### I. The Great Change Under Way

# Is Germany Smart Enough To Seize The New Silk Road Opportunity?

by Helga Zepp-LaRouche, chairwoman of the German political party, Civil Rights Movement Solidarity (BüSo)

Aug. 26—While Chancellor Merkel rushes around these days from mini-summit to mini-summit—first on an Italian aircraft carrier, then from one Eastern European capital to the next, in a constant but vain attempt to limit the disintegration process of the European Union—China is entering the last phase of preparation for the G20 summit, which it will chair in Hangzhou. This could be the most promising G20 summit ever, because the Chinese government will put forward a comprehensive concept for how the world economic and financial crisis can be overcome. Whatever the out-

come may be, it will become perfectly transparent who is working constructively toward this goal, and who is clinging to the dangerous old geopolitics and failed neoliberal monetary policy.

The European Union (EU) and Washington have every reason to join the successful course of China, and of the Asian states cooperating with China. Since the Brexit, France, Italy, and Austria have gone into competition over who will be the next to leave the EU.

In France, conservative former President Nicolas Sarkozy has launched a new bid for the presidency in a memorandum in which he demands an end to the legal primacy of the EU over French laws, as well as the repeal of the EU's Lisbon Treaty. Socialist candidate Arnaud Monte-

bourg pledges to follow General de Gaulle's "empty chair" policy, while the anti-European *Front National* of Marine Le Pen, won 55% in the most recent communal elections and Jacques Cheminade of the *Solidarité et Progrès* party, whose campaign is gaining momentum, is advocating an alliance of sovereign European states. Thus practically all of the relevant presidential

<sup>1.</sup> De Gaulle's "empty chair" policy was his boycott of European Commission institutions in 1965, in protest against policies that threatened national sovereignty with European supranationalism.



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The European Central Bank headquarters in Frankfurt, Germany, one of the principal elements of the failed, bankrupt system.



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The EU is careening toward dissolution as its members cling to geopolitics and associated bankrupt monetary policy. The "Big 3" of the EU, from left, François Hollande, President of France, Prime Minister of Italy Matteo Renzi, and Chancellor of Germany Angela Merkel in a press conference aboard the Italian helicopter carrier Giuseppe Garibaldi after their Aug. 22, 2016 summit.

candidates are positioning themselves against the EU.

In Italy, Prime Minister Matteo Renzi is quaking at the prospect of the October referendum on the constitution, in whose wake the anti-EU Five Star Movement (M5S) could win new elections held soon afterwards.

The next government in Austria will likely be led by the anti-EU Freedom Party of Austria (FPÖ).

Another aspect of the EU's disintegration process was manifest during Merkel's recent visit to the capitals of the Visegrad Group-Hungary, Slovakia, the Czech Republic, and Poland-whose governments vehemently oppose the refugee quotas decreed by the EU and the refugee policy as a whole. Austrian Defense Minister Hans Peter Doskozil called Merkel's policy "irresponsible" and stressed that Austria would not be the "waiting room" for refugees eager to go on to Germany. Hungarian President Orban plans to turn the fence which he had built on Hungary's border into an "insurmount-



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French President Charles de Gaulle boycotted EU institutions to protest an attempt by the EU to override the sovereignty of France with a supranationalist policy, which forced the EU policy to be withdrawn.

able wall," which could "stop several hundred thousand people at any given time." Thus, not only is Merkel's "European solution" for the refugee crisis finished, but so also is the Schengen Agreement for movement within Europe without a passport—and with it the basis for the European currency union.

## Blame Game of the Clueless

Given all of these diverse centrifugal forces, the stubbornness with which the pro-EU faction clings to the present EU policy seems divorced from reality in the extreme. Instead of addressing the reasons for the growing opposition, it is responding

to the Brexit vote with a demand for "more Europe," and is plotting behind closed doors to somehow reverse the Brexit. This has even prompted four of the five economics "Wise Men" (the German Council of Economic Experts) to issue a warning, in a joint article in the

Frankfurter Allgemeine Zeitung of Aug. 26, that this approach will only strengthen the centrifugal forces.

Unity didn't even prevail at the mini-summit of the "big three"— Merkel, Hollande, and Renzi-pathetically orchestrated on the island of Ventotene in memory of Altiero Spinelli, one of the "fathers of Europe," and held, symbolically, on an Italian aircraft carrier. Hollande and Renzi, with an eye to the economically desolate situation in their countries, pleaded for programs of capital investment; Merkel countered with the usual austerity programs—as if their appeal were not long since passé.

