EXERCISE Strategic Overview

Schiller Institute: Eurasian Land-Bridge Is a Reality

by Rainer Apel and Jeffrey Steinberg

"We shall be assembled here on Saturday, Sept. 15, 2007, amid the onrush of what already onrushing events are demonstrating to be, this most momentous period of change in globally extended modern civilization since the great 1648 Peace of Westphalia. The outcome of this presently accelerating world-wide crisis, is not yet decided; but, the alternatives can be, and must be made politically clear.

"In any case, it is certain that the kind of global monetary-economic system which has evolved in the aftermath of the crisis-events of 1968, will not survive the presently onrushing calamities. It should also be made clear, as the proceedings of this two-day conference will help to show us, that there are great, hopeful options for change, some of which will be addressed during the course of this two-day conference. For my part in these proceedings, my attention is focussed upon what appear to me as being the most crucial of the changes in physical-economic policies on which the successful rise out of the presently most ominous crisis will depend."

With these words, written on Sept. 14, Lyndon La-Rouche pronounced his own hopes for the international conference, which began on Sept. 15, in the German town of Kiedrich. As we go to press, 350 people from 40 nations had already gathered for the opening session of the Schiller Institute event.

In addition to Lyndon LaRouche and Helga Zepp-La-Rouche, the conference agenda featured prominent speakers from around the world, including an impressive delegation of Russian scholars and political leaders. Among them: Prof. Stanislav Menshikov of the Russian Academy of Sciences; Victor Razbegin, deputy chairman of the Council for the Study of Productive Forces (SOPS); and Dr. Sergei Cherkasov and Academician Dmitri Rundqvist, both of the Vernadsky State Geological Museum. Other scheduled speakers

included Hal Cooper, an American consulting engineer who has done groundbreaking work on high-speed rail plans for the Americas and Eurasia; Italian economist Dr. Nino Galloni; and American civil rights pioneer Amelia Boynton Robinson.

The Global Financial Collapse in Context

In her introduction to Lyndon LaRouche's keynote speech on the morning of Sept. 15, Helga Zepp-LaRouche, the founder and chairwoman of the Schiller Institute, reviewed the world financial system's collapse. As the July G-8 meeting failed to establish any transparency, nobody knows how many trillions of dollars of multi-leveraged debt is out there, and as LaRouche has pointed out, the system is finished. LaRouche announced, when he was in Moscow, in May 2007, that the system would enter its final collapse phase in September, and it has; therefore, this conference is held at the right moment to discuss the crisis and what is to be done about it.

Think back to LaRouche's July 25, 2007 webcast, said Zepp-LaRouche, and what has happened since: the Minnesota bridge collapse, exposing the disastrous state of U.S. infrastructure; then, the crisis of the yen carry trade; then, the outbreak of the crises around Germany's Industry Credit Bank (IKB), West Landesbank, and Sachsen Landesbank, which prompted Jochen Sanio, the head of the financial market watchdog agency BaFin, to speak of a crisis like that of 1931. That is even an understatement, as today's crisis is much, much worse, Zepp-LaRouche emphasized.

Lyndon LaRouche intervened on Aug. 22, 2007, with his Homeowners and Banks Protection Act, which has been taken to Congress and other institutions as legislation that must be passed with utmost urgency. There is massive counter-lobbying against Congress by the hedge funds to prevent that, but

these are "paper tigers," as LaRouche has exposed them, she continued.

What is needed, are the New Bretton Woods financial system and the Eurasian Land-Bridge, for which the Schiller Institute and other LaRouche-associated organizations worldwide have been organizing since the beginning of the 1990s; the time has come for building the newest generation high-temperature reactor nuclear power plants, maglev trains, and development corridors. Ironically, Zepp-La-Rouche observed, the Bush Administration's policy has forced the countries of Eurasia into cooperation much faster than they might have done, otherwise: Since the Spring of this year, Russian President Vladimir Putin has put forward a strategic railway development plan; there was the Bering Strait conference in Moscow in April; initiatives were taken for a Delhi-Mumbai corridor, a Calcutta-Myanmar corridor, a Himalaya tunnel project between India and China, a Kazakstan water development plan, and the Danish maglev debate—these are all positive steps in the direction of the landbridge. There is also a worldwide nuclear-power renaissance. We will fight to bring to Germany, she said, an understanding of the vital importance of nuclear technology and maglev. And if necessary, Commander Wu, who built the Shanghai maglev in 22 months, will be brought to Germany to get the project off the ground!

