INTERVIEW WITH GBTIMES

Zepp-LaRouche Discusses China's Belt and Road Initiative

Helga Zepp-LaRouche gave a <u>video interview</u> to GBTimes Senior Editor Asa Butcher on May 10. The Europe-based <u>GBTimes</u> publishes across a network of radio, TV and digital platforms to "contribute to greater understanding between China and the West," and to act as "a bridge between China and the rest of the world." The interview has been edited for publication in EIR.

GBTimes noted, in its introduction to the video: "While the [Belt and Road] initiative has received a mixed welcome in Europe, the Schiller Institute, a Germany-based think tank, has been an active supporter for the past several years. Helga Zepp-LaRouche, the institute's founder and president, talked to gbtimes. com about the recent [Belt and Road] forum, the growing criticism, and the importance of Italy and Switzerland joining the Belt and Road Initiative."

GBTimes: I'm going to focus on the Belt and Road Initiative (BRI) today, following on from the Forum in Beijing last week. If you could describe your feelings on the outcome of that Forum

Helga Zepp-LaRouche: I think it was very important progress as compared to the first Belt and Road Forum. The first Forum was filled with optimism and the knowledge of all the participants that we were experiencing the birth of a new system of international relations. That was already extremely important. But I think the Second Belt and Road Forum saw a consolidation of that, so you have actually a new system of international relations which is overcoming geopolitics, and I think this is one of the most important outcomes, apart from, naturally, the enormous economic development which was presented. The idea that you have a system which has a win-win possibility for everybody to cooperate, is the way to overcome geopoli-



tics, which after all, caused two world wars in the last century. So this is a real breakthrough for humanity.

GBTimes: There's been a growing criticism and backlash against the BRI. Do you think this is misunderstanding, suspicion toward this new system? What are your thoughts on that?

Zepp-LaRouche: It's actually a temporary phenomenon, because the funny thing was, here you had the largest infrastructure program in history, with enormous changes for Africa, for Latin America, for Asia, even for European countries—and the Western media and think-tanks pretended it did not exist for almost four years! And then, all of a sudden, they realized, "Oh, this is really growing so rapidly; it is including more than 100 countries." So they started what I think was a coordinated attack, slandering the Belt and Road Initiative, with arguments which I think can all individually be proven to be a lie. It comes from the old

geopolitical effort to control the world by manipulating countries against each other, and with the Belt and Road Initiative, I think that possibility is vanishing, and that's why they're so angry and hysterical.

The Values We Once Had

GBTimes: What could China do to reduce this demonization of the BRI?

Zepp-LaRouche: I think China is already doing a lot. For example, even *Handelsblatt*, which was very negative towards the Belt and Road Initiative in the past, was forced to publish an article which brought out the fact that the whole argument that China is putting countries of the third world into a "debt trap" is not holding. For example, the IMF just released figures that there are 17 African countries which may not be able to pay their debt, but China is only engaged in 3 of them, and all of the others have huge debts to the Paris Club and to other big Western banks—so, who's putting whom into a debt trap?

All of these arguments will be very easy to counter, and the more China makes known its beautiful culture, people will be won over. Because the beauty of Chinese painting, of Classical music—it will win over the hearts. The more people understand what China is actually doing, the less these attacks will be possible to maintain.

GBTimes: China has made a dramatic entrance onto the world stage—the speed of its arrival, the size of the investments—it can scare a lot of people. Even family and friends who don't know much about China, they want to know about my job where I'm introducing China to the West. There are a lot of a misunderstandings. Do you think some of it comes from this ignorance? And how could that be changed?

Zepp-LaRouche: I have the feeling that everybody who has been in China, either as a tourist or as a business person, they all come back and have a very, very positive view. People are impressed about what they see, such as the really incredible fast train system. Then, if you go in the region of Shenzhen, Zhuhai, Guangdong, Macao, Hong Kong, this is the powerhouse of the world economy, not just the Belt and Road Initiative.

Compare that with the decrepit infrastructure in the United States or many parts of Western Europe, for example. Less than two years ago, I was in Zhuhai at a conference, and we visited this bridge between Hong Kong and Zhuhai and Macao, linking this entire trian-

gular area. This bridge was built, I think, in six years or eight years, including planning! Now, in Germany, we have a famous bridge between Mainz and Wiesbaden, which has been in repair for almost six to eight years, and it's still not ready!