It has even come to the point of

public disagreements between European Central Bank head Mario Draghi (whose dubious role in various bailout operations is currently being investigated) and the European Central Bank, on the one side, and John Michael Cryan and Deutsche Bank (the riskiest bank in the world, according to the IMF), together with CDU parliamentarian Wolfgang Bosbach, Volker Wieland of the Five Wise Men, and Bundesbank Board Member Andreas Dombret on the other. Given this, and the fact that Deutsche Bank is suddenly acting as the advocate for depositors and pensioners in light of the "fatal consequences" of negative interest rates, it should be clear: The blame game has begun. Everyone is blaming everyone else for the collapse of the trans-Atlantic financial system, which everyone knows is fast approaching.

Thus the leading representatives of the EU and the governments of the EU member states have developed the blindness typical of those defending an outmoded model in which they have invested their whole identity. The view of the EU from outside Europe has long since changed. The EU used to be considered a model for regional integration by organizations such as ASEAN or the African Union, as well as by those seeking Latin American integration. But starting with the handling of the Greek crisis by the Troika, and then conclusively with the refugee crisis, that is over and done with. These countries consider the EU a failed model. Only extremely oblivious representatives of the EU or EU governments dare these days to talk about "democracy" and "human rights," in light of Frontex's actions against the refugees and the dubious deals on the refugee auestion.

#### For the Good of All Mankind

During the eight years of the Obama Administration, the United States barely got above 1% economic growth per year (by the badly flawed measure of inflation-adjusted GDP). President Franklin D. Roosevelt accomplished as much growth in every one of his first three years in office as Obama has achieved in eight years. And economic growth in the European Union has been even less than that of the United States in the same timeframe. Meanwhile, China's economic growth went from 9.2% in 2009 to "only" 6.9% in 2015. And in contrast to the casino economy of the trans-Atlantic



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The 200th freight-train from Zhengzhou to Hamburg departed February 2016, the cargo rail service between the two cities having begun in July 2013. Chinese President Xi Jinping has asked all European countries to join in the mutual development of the New Silk Road.

sector, the real economy in China is by far the largest economic sector, while the speculative domain is virtually negligible.

During the G20 summit on September 4th and 5th in Hangzhou, China will present a carefully worked out concept as to how to create a stable financial architecture, and how the G20 can be transformed from a mechanism for crisis management into a durable alliance of countries that work together for the common good of the entire world. China's intention is to replace a system based on short term profits with a sound economy which relies on innovation for economic growth.

In the three years since he proposed the develop-

ment of the New Silk Road internationally, Chinese President Xi Jinping has launched an exemplary success story, in which more than one hundred nations and international organizations are already cooperating. President Xi has repeatedly asked all of the European countries and the United States, especially, to collaborate in the win-win perspective of building the New Silk Road together. The fact that China has invited a large contingent of developing countries to participate in the G20 summit, is a further indication of its serious intent to create a new economic and financial architecture for the entire world.

#### We Can Learn, Can't We?

In Hangzhou, what Friedrich Schiller once called the "great destiny of mankind" will be on the agenda, namely the question of whether the human family can recognize, in time, that we are all in the same boat, and can only survive if narrow nationalistic and geopolitical interests are supplanted by the common aims of mankind.

A major problem preventing Germany from constructive cooperation with China's future-oriented perspective of developing a new model of cooperation

among nations, is the current German tendency to base everything on the "green economy," which seeks to find solutions exclusively "within the ecological limits of planet Earth"—in line with the mantra of the environmentalist movement.

But it is precisely in this area that China is far ahead of the narrow-minded thinking of a two-dimensional world—seeing the world not as flat, but as an aquarium. China has the most ambitious space travel program in the world which, with the coming Chang'e missions, will not only explore the far side of the Moon, but pursue concrete plans to mine large quantities of helium-3 as a raw material for a future fusion economy here on Earth.

The response of the EU and of the United States at this G20 summit will make clear whether they are able to learn. What China, and the Asian nations cooperating with China, represent today is to the benefit of all mankind

Although the organizations associated or allied with me internationally may be numerically small, we are far superior to our critics in terms of analysis, ideas, and solutions. And it is precisely this capability that we will bring into play to put Europe on the right track.

## The New Silk Road Becomes the World Land-Bridge

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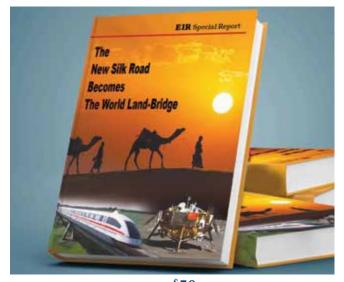
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**Introduction** by Helga Zepp-LaRouche, "The New Silk Road Leads to the Future of Mankind!"

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