

Unmasking the Secret War By the 'Economic Hit Men'

by Helga Zepp-LaRouche

The book is a thunderbolt: John Perkins, scion of a well-known family of the American East Coast Establishment, tells the secrets, in his just-published *Confessions of an Economic Hit Man*, of the “tool-box” of the international financial oligarchy—how above all, the developing countries are kept under the *diktat* of the International Monetary Fund (IMF), World Bank, and private financial interests, through an entire repertoire of economic blackmail, the use of murder-for-hire, and finally, war.

But the *modus operandi* described also fits an entire series of unexplained murders in Europe: from Enrico Mattei, Aldo Moro, Jürgen Ponto, and Alfred Herrhausen, to Detlev Karsten Rohwedder, to name only a few. The bombshell is, that Perkins explains that he made the decision to unmask himself as such an “economic hit-man” (EHM, as he refers to the insider slang), because he came to the conclusion that this decades-long practice had finally resulted in the events of Sept. 11, 2001. And he openly warns that more such events are on the agenda.

The publication of this book is part of an unprecedented revolt of a large part of the American security services, military, civil services, and diplomats, who are more and more convinced that a continuation of the Bush/Cheney policies will lead to the downfall of the United States. The two most important spheres in which the complete wreck of the Bush Administration’s policy is obvious, are the out-of-control results of the war in Iraq, and still more fundamentally, the reality that the dollar-based world financial system is on the way to collapse with thunderous force.

Panic is spreading: Heinz Brestel, in the economics section of the *Frankfurter Allgemeine Zeitung*, speaks of the dollar standing at \$1.60 to the euro soon; Lord William Rees-Mogg writes in the London *Times* that the “avalanche” [of the dollar collapse] is about to break loose. The Italian banker

and former government minister Paolo Savona warns of a threatening “Hiroshima” of the financial system; and the chief economist of the Morgan Stanley investment bank, Stephen Roach, sees the world at the brink of an financial “Armageddon.” This astonishing wealth of metaphors for the collapse does not indicate that these gentlemen have suddenly discovered their poetical vein, but that the scales are falling from the eyes of even the most hardbitten advocates of globalization: The system is at an end, completely, and now.

Signs Herald the Storm

The dollar falls and falls; the capital flow which was necessary to hold off the collapse threatened by the U.S. deficits, is simply no longer there; the oil price stands at about \$50 again, twice as high as would be “price-neutral” for the economy given worldwide inflation. The gold price has broken through the \$450 mark; raw materials are now the favorites of mega-speculators; Russia has already begun to change its portfolio and liquidate some of its former dollar reserves; other Asian countries will follow. One only has to consider the simultaneity of all these developments to understand: Everything is breaking down. And all those who necessarily know this are driven by anxiety: Now only a small further incident is needed, and the whole system will explode.

Perkins, in his book, underlines the point that these policies carried out by the “economic hit men,” led to the attacks of Sept. 11. He says this without more detailed explanation, and without explicit reference to Lyndon LaRouche’s analysis, that these attacks were only possible with the active collaboration of elements of the American security services, and stood in the direct tradition of Goebbels’ Reichstag Fire.

The current systemic crisis is, nonetheless, the result of a policy of making one “Third World” country after another the target of the economic hit men, and compelling their gov-



Helga Zepp-LaRouche shows the connection of the “Economic Hit Men” exposed by John Perkins’ new book, to the assassination of Deutsche Bank Chairman Alfred Herrhausen on Nov. 30, 1989. Here, Mrs. LaRouche marches in Berlin in October 1989, before the fall of the Berlin Wall.

ernments to overload themselves with debt, to the advantage of the building of an Anglo-American empire in the tradition of Venice and the Anglo-Dutch imperial system, and of the financial interests of firms like Bechtel and Halliburton; and thereby to fall under the orders of the IMF.

For these perplexed and confounded nations, this policy was a catastrophe, as one can see immediately from the example of the IMF’s “model students” Argentina or Poland. The political leaders of the developing countries were faced with the choice, either to make themselves flunkies of the Anglo-American empire, and act against the interests of their own population; or, sooner or later to be overthrown. This policy has driven the world economy into ruin for the benefit of a few speculators.

Thus Perkins’ book is so explosive, because it is written by a high-ranking insider, who finally blames himself through this self-exposure. But it simply corresponds to the most specific experience of our movement over the past 30 years. A veteran team of experts of the LaRouche movement in the United States and Europe is now occupied in comparing the facts enumerated by Perkins, with conditions and affairs already known to us, and in researching further background material. And this much can already be said: There are, above all in the developing nations, a very large number of contemporary witnesses who can confirm what he confesses.