So, I think if people go to China, they are completely impressed, because they see that in China, people have now virtues, like industriousness, ingenuity, creativity—these are all values we used to have in the West, like when the Germany economic miracle was made in the postwar reconstruction. But now, no longer. Now, we have all kinds of other crazy ideas, and therefore China is taking the lead.

Disconnect in Western Media Coverage

GBTimes: I've seen a disconnect between Chinese society and the role of the Chinese government, the more negative side that gets covered in the Western media. Do you think, for instance, with the BRI, this is just a way to legitimize the Chinese leadership in the world, and to raise it up to the same level that is given to the other countries? Do you think that's acceptable?

Zepp-LaRouche: Well, it is a challenge. Some of the Western institutions are saying that there is now a competition of the systems, meaning the Chinese state model and the Western free market model. In one specific sense this is true. The problem is that you have the neo-liberal system, which especially after the crisis of 2008, is only favoring monetarist interests—banks and speculators—and now the gap between the rich and the poor becomes ever wider. But during this same period in China you see a policy which is oriented toward the common good, an increasing, well-to-do middle class of 300 million people, which in 5-10 years will be 600 million people, and obviously the vector of development is upward. Naturally that is regarded as a threat by the neo-liberal establishment, which only takes care of its own privileges.

So in a certain sense, the challenge does exist, but I think there is the possibility of a learning process, so one can be hopeful that even some elements of the Western elites will recognize that China is doing something right.

GBTimes: What do you think China could learn from the Western model? And vice versa, what do you think the two could learn from one another?

Zepp-LaRouche: I think China can learn a lot from the West, but I'm afraid to say, not from the present contemporaries, or, there is very little to learn. The European

Space Agency is cooperating with the Chinese space agency, and a lot of exchange is possible there, but in terms of general, cultural outlook, I think China has to go back about 200 years to find positive things in Europe, or the United States, for that matter. You know, European Classical culture can be an enormous enrichment for China—composers such as Bach, Mozart, Beethoven, Schubert, Schumann, or great poets. But these are all things which unfortunately are not dominating the cultural outlook of most Europeans and Americans today. So there has to be a dialogue across the centuries, and then both sides can profit from each other.

GBTimes: In a sense, you're very pessimistic about the West. Do you think China is the only option available to the West at the moment?

Zepp-LaRouche: No, I'm not pessimistic, I'm just saving that some of the elites, or so-called elites, are hardened in their view. You have others who are absolutely recognizing that the whole of mankind needs to cooperate together in new ways. The President of Switzerland, who participated in the Belt and Road Forum, just signed a memorandum of understanding, not only for Switzerland, but for a whole group of Central and Eastern European countries, which Switzerland is representing in the international organizations.

So there is a big motion. You have Italy signing a Memorandum of Understanding with China, on the development of Africa. Greece wants to be the gateway for trade from Asia, through the Suez Canal all the way into Europe. Portugal and Spain want to be the hub for the Portuguese and Spanish-speaking people around the world.

There are a lot of dynamics and motions. I'm just referring to some of the monetarist views and those people who talk about the "rulesbased order" all the time, but what they really mean is austerity.

I'm not talking about the West in



Italian Prime Minister Giuseppe Conte arriving in China for the 2nd Belt and Road Forum on April 26, 2019.

general. I'm an optimist about the potential of all human beings; I'm only talking about certain parts of the establishment in the West.

The BRI and Europe

GBTimes: You mentioned Italy and Switzerland. How significant is it that they signed up to the BRI?

Zepp-LaRouche: This is extremely important. First of all, Italy, as you know, is the third largest economy in Europe. The north of Italy is highly industrialized and has a lot of capability; many hidden champions actually are in northern Italy. If such a country is

now, as the first G7 country, officially joining with a Memorandum of Understanding, this can become the model for all of Europe. Prime Minister Giuseppe Conte who just participated in the Belt and Road Forum came back and said exactly that: Italy plans to be the leader in bringing about a better relation between China and Europe. I think this is extremely important.

