

# Missed Opportunity in France, Huge Potential at G-20

*This is the edited transcript of the Schiller Institute's November 15, 2018 New Paradigm interview with Helga Zepp-LaRouche by Harley Schlanger. A [video](#) of the webcast is available.*

**Harley Schlanger:** Hello, I'm Harley Schlanger from the Schiller Institute, and I'd like to welcome you to this week's webcast. It's Nov. 15, 2018. As the dust is beginning to settle from the U.S. midterm elections, we're seeing an extraordinary and fascinating picture opening up, one of both opportunity and danger.

I think we can start with what was a lost opportunity: The silly efforts of [French Prime Minister Emmanuel] Macron to put his ego ahead of anything else at the Armistice commemoration, the 100th anniversary of the Armistice ending World War I. Helga, this was an opportunity for Trump and Putin to speak to each other, and Macron just seemed to brush that off for his own purposes. What are the deeper implications of what happened in Paris on Nov. 11?

## Paris: Another Lost Opportunity

**Helga Zepp-LaRouche:** It really shows what happens when vanity intervenes, because obviously, the commemoration of the end of World War I would have been a perfect opportunity. I think altogether 60 world leaders were present, providing the opportunity to reflect on why the First World War happened, how it happened, and why the world sleepwalked into a great tragedy that ruined the entire 20th century, because it led to World War II. So, it would have been a perfect opportunity to think about that, to speak about that, and to make real pledges that this should never, ever happen again to humanity.

That opportunity was lost. Even the beginning prep-



White House/Shealah Craighead

*President Trump (center) listening to French President Macron—instead of speaking with Russian President Putin as he had hoped—at the Elysée Palace in Paris, Nov. 11, 2018.*

arations for a summit between Trump and Putin were nixed by Macron, who all of a sudden asked Russia and the United States not to distract from the big celebration, and to basically not have their summit. So, there was only a very short discussion between Putin and Trump. It was very clear, as some Russian commentators, in my view correctly noted, that the event was all theatrics to create a stage for Macron to deliver his big speech.

If you look at the policies coming from Macron, who is falling in the polls like a stone, it is quite remarkable. Because he said that Europe should become more independent from the dollar, the euro basically should be strengthened and be less dependent on the dollar, but he also called for a European army, outside of NATO; and then, his Finance Minister Bruno Le Maire a day or so afterwards, said Europe should be an empire—naturally a peaceful empire, but an empire to match the other empires like the United States, and Russia, and China. Macron actually said a European army is necessary to defend against Russia, China *and* the United States!



*German Chancellor Angela Merkel.*

So this is obviously quite something, and it reveals the backward, old paradigm thinking of these people, which was unfortunately then backed a day or so later by [German Chancellor Angela] Merkel in a speech to the European Parliament, also demanding, sometime in the future, a European army, and she contradicted herself a zillion times by saying it should be inside NATO or within the context of NATO, or as a supplement of NATO.

In any case, this idea that Europe must become an empire, or actually *is* an empire, this is not a new idea. This was already discussed by Robert Cooper who is still an active figure in the European Commission; he was the advisor to Lady Ashton when she was the foreign minister of the EU, and he already several years ago stated that the EU is the largest empire ever, and it will increase and add new members without limits. This is really megalomania.

If you look at the real condition of Europe, it's an empire full of holes, like Swiss cheese. After [UK Prime Minister] Theresa May announced that she had a deal worked out on Brexit [Britain's exit from the European Union] with the EU, her government began to fall apart. It might actually fall and then there would be new elections called. We have to see how this shapes out. But that's not the only construction site so to speak, in the EU.

I think it's really revealing, and this is really terrible! Empires were the reason for World War I—it was not nation-states, it was the Austro-Hungarian Empire, the Russian Empire, the German Empire, and the British Empire. And especially now, if you build up Europe as an empire against Russia and China and the United States, this is exactly the kind of old thinking that must

be overcome. And this is why I said that the most urgent question is to overcome geopolitical thinking, thinking in blocs, and that we must move very rapidly to a new paradigm, which starts with the one humanity and works for the common aims of mankind, and not that kind of backward-oriented thinking as expressed by Macron and Merkel.