So, for example, Indira Gandhi was once visited by an American representative, who brought her the message that 70 (!) American businessmen who had investment contracts of \$30 billion to offer, would come to New Delhi if she would

agree within a few hours to take an IMF credit of \$30 billion. Mrs. Gandhi received the representative the following morning in her Parliamentary office and denied his offer with the argument that she had just, with difficulty, repaid a credit of \$2 billion, and saw no possibility of letting this “business” in. An Indian witness to the events commented: “She paid with her life for this refusal.”

But whoever says, coups and murder of leaders of the so-called Third World are “nothing special,” should wake up fast. For the same policy which Perkins shows is responsible for inducing the over-indebtedness of the developing sector and the murder of Omar Torrijos in Panama and Jaime Roldós in Ecuador—and according to our best intelligence, for the murder of Salvador Allende in Chile, Ali Bhutto in Pakistan, and others—is also to blame for the economic catastrophe in Germany and all of Europe, and for the circumstance that our youth, much like those of America, are the “no-future generation,” if the financial oligarchy is not defeated. In other words, the politics of the “economic hit men” hits us also.

In This Section

In last week’s *EIR*, Lyndon H. LaRouche, Jr. launched a new flanking attack against George Shultz’s fascist “Vulcan” apparatus in and around the Bush Administration. The initiative was sparked by the publication of John Perkins’ bestselling book, *Confessions of an Economic Hit Man*. LaRouche’s analysis of the book, titled “The Follies of the Economic Hitmen: Re-Animating the World’s Economy,” appeared last week, along with a case study of the Nuclear Club of Wall Street’s 1970s-’80s attack on LaRouche’s Fusion Energy Foundation.

In this issue, we feature Helga Zepp-LaRouche’s report on the role of the Economic Hit Men (EHMs) in destroying Germany and Eastern Europe after the fall of the Berlin Wall in 1989; a chronology of key inflection points from 1971 to 1991; a profile of EHM controller George Shultz; a review of Perkins’ book; and an interview with the author.

Future issues will look deeper into the EHM assault against the Third World, including around the issue of prohibiting the development of nuclear energy.

The Murder of Alfred Herrhausen

The two political economy-motivated murders which, more than all others, set the stage for this catastrophe, in which the German economy for 15 years has been destroyed in both East and West, were the killings of Alfred Herrhausen on Nov. 30, 1989 and Detlev Rohwedder on April 21, 1991.

In a manner similar to John Perkins today, during the 1990s the former high-ranking Pentagon official Fletcher Prouty, in an interview with the Italian publication *Unità*, said that the murders of Herrhausen, John F. Kennedy, Aldo Moro, Enrico Mattei, and Olof Palme were all the consequences of the fact that they did not want to subjugate themselves, one by one, to be minor consuls of the ruling *pax universalis*.

In another statement, Prouty compared the meaning of the killing of Herrhausen with that of J.F. Kennedy:

His death at that moment in time . . . , the astonishing circumstances of his death . . . recalls the 1963 murder of President Kennedy. . . . If one thinks of the larger meaning of the events in the Soviet Union, in Eastern Europe, and above all in Germany, then the assassination of Herrhausen is of a monstrous significance. We should not let this be swept under the rug. . . .

Real terrorists do not kill the president of a bank without a special reason. Most terrorists are paid agents and instruments of larger power centers. A certain such power center wanted, for a certain reason, the leading spokesman of the Deutschebank, on this day and in this manner, eliminated, in order to teach a lesson to others. Thus, there was a message in the way and manner in which he was brought down.

Prouty said that the key to the explanation lay in 11 pages of a speech, which Herrhausen was to have given one week later in New York, on Dec. 4, 1989, before the American Council on Germany, and which would now go ungiven. In this speech, Herrhausen was to have laid out his vision of the new organization of East-West relations, which would have steered history after 1989 into a dramatically different course. Herrhausen, at that time, was the only banker whose proposals for the development of Poland as a model for the other Comecon nations, according to the model of the Kreditanstalt für Wiederaufbau, went in the same direction as the ideas of Lyndon LaRouche.

Let us recall the dramatic events of Autumn 1989: On Nov. 9, the Berlin Wall came down; in documentation later made public, the Federal government admitted that it had not had the slightest plans for the unforeseen eventuality of German reunification. On Nov. 28, Helmut Kohl took the only sovereign step of his entire time in office. He proposed the ten-point program for the formation of a confederation of both German states, and indeed, without consultation with the Allied Powers or his coalition partner, the Free Democratic Party (FDP). Two days later, on Nov. 30, Herrhausen was assassinated by the so-called Third Generation of the



Deutsche Bank Chairman Alfred Herrhausen was killed a week before he planned to give a speech in New York, laying out a plan for the economic development of Poland—the opposite of what the “Economic Hit Men” had in store for eastern Europe.

RAF, whose existence was described in an ARD TV broadcast as “Phantom.” This “Phantom” then appeared once more in the assassination of Rohwedder, and has since then vanished into thin air.