And Switzerland, even if it may be a small country, they are independent, they are sovereign, they are not part of the European Union. And President Maurer just declared, or his spokesman, that they do not need



Ulrich "Ueli" Maurer, President of Switzerland.

advice from the European Union because they can make their own policy. I think this is all a new, healthy spirit of self-consciousness and self-assertion, which is very good, and can be a sign of hope for everybody else.

GBTimes: How do you see all of this impacting Europe, in both the short term, and perhaps in the longer term?

Zepp-LaRouche: Well, there are different learning curves: Some are quicker, others are slower. For example, the so-called four big [European] countries—that does not include Italy—did not send heads of state or government to Beijing, but only ministers: Spain, France, Germany, and Great Britain. By not sending their heads of state, they expressed their reservation, but then even the German Economic Minister Altmaier, who on the first day of the Belt and Road Forum basically said, "we have to have transparency and rules," with the usual kind of arguments, on the next day, he said: Oh, this was much better than I expected; the Chinese are actually trying to solve problems, and I will come back in June with a large delegation of businessmen.

I find this quite good. It shows that eventually, I think, I hope, reason will prevail.

GBTimes: Some of the obstacles for Western countries are problems like Turkey refusing to participate because of the Uighur problem, and there are other issues that aren't related to the Belt and Road that China has to overcome first

Zepp-LaRouche: All of these problems will eventually be solved, because the key to solving any regional, ethnic, historical cultural problem is development. If people actually see the advantage of turning non-developed countries or areas into prosperous ones, into having more youth exchange, people-to-people exchange, dialogue of cultures, bringing forth the best tradition of each culture; plus, naturally, real improvement of living standards, longevity—I think then that even if not all develop with the same speed, we are at a tremendous change of an epoch of human civilization. These local and regional conflicts will eventually not be there anymore.

If I just can point to the fact of the eight radio-telescopes working together, being able to make, for the first time, images of the black hole in a galaxy which is 55 million light-years away, proving that Einstein's theory



U.S. Embassy/Berlin

Peter Altmeier, German Minister for Economic Affairs and Energy.

of general relativity was actually correct—now, that, for me is the sign of the future, because this image could not have been made by one country alone. It needed telescopes sited in Chile, in Spain, in the United States, in the Antarctic, and you needed the whole world actually working together to make such a technological breakthrough possible. That that will be the kind of relationship people will have to each other in the future, and I think this is what Xi Jinping means when he says, "a shared community for the one future of humanity." The common interest will eventually come first, and then everything else will fall into place.

The BRI Lifts All Nations

GBTimes: Another one of the criticisms is that "all roads lead back to Beijing," rather than a multilateral approach to BRI. Do you think that is a problem?

Zepp-LaRouche: I don't know. First of all, I think Russia has a big influence, I think the African countries are becoming much more knowledgeable and confident about their own role. There are many Africans who speak that, in the future, Africa will be the new China with African characteristics. So, I think it's all changing very quickly, and those people who complain that there is too much Chinese influence, well, then they should bring in their active, creative contribution, and define what the new platform of humanity should be.

China has said many times, and I have every confi-

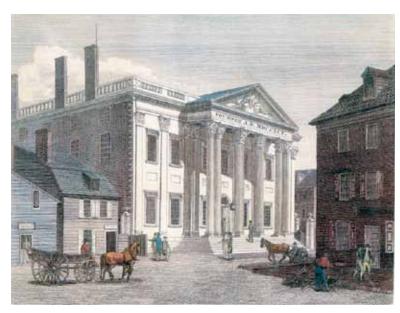
dence that that is the case, that they're not trying to export their social model, but that they're just offering the experience of the incredible success of the last 40 years. They are telling developing countries, "Here, if you want to have our help in accomplishing the same thing, we are willing to provide it." And naturally, the countries of the developing sector, which had been neglected, or even treated negatively by colonialism, by the IMF conditionalities, when they now have a concrete offer to overcome poverty and underdevelopment, why should they not take it?

All these criticisms are really badly covered efforts to hide their own motives. I really think China is doing the best thing which has happened to humanity for a very long time, and I think the Belt and Road Initiative is the only long-term plan for how to transform the world into a peaceful place. That should be applauded.

GBTimes: Why do you think the Belt and Road Initiative is needed, when there's the Asian Infrastructure Investment Bank, now? Do you think the two are mutually exclusive, or do they work together?