Following Zepp-LaRouche's introduction, a video was shown of the late Mexican President José López Portillo's historic United Nations speech of Oct. 1, 1982, inspired by his discussions with Lyndon LaRouche, in which he blasted the vicious cycle of debt that had been strangling the developing sector nations. He also warned that by maintaining this kind of system, the creditors will strangle themselves. The defense of a nation's sovereign rights to growth and development must not be slandered as a "sin" against the system; this is a genuine right which this system is standing against, and so the system has to be changed, López Portillo said.

Zepp-LaRouche ended by recalling López Portillo's statement, during the crisis of 1998, urging people to "listen to the wise words of Lyndon LaRouche."

LaRouche: 'Firewall' Legislation Needed Now

In his keynote address, Lyndon LaRouche began by identifying the systemic collapse, explaining that there is a chain reaction disintegration already under way, threatening the dollar, and with it, also the survival of China and Europe, which have no protection against the collapse. The collapse is global, and without a real change of policies, the world will certainly fall into a new dark age.

In the precis of his keynote, quoted at the beginning of this article, LaRouche stated:

"As we meet today, the world is experiencing the early phases of the collapse of the greatest financial speculative bubble in all modern history. The form of this crisis has certain marked, systemic similarities to the hyperinflationary panic which struck the Weimar, Germany republic during the course of 1923. The principal difference between the two situations, then and now, is that the presently skyrocketing monetary-financial crisis is global; there are no powerful outsiders, as with the introduction of the Dawes Plan, to rescue the present crisis-ridden world as a whole from the explosion which has first appeared as the collapse centered in the trans-Atlantic financial-monetary bubble which is in the process of imploding during the current months.

"However, there are some degrees of relevant similarities between the present world monetary-financial crisis, and the circumstances leading into the Germany crisis of 1923.

"In the case of Germany's 1923 crisis, the distinguishing, underlying cause of the crisis had been the fraudulent assertion, during the Versailles proceedings, by President Woodrow Wilson's U.S. Secretary of State Lansing, that Germany had sole responsibility for World War I. On this account, a vast, unpayable debt was imposed upon Germany at Versailles. The actual guilt for all of the relevant cases of warfare, from the beginning of the process of war-fighting, with Japan's first war on China, had been with Britain's Prince of Wales Albert Edward, and, later, King Edward VII, whose government actually orchestrated, out of explicitly stated geopolitical motives, the plan for placing Germany under attack, on its western and eastern frontiers.

"In the present case, notable prolonged warfare, that of the U.S.A. in the 1964-1972 combat in Indo-China, and the rash of wars, over the recent sixteen years, in the Balkans and Southwest Asia, when combined with the effects of the destructive monetary and financial reforms within the U.S.A., in particular, have served as the underlying basis for the spreading state of general bankruptcy in North America and in Central and Western Europe. The conditions now associated, on the one side, with the waves of collapse of so-called "hedge funds" and related, John-Law-style forms of reckless speculation; and, on the other side, the effects of bleeding long-wars of the 1964-2007 interval to date, are the principal markers of the process leading directly into the present general breakdown-crisis of the existing world monetary-financial system.

"The political-strategic implications of this present state of affairs are deadly, in the most profound way. The only peaceful remedy for the present world situation, today, would be by actions which, in effect, place the present world monetary-financial system into a process of reorganization of bankruptcy; and a return to a design consistent with what U.S. President Franklin Roosevelt had intended for the Bretton Woods System, had he lived. No possible solution for this crisis exists within the structures of the present world financial-monetary system. Only a political reform of the world system, as it must be promoted by the initiative of a relevant leading group of powerful nation-states, could turn the tide of horror now gripping the fate of this planet as a whole."