

# The World After the U.S. Election: Creating a World Based on Reason

December 12-13, 2020

Videos of the entire conference are available [here](#).

## PANEL 2

### Escaping the Danger of World War III: A Strategic Order Based on the Common Aims of Mankind

## Great-Power Strategic Relations May Soon Change: Schiller Institute Conference Discusses How

by Paul Gallagher

Dec. 12—A group of international strategists and economists discussed how U.S.-China, U.S.-Russia, and U.S.-Europe relations can change productively in the immediate future at the Schiller Institute conference panel, “Escaping the Danger of World War III,” December 12. This had no reference to Joe Biden and his assembling a “team” of geopolitical retreads. Rather, the speakers’ subjects ranged from the increasing drawing power of China’s model of international development lending—presented by former World Bank senior economist Dr. Yan Wang—to the prospect of NATO being disbanded, debated by veteran military Judge Advocate Sen. Richard Black of Virginia and Prof. Emmanuel Dupuy of the Institute of European Perspective and Security. But the overall theme, as Schiller Institute President Helga Zepp-LaRouche described it in her keynote to the panel, was “the right not to be trapped in contradictions and between bad choices,” a right available both to major nations now caught in increasingly dangerous strategic confrontations, and to individuals learning to think creatively.

Zepp-LaRouche began her keynote by stating that, “after the U.S. election, a world based on reason”—the title of the two-day conference overall—might seem farfetched in the face of an unprecedented combination of worsening strategic, political, and demographic crises, and that some may begin to despair of their solution. Senator Black described President Donald Trump, as a candidate and President-elect, coming into office

with a group of stated policies—NATO is obsolete; good U.S.-Russia and U.S.-China relations are important; Wall Street is “a gigantic bubble”; new economic infrastructure is urgent—which *now* seem farfetched after four years in which they caused the entire establishment to unite to block his every step and try to drive him out of office.

But clearly, we are not “trapped in contradictions and bad choices” offered by that financial and intelligence establishment. The American people can now respond if these policies are put on the table, at a higher and still more specific level, by an “international chorus” of expert voices which the Schiller Institute is organizing. Zepp-LaRouche spent much of her keynote, which follows this article, evoking the primacy in human thinking of *creative discovery*, using the dialogues of Plato and the scientific discoveries of Nicholas of Cusa. Americans can rediscover what Trump was beginning to tumble to—that President Putin’s Russia has strategic ideas to assist in getting American troops home from endless wars, and that China, accused of imperialism by the British imperialists, is actually offering economic development to many nations and can enter into business with the United States to do it.

### **Grim Discovery about NATO**

Senator Black’s blunt proposal—“NATO must be dissolved”—was introduced based on his fascinating discovery that NATO, aside from posing a grave threat

to world peace, “is the centerpiece of the deep state.” We might say, the uncanny ability of British financial, military, and intelligence circles to drive their U.S. counterparts into fatal actions, and even to control and censor the thinking of Americans in general—Exhibit A, “Russiagate”—goes through NATO military intelligence and such of its institutions as the Atlantic Council. Black also stated that the threat of nuclear war with Russia, which had faded into the far distance in 1991, is real again now, and “NATO is to blame for it. We will have NATO to thank for the death of civilization.”

Professor Dupuy, including in their exchanges, could go with Black and Zepp-LaRouche on that second point; he assessed that “NATO will no longer be relevant as in the past,” and neither will negotiations related to the New START Treaty unless they include China, France, and the UK. But he failed to see the first point about a (non-American) secret government force underneath NATO; he insisted that an American general always commands NATO and that if America was “removed from NATO” it could be changed. Nonetheless he foresaw no European unity regarding strategic arms or NATO.

### **America, China and Third Countries**

China’s locomotive-drive of the world economy out of the 2007-08 global financial crash got Americans and Europeans to think seriously of cooperating in a world land-bridge of infrastructure development, but a financial oligarchy, deploying British liars like Prof. Niall Ferguson and U.S. madman “Messiah Mike” Pompeo, has driven them into thinking of a hostile rivalry. This can change rapidly again.

