have communicated that to me or to other people from the Schiller Institute, have confirmed that he is actually quite capable of judging the situation on his own, and that he is absolutely determined to do the right thing for the American people.

Fortunately, when he met President Xi Jinping for the first time in April, in Mar-a-Lago, Florida, the two presidents hit it off really well, and developed a very positive chemistry between them.

China has extended an offer to the United States to join the Belt and Road Initiative, and the Schiller Institute has been leading a campaign since 2015, for China to invest in infrastructure development in the United States. China has \$1.4 trillion worth of U.S. Treasury bonds, which could be put to very productive use in the United States if China were allowed to invest in building the absolutely urgent infrastructure requirements in the United States. In addition, American firms could invest in the many projects along the Belt and Road, projects along the new Maritime Silk Road, and the New Silk Road.

As a result, the possibility of a very positive perspective exists between the two countries. And I'm quite optimistic that when President Trump makes his state visit to China in November this year, in the context of a larger Asia trip, that there is a good possibility that these opportunities for mutual investments in each leader's country will come up, and that some more

formal arrangements on this mutual development front could be made between the United States and China.

I think the improvement of relations between these two nations, which are the two largest economies in the world, if they can find a way to work together, along with a successful improvement of relations between the United States and Russia, could lead to the three largest and most important nations of the world—the United States, China, and Russia—finding a way to cooperate. Who could be against that? And who would want to be against it? I think that that is within reach, and all people who love peace should help to bring the knowledge about this New Silk Road conception, because that is the only workable perspective for this to happen.

Schlanger: We're told daily in the trans-Atlantic media that the issue of the so-called Russia-gate controversy is Russian meddling in the U.S. elections and Trump's collusion with Putin. But you said that it has much more to do with what you were just discussing, the potential for the United States to break out of the old geopolitical paradigm, the unipolar world. How do you see this process developing now?

Zepp-LaRouche: Well, Russia-gate is basically out of the window, since the VIPS, the Veteran Intelligence Professionals for Sanity, these former intelligence officials of the United States, have proven that there was no Russia hacking. See: https://www.larouchepub.com/other/2017/4430_vips_expose_rus-gate.html

The whole reason for Russia-gate and other scandalizing of President Trump, is exactly that he repre-

sents the potential of improving the U.S. relationship with Russia and China. And from the standpoint of the old empire, what we generally call the British empire—it's not the British people, it's the unipolar world faction which emerged after the collapse of the Soviet Union. They are horrified about the U.S. relationship with Russia and China!

The whole game-plan of the British empire—with the specification that it's not the British people—this construct of central banks, of investment banks, of hedge funds, of insurance companies, the whole financial structure which has emerged basically in the trans-Atlantic world—their whole game has always been to manipulate, to divide and conquer, to play one against the other, and to create wars. If you look at the efforts of the unipolar faction—which we have now found out is not identical with the U.S. President, but does exist in Great Britain, and it exists in other parts of Europe—the way they have tried to impose a unipolar world in the postwar period was through policies of regime-change, color revolution, or even wars based on lies as we have seen in the Middle East.

That empire policy is about to be overtaken by the new dynamic which I just described. They are frantically trying to prevent Trump from having China work with the United States, and right now, there is a huge campaign of anti-Chinese propaganda. *The Economist* of the City of London, in the last week of September, had on their cover story, a mean-looking panda bear, saying basically that China has plans to take over the world. Then you had other reports: Fox TV basically described a certain woman, Anne Pierce from the Churchill Society, who described quite well what China is doing: Building all this infrastructure, and railroad building, for example. She made the outrageous statement that even the Confucius Institutes are trying to portray a positive image about Chinese culture! Can you imagine such a thing?

They're on a rampage, trying to poison the minds of people against this new perspective, especially because the possibility that President Trump would move in this direction is extremely high.

I'm optimistic that the New Silk Road dynamic cannot be stopped. It is moving in Africa—we should talk about that separately; it is even in Eastern Europe, Central Europe, the Balkan countries, the southern European states. They are all getting onboard—Switzerland, Austria, they all want to be hubs of the New Silk Road. So I don't think this dynamic can be stopped,

except, for the fact that there is the danger still of conflict-creation and manipulation. I think the good people of this world would want nothing better than to move the world onto a safer plane, onto a higher level of reason, where people and nations can work together for the common good of all.

Schlanger: Helga, I think one of the other things that most people don't realize, is that those who have been calling the shots, the unipolar people, the regime-changers and others, are very weak right now because of the collapsing financial system. And something that was said by President Trump, just in the last 36 hours, probably sent tremors through Wall Street, when he said that Puerto Rico should just wipe out its debt.

