

SCHRÖDER IN A BIND

## World Monetary System Has Cracked in Germany Today!

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The address delivered today in Berlin by Germany's Chancellor Gerhard Schröder, marks the actual beginning of the collapse of the rotten-ripe world monetary-financial system. This began, a few weeks ago, with seemingly small, easily overlooked events, beginning in a way which is ironically comparable to the way in which the issue of freedom to travel for vacations abroad, triggered the series of events leading quickly to the already inevitable 1989 collapse of the (East) German Democratic Republic (G.D.R.). That irony aside, it is the biggest, most dangerous global monetary-financial crisis in modern world history. It is not something about to happen; it is something already under way, a crisis which can not be stopped unless certain emergency measures which I have prescribed are taken immediately.

The key to the issues posed afresh in Berlin today, is that this is not a Germany crisis. It is a world crisis which chose to erupt, as a world crisis, in Germany today. It is an already erupting world crisis of not only the European and U.S. economies, but a general breakdown crisis of the world's present monetary-financial system. The present IMF-centered system, the floating-exchange-rate system, will not survive the ricocheting global effects of this presently onrushing crisis pouring out of Germany. No part of the world, China included, will escape the fury of this global storm. Thus, what is happening in Berlin today, is predetermining the choice of fate already presented to the U.S.A. now.

Unless the relevant present rules of the European Union, and the system of "globalization," are taken down immediately, nothing will be able to stop the worldwide avalanche

which began four weeks ago, in the German state of Saxony. I explain.

Technically, the remedies available to the government of Germany were clear. The precedents for the required action by the government were broadly the same specified at a 1931 Berlin meeting of the Friedrich List Gesellschaft by the eminent Dr. Wilhelm Lautenbach. Had Lautenbach's proposal been enacted, Adolf Hitler would not have happened. The measures proposed by Lautenbach then, were broadly identical with the actions taken against the policies of the "American Brüning," President Hoover, by incoming President Franklin Roosevelt. What is happening to Germany today, is most nearly comparable, strategically, to what happened to Germany then.

The problems standing in the way of Chancellor Schröder's appropriate action, were chiefly three. 1) Globalization, which must be repealed in a sweeping way, if not only Germany, but each and all among the nations of Western and Central Europe are to survive the presently onrushing crisis. 2) Those clinically insane policies of the European Union, which stand in the way of the only possible recovery programs which could be launched by any German government at this time. 3) The blackmail of Germany by not only Standard & Poor's threats, but the backing of that blackmail by a concert of international financier oligarchs of the same character and disposition as that Synarchist International which established each and all of the fascist regimes in continental Europe during the interval 1922-45.

Notably, the de facto current U.S. government of Prime Minister Tony Blair-confederate Vice President Dick Cheney, represents a set of ideologies and financier interests



*German Chancellor Gerhard Schröder affirmed that the government's Hartz IV austerity package would be implemented "without any changes." He said that he understands people's fears, especially in the east of Germany, but "in many cases, these fears are unjustified." Referring to the growing "Monday demonstrations," he complained that it is unjustified to equate his government to "a dictatorial regime" 15 years ago.*

which is essential a carbon-copy of the Synarchist International of the 1922-45 interval, including the Nazi-controlled, U.S.-hating Synarchist party of Mexico's haters of that nation's own President Lázaro Cárdenas. The perpetual, nuclear-enhanced "preventive" war policies of Bush puppet-master Cheney represent currently the cutting political-strategic edge of the fascist threat to nations of continental Europe, as well as the internal affairs of the U.S.A. today.

Against the background of those superseding realities, the tragic feature of today's address by Chancellor Schröder is that he takes upon himself the moral responsibility for the outrageous conditions which a concert of international financier-oligarchical interests have imposed upon his German government and nation. The danger of that is, that the Chancellor will draw upon himself the hatred which, in fact, Germany's current oppressors should receive. There is presently no visible, viable alternative to Chancellor Schröder in Germany. There lies the element of a potential German tragedy now.

Under saner world political conditions, the leading nations of the world would have responded by calling an international, emergency monetary-financial conference, at which they would have combined their authorities and influence to impose a remedy upon the reluctant present world monetary-financial system. For, if Germany goes down into the status of a "failed nation-state," as it might, under these present trends, no part of the world will escape the terrible chain-reaction effects that would bring about.

A collapse of Germany is the unleashing of a chain-reaction which would quickly be the end of stable government in all continental Western and Central Europe, and that, in turn,

is the trigger of an immediate unleashing of a chain-reaction collapse of the entire present world monetary-financial system. The category of "failed states" must therefore be applied, now, to those nations, other than Germany, which allowed the inevitable consequences of the relevant European Union decisions to be unleashed, and to the incompetence of the present Presidency of the U.S.A., in continuing to push global policies which will bring down the highly charged, acutely vulnerable world system now.

The immediately needed decisions are essentially elementary ones. 1) End the tyrannical and destructive European Union rulings, and permit member-states to resume their sovereign right to create long-term capital loans to launch a general recovery of production and employment sufficient to bring Germany, among others, to a state of balance on current accounts of income and expense, as distinct from long-term capital formation. 2) Use this mechanism of state credit to negotiate long-term trade agreements among, especially, the nations of the Eurasian continent. 3) Use the fact of a general breakdown crisis to override all globalization; restore "fair trade" policies, by treaty agreements among nations which take cognizance of the prolonged emergency conditions of the world today; launch large-scale modernized basic economic infrastructure as a leading stimulant of national economy, and give special emphasis on promotion of what is known as the *Mittelstand* in Germany.

There must also be immediate steps toward reaching permanent long-term agreements establishing a return to the principles of the original fixed-exchange-rate Bretton Woods system. There must be overriding recognition, that without a fixed-exchange-rate system, it were impossible to sustain long-term credit at rates of between 1-2% simple interest.

The transition needed will be a politically difficult one, but if we recognize the danger of not taking such measures, then we will find the way to reach the understandings which lead to the kinds of agreements we must make. If we fail to do so, as many of our descendants as manage to survive our generation's great folly, will curse us, as much for what we have failed to, as for what we have done.

If we do not pull Germany out of this, the whole world system will go down in perhaps an increasingly uncontrolled, perhaps uncontrollable fashion. The German government must be afforded the latitude and support to make the changes which will prevent the now threatened disintegration of that crucial nation of the entire world system.

As for the ongoing U.S. general election process, the current events in Germany now, change everything. Unless either the Kerry campaign blows its chances, or the Cheney regime and its puppet Bush resort to orchestrating a fascist takeover through managed terror or related incidents, the Bush Administration's skein will have now run out. That is the problem hotly to be watched, in the reverberations coming out of Berlin today.