**Schlanger:** It's quite ironic, in the sense that in Macron's attack on "nationalism," to look at what he is putting forward as an alternative—empire! And as you pointed out, empires, especially the British Empire, have been the biggest cause for wars in the last two centuries.

Now, in talking about the collapse of Europe, you mentioned Brexit: But we're seeing all these forces moving in different directions. Let's take the case of Italy, where the EU has been trying to force Italy to adhere to policies which haven't worked and won't work, and there continues to be a reaction to that.

### **Italy Bucks the EU System**

**Zepp-LaRouche:** The present Italian government, Finance Minister Giovanni Tria and Undersecretary of Economic Development Michele Geraci were very firm in saying that they will not capitulate to EU pressure, that the EU Commission's idea that Italy should reduce its budget deficit to only 0.8% would be eco-



CC/Raul Mee

*UK Prime Minister Theresa May.*

conomic suicide. Even the Maastricht rules say that the budget deficit should not be more than 3%, so what the Italian government actually proposed was a 2.4% increase in the deficit. Italy is below the Maastricht criteria. Obviously, this is an obsession by the EU, which the Italians, correctly—absolutely correctly—reject.

When an interviewer from BBC asked Geraci why Italy was not behaving as the Greeks and Spanish and Irish, who did follow the EU austerity prescriptions, he said: Well, they were suffering, and Italy does not want to continue the mistakes and suffering of these countries, and this is why we need an investment program, and you need economic growth and not this kind of austerity.

There is a big debate now going on in the European Central Bank, the European Commission and other places, about what the EU should do. Because if they escalate the hard line against Italy, they may actually leave Italy with no other choice than to leave the euro, and possibly even to leave the European Union. On the other side, if the EU capitulates, and lets the Italians do as they propose, then naturally the EU iron fist is weakened and other countries in Europe may say, “OK, if the Italians can go for growth, so can we.”

So, the EU is really in a dilemma. Considering the situation with the Brexit, the British crisis, and the Italian-EU quarrel, the EU has no unity, and it has no solidarity either, so this is a very dramatic situation.

**Schlanger:** And you see Macron and Merkel sort of leaning on each other, the way two drunks do in order to stand up. What’s the situation in Germany? There’s a selection process under way for a new leader [of Chancellor Merkel’s] Christian Democratic Union (CDU) party. There is all kinds of speculation about Merkel, and there’s an emergence of an extremely dangerous tendency around the Greens, of people who reject Merkel, suggesting that the CDU should align with the Greens. This is certainly not a good development, is it?



CC/Michael Lucan

Friedrich Merz

## Will Germany Get the Merz Treatment?

**Zepp-LaRouche:** No. Friedrich Merz, who has been out of politics for 15 years or so, working for all kinds of firms—recently for BlackRock as its European presidium spokesman—is the head of the Atlantic Bridge. In other words, he has a completely neo-con, neo-liberal profile. And he has not said anything which would cause you to think that he has any new ideas for the real economy.

In the past, he was against the Greens, but now he says, “Oh no, the Greens have changed, they’re now such a bourgeois party, they’re so liberal”; and he can imagine entering a coalition with the Greens if

he were to be CDU chairman and possibly Chancellor. That would be a catastrophe, because Germany has already exited nuclear energy, and the Green policy is to also go out of coal, to go for the decarbonization for the world economy. Were Germany to rely on energy sources of such low energy-flux density as wind and solar, this highly industrialized country could not function. Already, energy prices have gone through the ceiling. And a CDU-Green coalition, with some Free Democratic Party participation possibly added—I mean, this is really terrible!

It goes completely against the interests of Germany. And the Greens are also on a rabid anti-Russia, anti-China profile. I have not heard from Merz himself as to what his policies are on Russia and China, or the New Silk Road, but this Green element is really a disaster.

The only good thing I can say is that many other countries in Europe are absolutely pursuing cooperation with China; they want to be part of the New Silk Road. And even some German states, like Schleswig-Holstein, the northernmost state, but also Mecklenburg-Vorpommern, and also Bavaria, are absolutely for cooperation with the New Silk Road.

This remains a big fight. Much depends on the momentum for a new paradigm, and that is clearly left to the Schiller Institute to organize and escalate. At least in Germany, we are the only force really fighting for cooperation with the New Silk Road.