Talk a little about this financial crisis, because this underlies the whole danger to the trans-Atlantic elites, and also is partly opening the door for this new paradigm,

Zepp-LaRouche: If you really look at the economic parameters of Europe and the United States, you can see that the trans-Atlantic financial system is collapsing. The growth rates in China have been approximately 7.2% average over the last five years, and before that, they were even higher. In the global economy, the average was only 2.5%; but there was stagnation or even downward development in the United States and Europe. For example, the life expectancy in the United States is going down! If you ever have seen an economic parameter which tells you what the directionality is, it is the fact that people have a shorter lifespan.

Now, there have been warnings by many people—even the Adam Smith Institute in London or the former Economic Minister of Italy, Giulio Tremonti—who all agree with us that the next financial blowout is due in a very short period of time, basically because the central banks have done absolutely nothing to remedy the causes which led to the 2007-2008 crisis.

The quantitative easing, which the ECB just announced that they want to continue for the next several years, amounted to putting out a lot of liquidity, which increased the debt—the debt of states, the debt of firms, the debt of car buyers—and now you have a situation such that if you move away from the zero or even negative interest rate policy, you risk a collapse of many firms.

Even the IMF has said that if you only raise interest rates a little bit, 20% of all corporations in the United



cc/Richard Alvin

One of the speculative trading floors of RBC Capital Markets, a global investment bank that is part of the Royal Bank of Canada.

States would collapse. You have an Italian banking crisis, and you have a terrible situation in all of Europe because the privileges of speculators were strengthened while the austerity programs hit the poorer parts of the population. This has led to an absolutely catastrophic situation. Such things as the Brexit in Britain, or the German election result, in which a right-wing party with some *really* very ominous and dangerous racist elements within its leadership, has won the third largest position in the Parliament. In addition, in the East, in the new states of the former East Germany, it has become the second-strongest party; and in Saxony, it is the strongest party.

So these are all results of these speculation and austerity policies. And the obvious remedy? You have to do exactly what Franklin D. Roosevelt did in the '30s. When President Trump just announced that he wants to cancel the debt of Puerto Rico, which is \$72 billion, this is absolutely a step in the right direction, towards the full program of what Roosevelt did in the '30s: Glass-Steagall separation of commercial from investment banking; a new financial system, like the Reconstruction Finance Corporation; the New Deal. Then the full package of what the American economist, Lyndon LaRouche—my husband—has prescribed for several years now, has to be applied: You need a full reorganization of the American economy, and actually, the global economy—Glass-Steagall, a new credit system,

and then you have to have a crash program to increase the productivity of the economy.

China is doing that already, but the trans-Atlantic world also urgently needs to carry out these kinds of reforms, if we are to survive the present situation.

Schlanger: In talking about the crisis and the dynamic for change, one of the things that's obvious is that across all of the West, there's an anger at the elites, anger at the political parties, and that's what you have referenced with the case in Germany. Now we have this somewhat strange case of the separatist referendum in Catalonia. Is this part of the same dynamic,

of the rejection of the existing establishment?

Zepp-LaRouche: Yes, absolutely. You can say that the Catalonia vote is a result of the austerity policy which was imposed on Spain. First naturally, Spain, was hit by the financial crisis of 2008, but then, especially the austerity policy of the Troika—of the ECB, the European Commission, and the IMF—which has increased unemployment, which still averages 18%, despite small improvements, including almost 50-60% youth unemployment. And these figures are still not really true, because you have an enormous brain drain of young people and skilled labor leaving Spain. So the actual unemployment, if you counted the people who left the country, would still be much higher.

The Undoing of German Unification

And the same condition exists in Greece, in Portugal, and in Italy. And let me just say one more word about the German situation: Because this Sept. 24 election showed the worst result for the CDU/CSU party of Angela Merkel since the Second World War, and the worst result for the Social Democracy since Bismarck, is really an earthquake! But what is even more incredible is that you have a complete divide between the East and West of Germany, because in the East, the vote for the so-called Alternative for Germany (AfD) was so large—not just because it was triggered by the refugee



Chinese technician trains Ethiopian maintenance crew of the new Djibouti-Addis Ababa Railway.

crisis, which obviously was a factor—but the reason that people reacted so very strongly is that they were devastated by the reunification.

Sure, you have beautiful marketplaces, restored housing, and historic buildings there now. But, behind this façade, you have depopulation. The women left to go to the West, the young people left. You have villages which are either completely depopulated, or where only pensioners remain. There is no economic growth in many regions of eastern Germany, and it was that feeling of having been completely deprived of their life's work by the neoliberal system which was imposed on them, which was the reason why people reacted so strongly on this refugee question.

What I'm trying to explain to an international audience is that Germany, which used to be looked at as the anchor of stability of the European Union, is now in a process of chaos. Germany may not even be able to form a new government now—because the only available coalition, given the fact that the Social Democrats don't want to be part of a grand coalition with Merkel's Christian Democracy any more—would be of those parties which only won in the West, but are not represented—or only very little—in the East.