Dr. Yan Wang, who has decades of experience as an economist for multinational banks and lending institutions, presented the Schiller Institute panel with “The Chinese Economic Model: Belt and Road Initiative and Debt Issues.” She focused on Africa, noting that China was trying to “combine aid, trade, and investment/lending” to help African countries build new, productive economic infrastructure, using the advantages of low-cost engineering talent and economics of scale in building many projects. Nonetheless, she said, its 259 projects in Africa, which has created 137,000 African jobs from 2014-18, had peaked in terms of foreign direct investment in 2016, and fallen somewhat since. In other words, while China is a model for Africa in that its GDP/capital was one-half the African average in the 1960s and it has eliminated severe poverty entirely

now, it needs lending and investment partners for further development in the African continent and elsewhere. “There is still a shortage of long-term capital,” Dr. Wang said. “Foreign direct investment is declining.”

Dr. Wang’s solutions included more multilateral banks and multilateral lending by major economic powers to developing nations. She said more sovereign wealth funds can be drawn into major developing sector lending; and she included in this category, the new International Development Finance Corporation of the United States. And she emphasized that “developing nations should be in the driver’s seat with the World Bank, both in the right to decide what their development needs are, and in the responsibility to improve the investment climate in their countries.

Dr. Wang’s case was backed by Dr. Marcelo Muñoz of the Cátedra China institute in Spain, who said that China does not see itself becoming a superpower, but a leading power in what it can offer other countries. He forecast that the United States and Europe will reach agreements with China based not on “coincidences,” but on differences, including between the Confucian idea of collective good as the basis of ethics, and what he called the “theist” view of individual striving for both good works and individual rewards in American culture.

Joining the panel was Dr. Ole Döring from Germany, a sinologist and philosopher, who spoke on the topic, “A Salutogenic Symphony with Ancient Chinese Philosophy: Harmony as Polyphonic Accord and Peace as Expressive Equilibrium. Can We Make It Work?”

### **The Issues of Debt and Vaccines**

The issue of the huge mass of international debt, much of it now unpayable after the added blow of the COVID-19 pandemic, may very well drive the changes in major-power relations which were discussed by the Schiller Institute panel. World debt has reached \$277 trillion and is growing at 6% annually, with the developed nations debt-to-GDP ratios now much worse than the developing countries. A catastrophic crash of what many call the “everything bubble” is not far off, particularly since such a huge portion of that debt is corporate, and there are such armies of “zombie companies.” And sovereign debts of many developing nations have been rendered completely unpayable by the impacts of the pandemic, including real mass unemployment, food supply breakdowns, and absolute famine.

In fact, questions about debt cancellation or debt

forgiveness, from African representatives including those of Ghana, Zambia, Tanzania and others, dominated the question-and-answer sessions of this panel. Dr. Wang's presentation on this was new. She said debt/GDP ratio is an outmoded measure, because debt is a question of both liabilities and assets. Debt contracted to produce new infrastructure produces assets—"public sector net worth." China, whose lending is characterized by a lot of "patient capital" which will readily agree to restructure debt, is third in the world in the creation of other nations' public sector assets by its lending, as has been found independently by studies of the Belt and Road Initiative by Ernst & Young and PricewaterhouseCoopers.

Otherwise, it was clear that all major nations should cooperate in getting vaccines to developing nations. The subtitle of this Schiller Conference panel was, "A Strategic Order Based on the Common Aims of Mankind." It may *seem* farfetched, as Helga Zepp-LaRouche said to start the panel off, but the impulses of looming financial debt breakdown, preventing really mass deaths from "pandemic famine" and war, and matching up with China's infrastructure investments, can trigger rapid change in the right direction. That depends, she explained, on using the principle of Lyndon LaRouche's economic method: defining solutions on a higher, more unifying level than the problems.