**Schlanger:** And while we have this dangerous attachment to imperial geopolitics coming from “Old Europe,” you might say, very promising diplomatic and economic initiatives continue to come forward from the East. There’s an ASEAN and East Asia Summit that just took place, and discussions between the U.S. and China appear to be back on track, after a bit of a detour. What can you tell us about these developments?

### Promising Upcoming Summits

**Zepp-LaRouche:** You’re speaking about the ASEAN Summit in Singapore [Nov. 11] and East Asia Summit in Singapore [Nov. 14-15], and the upcoming APEC summit in Papua New Guinea [Nov.17-18]. Almost all of the leaders from Asia will be participating, and many are going from the Paris commemorations to these summits. There were many, many bilateral meetings on all Asian issues; the basic focus was to continue to work towards a multipolar world.

They made a new fair-trade agreement among all Asian countries, which is quite different from Obama’s Transatlantic Trade and Investment Partnership (TTIP). They agreed on a Code of Conduct for the South China Sea, according to which all conflicts will be solved through dialogue and diplomacy and not any other way, not any unilateral court suits or military options—so this is very good. And I think there were discussions, for example, between Putin and Prime Minister Shinzo Abe of Japan, that they will resume their negotiations on a peace treaty between their two countries, which would be very, very important. The Korean situation was also a strong issue.

So, I think this is all moving in a quite different direction, and it just proves that the real dynamic is in Asia.

We are now less than two weeks or so away from the G-20 summit, scheduled for Nov. 30 to Dec. 1 in Buenos Aires, Argentina. I think that the opportunity given by the twin summits of Trump and Xi Jinping, and Trump and Putin on the sidelines of this G-20 is a focus.

I do not expect the G-20 as such to come out with some grandiose plan, because there are many different elements in it, but I think the increased weight of the Asians within the G-20 should tend to make that institution a more important one. We from the Schiller Insti-



*Russian President Vladimir Putin (right) and Japanese Prime Minister Shinzo Abe meeting in Singapore, to discuss the Korean situation, territorial disputes between Russia and Japan, and a formal post-World War II peace treaty, Nov. 14, 2018.*

kremlin.ru

tute have said that the danger of a financial collapse is absolutely still present. The latest figures are that every day, \$5 trillion worth of assets are floating around the globe, but only 2% pertain to physical economy; 98% are purely speculative and monetarist. Already in 1998, President Clinton had warned of these global financial streams, saying that this situation represents a mortal danger, and he had demanded a “new financial architecture” at that point, which was probably what triggered the Monica Lewinsky affair.

Since then the asset flows have grown to \$5 trillion, and this is the Damocles sword which is hanging over us. So, a new financial architecture would really be the subject for the G-20. But we are pushing for at least the leaders of the United States, of Russia, of China, and India, and possibly Japan, that they should put a New Bretton Woods credit system on the agenda, because this would be actually the forum which could decide that.

A New Bretton Woods credit agreement would really remove the danger of a financial collapse, and it would provide the kind of cooperation among nations to actually address all the problems—the financial crash, the lack of development, poverty, reconstruction, refugee crisis—all of these things could be addressed. The Schiller Institute is in a mobilization, and I invite you, our viewers, to join us and help us to get this kind of discussion for a new kind of credit system on the agenda, before it is too late.

**Schlanger:** Well, I think an important step in that

direction was the shift we saw coming from two of the President's spokesmen on the negotiations with China: Larry Kudlow, the director of the National Economic Council, and Commerce Secretary Wilbur Ross said at a conference that they're very hopeful that the talks with China and the United States can get back on track. This is something that President Trump has talked about: the importance of his great chemistry with Xi Jinping.

But at the same time that this announcement came out, there was an escalation again from the neo-conservatives in the Congress, led by little Marco Rubio, the Senator from Florida and Wall Street. Rubio and others put out reports very similar to what we're seeing from the European Union: that China is a danger, it's a threat, a predator, and we have to be prepared to stop China. This is exactly what you're talking about, Helga, when you're talking about "sleepwalking into war," isn't it?

### China Is Thriving on Innovation

**Zepp-LaRouche:** Oh, yes. I have said this in the past, but I'll say it again: Nothing in the policy, and actually in the history of China, but especially the policy of the last 40 years, gives any credibility to the alleged aggressive nature of Chinese intentions—absolutely to the contrary. And that is why an increasing chorus of countries from Latin America, from Asia, from Europe, from Africa, praises the kind of win-win cooperation they have as a result of the Chinese Belt and Road Initiative. And this idea of Chinese aggression is just not true! It's just a lie, which is peddled because some of these geopolitically thinking people want to keep to their privileges and they think that that requires keeping China down.