Zepp-LaRouche: I think the Belt and Road Initiative has many financing mechanisms. You have the AIIB, you have the New Silk Road Fund, you have a lot of the Chinese banks that are doing investments. I have been advocating for a very long time, that the West should modify its own credit institutions to work on a similar principle. That would actually be very possible, because the American System of economy as it was developed by Alexander Hamilton, who created the first National Bank as an institution for issuing credit, is actually very close to what China is doing. I would even go so far as to say, that the Chinese economic model is much closer to the American System, as it was developed by Alexander Hamilton, and then revived by Lincoln, Henry C. Carey, and Franklin Roosevelt.

If the United States would say, "we create our own national bank," and Germany, for example, would say, "we go back to the Kreditanstalt für Wiederaufbau," the Credit Institution for Reconstruction, then you could have a new credit system, whereby each country would have their own national bank; you would have clearing houses in between them to compensate for duration of



The Chinese economic model is close to the American System as developed by Alexander Hamilton. Shown here is the First National Bank of the United States in Philadelphia in 1797.

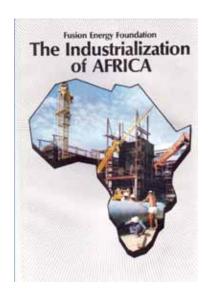
investment, or the differences between small and large countries with lots of raw materials, or not so much—you need these clearinghouses. But you could create a new credit system, a New Bretton Woods system with fixed exchange rates, having a stability which the Western system presently does not have.

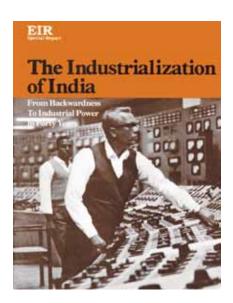
I think that the more countries go to these kinds of credit financing of projects the more stable this new system will become.

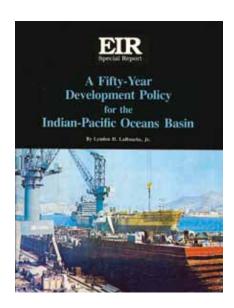
Will the U.S. Ever Join the BRI?

GBTimes: Do you think the United States will ever become part of the Belt and Road Initiative, under the Presidency of Donald Trump, or perhaps whoever is voted in next?

Zepp-LaRouche: That's actually the big question. Will the rise of China lead the United States into a Thucydides trap, which some people have mentioned as a danger? There were in history twelve cases where a rising power overtook the dominant power and it led to war, and there were four cases where it happened in a peaceful way. Now, China, first of all, has stated that *neither* of these two options should occur. Instead, they have offered a great power special relationship model, based on the acceptance of the other social model's sovereignty, non-interference. And I think Trump is more inclined to respond to such a model than the previous







administrations of Obama and Bush, who had these interventionist wars in the Middle East and everywhere else for exporting their system of so-called "democracy" and human rights.

President Trump has said very clearly that he wants to have a good relationship with China. He calls President Xi Jinping his friend. I think the present trade negotiations actually, in my view, demonstrate that the United States would suffer tremendously, if they would try to decouple from the Chinese economy. They probably would suffer more than China, because China is much more capable of compensating for the losses in the trading relationship with the United States.

The reasonable way would be to say, "OK, let's use the foreign exchange reserves of China which they have in terms of U.S. Treasuries; let's invest them through an infrastructure bank in the United States, to help to modernize American infrastructure." This is urgently required, because if you look at U.S. infrastructure, it's really in a terrible condition. President Trump is talking with the leading Democrats Pelosi and Schumer on new infrastructure legislation, but the sums which are discussed, from what I have heard, are so small!

What is lacking in these discussions is a grand design, where you would take the approach China has taken for the modernization of infrastructure—to have fast train systems among all the major cities, to have slow-speed maglev trains for intra-urban transport. You could take that same approach and modernize the entire infrastructure of the United States. And, in turn, if U.S. companies would integrate more into the projects of the Belt and Road around the world, it would be beneficial

for everyone. Some American companies are already doing that, like Caterpillar, General Electric, and Honeywell.

