

After Weimar, There Was Fascism

There is one clear historical comparison with the wild monetary expansion currently being carried out by the world's central banks. As Lyndon LaRouche has been emphasizing, what is happening today on a global scale is what Germany experienced in the second half of 1923: turn on the printing presses, flood the world with money.

Ultimately, of course, the German hyperinflation came to a crashing halt, and the world's financial powers stepped in to reorganize the debts and the system. The Schachtian austerity that followed led directly into full-scale fascism, with the genocidal results which the world remembers so well today.

Today, however, there is no *outside* power to come in and re-establish an orderly financial system. But the lawful result of the attempt to cover the unpayable debts of a financial system gone wild, will be an intensification of the global depression of living standards, which has been destroying the world over the last 30 years. The end result of that course, as with Hitler's Germany, will be fascist genocide, on a global scale.

It's not difficult to see what such a future would look like. Just take a look at the devastation of southern Africa, where agriculture is starved, roads and sanitation are non-existent, millions of babies die of totally curable malaria, and people toil 16 hours a day to simply provide for their bare necessities. Under the IMF policies of the last 30 years, large sections of Africa have actually seen their life expectancies *reduced* down to the level they were when Franklin Roosevelt visited the British colony of Gambia back in 1943—to 33 to 40 years of age.

Apply the same disinvestment and austerity policies which have been imposed on Africa, on the rest of the world, *including the United States*, and you will get a similar result. The end result will be depopulation on a massive scale—from today's 6.5 billion people, to 1 billion or less (which the oligarchical Malthusians consider “desirable” today).

But we do have an alternative! As the recent Schiller Institute conference in Kiedrich, Germany, which

we feature in this issue of *EIR*, elaborated at length, the elimination of the current usurious financial system can result in a *positive* change for mankind. This is a crisis of opportunity, if we would but seize the alternative model for a new, just world economic order, which the LaRouche movement and its allies have put on the table.

There is no need to maintain the (largely fraudulent) debts of the post-Bretton Woods system on our books. They can be frozen, and written down later. What we need to do, is to make a fresh start, with new principles, under which our financial system would once again become a *credit* system, that launches a 50-year process of in-depth economic development, on the basis of long-term economic cooperation agreements among sovereign nations.

There is an infamous canard among economists, which claims that the issuance of abundant, long-term credit is inflationary, *per se*. Under this nostrum, the post-Bretton Woods economists have insisted that governments cannot spend money for needed infrastructure development—from replacing broken sewer systems, to developing the next generation modes of transportation and electric power. The likes of Alan Greenspan greeted every proposal for major investments in infrastructure by yelling “Inflation! Inflation!”

Yet, when it comes to issuing monies to try to save the speculative investments of the hedge funds and the banks, there are no limits at all! This was the case back in 1987, when Greenspan moved to “save” the financial system after the dramatic stock market crash. It was equally true after the 1998 financial crisis, and the shock represented by 9/11. And today, the central banks think nothing of shelling out \$10-20-80 billion *a day!* in order to try to save those gamblers who control our financial system.

It's time we ended this insanity, and took back the function of credit generation for sovereign governments, acting in the interest of their populations. No more Weimars—and no more Hitlers!