Now, if you want to have World War III, that may be possible, but nobody will survive such a war.

I want people to think about it: The United States has 325 million people. China presently has almost 1.4 billion people, and that was a subject at the recent China International Import Expo in Shanghai. China has presently already a relatively wealthy middle class of 300 million people, and wants to have 600 million middle-class people ten years from now. This is an enormous market, and obviously, it will not stop there, but the tendency will be to just make China an all-around prosperous country. That was the policy outlined by President Xi Jinping at the 19th National Congress of the CPC in October last year, that by 2050 China wants to be a fully developed, modern industrialized, democratic, harmonious, culturally progressive country, which means it will have long overcome poverty and will probably have



Gage Skidmore

Senator Marco Rubio.

1.5 billion or more people, who will be in a middle class!

China is putting the emphasis on innovation and—as some people who have been working in China and know the situation have noted—it is just not true that China is copying Western technologies and that is what it depends on. China has already bypassed the West because of its focus on innovation in several fields, one of them, most obviously, is the fast train system, which is an excellent, excellent development, which is not matched by anything in the West. It is entirely Chinese engineered. I could add that China is the most advanced in fusion research, it has a very ambitious space program, and has an absolute focus on the excellence of its students.

The idea that you can suppress a country which has a 5,000-year history, which has been the leading force—at least until the 15th century, and then periodically also after that—and now is on this course, and it has the largest population. Maybe it's going to be surpassed by India at some point, but it's just an extremely large population—the idea that you can suppress such a country and stop it from developing, it's just ludicrous, and really reflects the wrong thinking.

What China has offered is a great-power relationship of win-win cooperation among great nations. That is what it wants. As it has stated very many times, it is not China's wish to bypass the United States as the dominant power. This is not the intention of China. China wants its sovereignty to be respected, and wants the principle of noninterference and acceptance of other countries' social systems. Relating positively to China's offers is a benefit for everybody!

This absolutely lying China-bashing, which has taken a new degree of aggressiveness with these reports

coming from various study groups and commissions—you mentioned Rubio—is really just counterproductive, and it confuses the population, which all of a sudden thinks China is a big threat and it is not. I really want to emphasize this, that this China-bashing is really a lie! It's a completely invented narrative, to cover for the geopolitical intentions of those who spread it.

**Schlanger:** Helga, speaking about win-win, making it a little controversial here, for a second, we have an opportunity to replace the partisan polarization in the United States—typified by people like Representatives Adam Schiff and Maxine Waters and others, who were saying that the midterms were all about impeaching the President—with the possibility of cooperation on national interests, particularly on infrastructure, credit policy. Are we moving in that potential direction in the United States, and if so, how do you see that unfolding?

### The Democratic Party After the Midterms

**Zepp-LaRouche:** Following the midterms, it is very clear that the Democratic Party has two completely different tracks.

There is the absolutely hysterical Obama/Hillary Clinton tradition that is expressed by such people as Representatives Jerry Nadler and Adam Schiff, which is pushed by Wall Street, by the *Washington Post* and the *New York Times*, all of whom are saying that the key task of the Democrats right now is to protect the Mueller investigation, the so-called Russiagate, to protect the FBI, to protect the Department of Justice. Russiagate has long been proven to be “British-gate,” to be the collusion between the Obama Administration, the intelligence heads, and the British government to make a coup against, first, the presidential candidate Trump and then the elected American President Trump.

That investigation is still ongoing, and one can only hope that President Trump sooner or later—better sooner—declassifies all the documents pertaining to Christopher Steele and all the Department of Justice officials and FBI and CIA officials who were in collusion with the British on this coup. And therefore, it is quite ludicrous for any Democrats to say that this is the most important.

Now, fortunately, our own reading is that even in the Democratic Party, there are many who don't like Trump but are saying that they are sick and tired of the continuous bickering and scandal-mongering, and that they believe now is the time to focus on the real economy. Rep-



*Roger Stone proven to have told the truth to the House Intelligence Committee.*

resenting that second faction, Rep. Nancy Pelosi indicated, for example, that she would be willing to cooperate with Trump on a bipartisan level for infrastructure and other urgent questions. And naturally there is a big rebellion against her in the Democratic Party.