Hopefully it will happen that way, because if not, I think a clash between the two largest economies would be a catastrophe for the whole world: So, let's hope that the forces of good will all work together to get to this positive end.

The Role of the Schiller Institute

GBTimes: Let's talk about the Schiller Institute itself. What is your day-to-day role in the promotion of the Belt and Road Initiative? How do you work to support it?

Zepp-LaRouche: This all goes back to the life's work of my husband, who died recently, Mr. Lyndon LaRouche, who spent the last 50 years working on very concrete development projects. The first such project we presented in 1976 in Paris. This was a comprehensive plan for the infrastructure development of all of Africa. Then we worked together with the President of Mexico, José López Portillo, on a Latin American development plan—this was in 1982. We worked with Indira Gandhi on a 40-year development plan, and also in the beginning of the 1980s, we developed a 50-year development plan for the Pacific Basin. Then, when the Berlin Wall came down, and the Soviet Union disintegrated, we proposed to connect the European and Asian population and industrial centers through development corridors, and we called that the Eurasian Land-Bridge.

So we have been engaged in these kinds of big projects for the transformation of the world economy for decades, and naturally, we proposed it to China in the beginning of the 1990s. I attended a big conference in 1996 in Beijing, which had the title, "The Development of the Regions along the Land-Bridge." Eurasian China, at that time, declared the building of the Eurasian Land-Bridge to be its long-term strategic aim by 2010. Then came the Asia crisis in 1997, so the whole thing got interrupted.

We were very happy when Xi Jinping announced the New Silk Road in 2013, because, in the meantime, we had kept working for this. We had *many* conferences, actually hundreds of conferences and seminars all over the world. We are very happy that now, what was

only planning on our side is now being realized by the second largest economy in the world, and therefore, it becomes reality.

The Great Change Is Now

The New Silk Road, or the Belt and Road Initiative, it's not just about economics and infrastructure. Equally important, if not more important in my view, is the cultural side of it—that it could lead and will hopefully lead to an exchange of the best traditions of all cultures of this world. And by reviving the best traditions, like Confucianism in China, Beethoven and Schiller in Germany, Verdi in Italy, and so forth, this will ennoble the souls of the people, and I think that that is the most important question right now, because I agree with Friedrich Schiller, for whom this institute is named, that any improvement in the political realm can only come from the moral improvement of the people.

Therefore, it is very interesting to me that President Xi Jinping has emphasized aesthetical education as extremely important, because the goal of this is the beautiful mind of the pupil, of the student.

That is exactly what Friedrich Schiller said, who in the response to the Jacobin Terror in the French Revolution, wrote his *Aesthetical Letters*, in which he de-



Cai Yuanpei (1868-1940), President of Peking University and founder of the Academia Sinica.

velops his aesthetical theory, which I find is in great coherence with what Xi Jinping is saying. The first education minister of the Chinese Republic studied in Germany, and he studied Schiller and Humboldt. His name was Cai Yuanpei. He was the first president of Beijing University, and I think there is a great affinity between the idea of aesthetical education as it is discussed by Xi Jinping and as it exists in the Schiller-Humboldt tradition in Germany. I would just hope that that kind of a dialogue could be intensified, because then a lot of the prejudices and insecurities about the other culture would disappear, and you would bring back and bring forth the best of all sides.

GBTimes: Do you have any closing words on the Belt and Road

you'd like to share with our readers?

Zepp-LaRouche: I think we are probably the generation on whom later generations will look back, and say, "Oh! This was really a fascinating time, because it was a change from one epoch to another one." I have an image of that. This change that we are experiencing right now is probably going to be bigger than the change in Europe between the Middle Ages and modern times. In the Middle Ages you had people believing in a whole bunch of axioms—scholasticism, Aristotelianism, witchcraft—all kinds of strange beliefs—and then, because of the influx of such thinkers as Nicholas of Cusa. or the Italian Renaissance, the modern image of man, of science and technology, of the sovereign nation-state, all these changes happened, and they created a completely different view of the image of man, nature, and the universe.

I think we are in front, or the middle, of such an epochal change, where the next era of mankind will be much, much more creative than the present one, and that's something to look forward to, because we can actually shape it, and we can bring our own creative input into it. There are not many periods in history when that is the case: So we are actually lucky.