So the situation in Germany is really chaotic. As I have said many times, the phenomena of the Brexit vote in Britain, the election loss of Hillary Clinton, the “no” to the constitutional referendum in Italy, the German election, and now the Catalonia referendum—all of these things are symptoms of the same injustice, and people are reacting to this injustice; and this will

continue until the causes of this injustice are removed. And the only way to remove them, is, you *must* take up the offer of China to join the New Silk Road. Europe needs reconstruction as much as the United States, and we have to join hands to build up the economies of the Middle East, where countries have been completely destroyed by war. We have to obviously develop Africa, which China is doing in an unbelievable way. But we must get the United States and European nations to join hands, and then we can remedy all problems.

So people should really understand that we *have* to get over geopolitics. If you want to solve any problem, the New Silk Road is the way to approach it.

Schlanger: I think just one other thing I'd like to bring up for this program—you brought up Africa a couple of times, and the Schiller Institute has played a leading role for 30 years in promoting a program that will reverse the shrinkage of Lake Chad. And there've been some positive developments on that. Can you say something about that?

Zepp-LaRouche: More generally, Africa has been in a really incredible situation. There is no reason why there should be poverty in Africa, but for colonialism, and then the IMF conditionalities, which deliberately kept Africa down. If you look at John Perkins' book, *The New Confessions of an Economic Hit Man*, which is very useful to read in this context, there was never any intention to develop Africa, until China started to invest.

Now, China has, for the last several years, built several incredible projects: A railroad from Djibouti to Addis Ababa, 750 km. It is now building railroads from Kenya, all the way to Rwanda, and Uganda. It has already built industrial parks, hydropower dams, and now this project of the Transaqua—this is something we discovered in the late '80s, or beginning of the '90s, in our efforts to design development plans for Africa. It's the idea that, given the fact that Lake Chad is drying out—it has less than 10% of its original volume of water—and this affects 30 million people in the entire



EIRNS

Left to right: Mohammed Bila (Lake Chad Basin Commission), Andrea Mangano, Marcello Vichi, and Claudio Celani (EIR), discussing plans for Transaqua in the Rome Bonifica office, summer 2015.

region.

There is an Italian firm, Bonifica, and Marcello Vichi, who is a very good engineer, which developed, together with some colleagues at the end of the '70s, the idea that some of the surplus water of the tributaries of the Congo River can be taken, approximately three percent, and this will have no negative effect at all, because otherwise this water will go into the ocean unused. Water from these tributaries will begin from an altitude of 500 meters, flow through a system of canals, and rivers integrated with canals, all the way to Lake Chad, refilling the lake.

In addition, an inland shipping system could be developed, which could benefit twelve nations. Large amounts of water would be available for agriculture. Hydropower would be available for all participating nations.

So this is really a game-changer for the entire African continent. And there is now an agreement to do a feasibility study, involving the Chinese and Italian governments. Recently some Chinese publications gave credit to the Schiller Institute for having promoted this project, because we brought about these connections between the Italian company and China. In the same way, we are now succeeding in getting the Kra Canal in Thailand and the reconstruction of Syria onto the agenda.

So all of these things are live actions. But I can assure you, that because of what China has been doing in Africa, the spirit of the Africans has completely changed: They are no longer willing to be treated as people to whom one can give sermons about “good governance,” and “human rights,” and “democracy.” But they now demand that anybody who talks to them, should talk to them as equal partners, and should make direct investments in cooperation with their governments. There is a completely new spirit—it just should not be the case that large parts of the world should live in these unbelievable conditions of poverty! It’s not a natural condition of mankind!

And this is now changing. People are optimistic, and the possibility that the African continent, in a few years, can be completely free of hunger and poverty, is absolutely on the agenda. And think about all the Afro-

Americans in the United States: They should get excited about that, because I know that they do not focus so much on Africa, as should be the case. I think this is a very, very good opportunity for Afro-Americans to get on board and fight for the implementation of the New Silk Road, not only for the United States, but to get the United States to join hands with China to develop Africa.

Schlanger: Well, Helga, as we discussed in setting up this weekly webcast, you wanted to bring the “spirit of the New Silk Road” as you called it, to the broadest possible audience. And I think this discussion you just had at the end on Africa, is precisely that: How the spirit can give people a sense of confidence in the ability to break the stranglehold of geopolitics on the world, and bring us to this new economic paradigm.

So I want to encourage our listeners to engage your friends, your colleagues, and others to discuss the ideas that are being presented here, and let’s use this opportunity—which may be our last opportunity—to break this power of the oligarchy, and to bring the whole world into this new economic paradigm.

Helga, I’d like to thank you for joining us today, and we’ll be back next week.

Zepp-LaRouche: Yes. Goodbye.