But I think the chances that reason will prevail, and that the Mueller operation is shut down and discredited as being part of this British coup, absolutely exist.

The online paper *Daily Caller* reported that Roger Stone's lawyer—Stone being a key focus of the Mueller investigation—was able to prove that Stone was telling the truth before the House Intelligence Committee last year when he said that he did not speak to Julian Assange of WikiLeaks, to get the information about the upcoming leaking of WikiLeaks of the Podesta emails, but that his source was Randy Credico, who had then subsequently denied that before a grand jury. Stone's lawyer was able to get an old phone, which Stone stopped using after 2016, and the messages between Credico and Stone were reconstructed and it's very clear that he was the source for Stone. So that should help Stone's situation greatly.

### Why the Schiller Institute?

**Schlanger:** Helga, to conclude, you founded the Schiller Institute in large part because your sense was that the only way to get out of the mud-slinging toxicity of this kind of politics, is to uplift the image of man, and to make this a central theme in any political activity or organizing activity. This was brought into the U.S. campaign by Kesha Rogers, with her discussion of the importance of developing the creative potential of every child. I think it's important—given what we're seeing with the opportunities now, the potential, but

also the dangers—to just reiterate why you created the Schiller Institute.

**Zepp-LaRouche:** Let me just add something I should have said before, concerning the Democrats’ debate over whether to go in the direction of continuous hysterical attacks on Trump, or you engage in a bipartisan—or better—above-party cooperation? One urgent, urgent reason for choosing cooperation is the unprecedented fires in California, where it’s now very clear that the green policies of not allowing water management, not allowing investment in infrastructure, have created, since the time of Enron in the 1980s, the kinds of conditions that make these wildfires so dangerous.

This is the moment in which the United States needs to go for reconstruction, and it can only be done together with Trump, and this bickering absolutely must stop! We cannot ignore this unfolding drama in which more than 50 people have died and many more are missing.

But in answer to your question, you know, the United States—and Europe, in a similar way even though the predicates may be different—is experiencing a deep, deep moral crisis. The violence, the mass shootings, the drug addiction epidemic, the suicides, the violence in the schools, which especially in Germany is becoming a huge, huge issue—all of this reflects that we have moved away from the best traditions in our cultures, when our cultures were great.

For the United States, this was for sure the spirit of the Founding Fathers, the period of Lincoln, and naturally then FDR and Kennedy to a certain extent. And in Europe, also, we have moved away from the great humanistic traditions of the Classical culture of the Italian Renaissance, the Andalusian Renaissance in Spain, the German Classics.

We have allowed the most degenerate kinds of cultures—everything is allowed, everything goes; the liberal idea that you can do whatever you want, there is no more binding morality, no more binding cultural values, but whatever you’re pleased to do, it’s fine—this, together with the perversion of pornography, the violence in entertainment, in movies, in video games. All this



U.S. Air Force/Sr. Master Sgt. Dennis W. Goff

*Flames of the Simi Valley fire ravage Southern California.*

has had such a devastating impact on many generations that we need urgently to move back to the idea of Classical culture. We need to have beauty in our lives, we need to purify and ennoble our character and mind and soul through our own aesthetical education, which we can only get from great music: from Bach, from Beethoven, from Dvorak, from others, from great poetry, from beauty in all Classical forms of art.

This is the second most important focus of the Schiller Institute. We want to have a new world economic order which allows the economic development of every nation that exists on this planet, through the powerful dynamic of the New Silk Road.

But it has been my view from the beginning of the Schiller Institute in 1984, that none of this would work if not combined with a Renaissance of Classical culture. So, since the Schiller Institute is engaged in many such activities—concerts, poetry readings, and similar things—I want you to join the Schiller Institute, if you agree that we need a new paradigm in thinking. Contact us, become a member, and work with us, because now is the time to change history for the better. Objectively, the possibility exists, but again, it will be the subjective factor—are there enough people who get on board and get active? Contact us and work with us.

**Schlanger:** OK, Helga, I think that was pretty clear. See you again next week!

**Zepp-LaRouche:** OK, till next week!