At that time, Lyndon LaRouche and his organization proposed a similar, yet more far-reaching concept than Herrhausen, the program of the “Productive Triangle Paris-Berlin-Vienna,” which could have become the motor for a massive infrastructural and economic development of the East. Leading representatives of industry told us at that time: “The state is now required, a program of such dimensions can only be guaranteed by the government!” Had this program been put into action at that time and the “fateful hour of mankind” of German reunification been utilized, there would have been an actual “construction of the East”; there would have been a “blossoming landscape,” and the East-West relationship would have been defined for the first time in the sense of a truly peaceful order.

As is well known, it occurred otherwise. The murder of Herrhausen as the only representative of the Establishment who dared to express a vision for the historical situation, was in fact the message to the government and industry, of which Colonel Prouty spoke. After that, no one dared any more to stick out his neck. Following the murderers, the would-be economic assassins now took up the plan once again, for example in the person of Jeffrey Sachs and other “reformers,” who called for the economic dismantling of the East in favor of the speculators of the financial oligarchy. In December 1989, Chancellor Helmut Kohl experienced the “blackest hours of his life” at the EU-Summit in Strassburg, by which he meant, he had to submit to the dictate of the financial oligarchy in the form of the proposed European Monetary Union. The Maastricht Treaty, the Stability Pact, the euro instead of the D-mark, and economic dismantling were the consequences for the new Federal states.

And Detlev Rohwedder

There was yet another leading industry representative, who had far-reaching visions for the development of Germany: Detlev Rohwedder. As head of the Treuhand, he was in charge of the transformation of publicly owned businesses

in eastern Germany. In 1990-91, he came to the conclusion, that a reckless privatization of the real-economic—and still completely useful—industrial firms would have unacceptable social consequences. Therefore, he resolved, in the first months of 1991, to change the concept of the Treuhand into “first restoration, then privatization”—always with a view to the social effects. This was the moment, when the Phantom-RAF struck again. His successor at the Treuhand, Birgit Breuel, the daughter of a banker from Hamburg, did not have the same scruples as he did: Under her leadership severe privatization took its free course.

Why did both of these men have to die? Were they the symbolic figures of the “fascist capital structure,” of which the “RAF” speaks in its statement taking credit for the Herrhausen assassination? On the contrary: Both commit the mortal sin against the system of the financial oligarchy by expressing moral misgivings regarding the consequences of this policy. Thus, in his book *Alfred Herrhausen, Power, Politics and Morality*, Dieter Balkhausen describes how Herrhausen, already in 1987 at the funeral of his fellow board member Werner Blessing, expressed the view that the debt crisis of the Third World could no longer be met with silence. A discussion with President Miguel de la Madrid in Mexico about the debt crisis of the developing nations had effected him deeply, and he began to think about partial debt relief.

Balkhausen reports further, that during the Evangelical Church Conference there had been a discussion about why the international banks, up until 1987, had made available to the semi- or under-developed states the gigantic sum of \$1.2 billion, whereas they otherwise cut off credit lines with a “explosive harshness” and auctioned off the houses of the poorer classes. Perkins’ revelation, that the EHMs had the task of luring the developing nations into the condition of indebtedness, in order then to be able to exploit them the more mercilessly, provides the answer to this apparent contradiction.

In a television broadcast on “Arte” on Nov. 18, 2002, a Catholic priest who was a friend of Herrhausen’s, reported that Herrhausen had come to the conclusion that a system, in which a few make a very high profit from the economy, while it crushes many others, cannot endure. Herrhausen struggled with the idea, that he perhaps had protected something, which he should not have protected, did not want to protect, and morally was not permitted to protect. With that, Herrhausen committed a mistake in the eyes of the financial oligarchy, which was to cost him his life: He came to the idea, that the economy had something to do with morality and with the image of humanity.

I still remember very well a dinner discussion during the 1980s with a private banker, who found my husband’s analysis fascinating and had repeatedly invited him to give lectures before an important circle. When it finally arrived at the point in the conversation, that we insisted that the image of man as a cognitive being must stand at the center of any economic policy, and the morality underlying the economic system



Detlev Rohwedder headed the Treuhand agency, charged with overseeing the transformation of former Communist industry in eastern Germany. He was assassinated in 1991.

must be derived from this, the pupils in the banker’s eyes began a wild dance. After that he abruptly ended all contact. Morality in economic policy? No, “explosively harsh” profit-seeking in the system of the free market economy, even though it destroys the entire continent—and then at best, the wife may support humanitarian organizations, as a fig-leaf, so to speak.

When, on Nov. 28, 1989, Herrhausen proposed a profound structural change to the board of his bank, which reflected his thoughts about the debt crisis of the developing nations, he encountered violent resistance, as the former head of the Deutsche Bank, Rolf Breuer, reported. Mrs. Herrhausen explained that her husband had come back “severely depressed” from the meeting of the bank, which turned out to be his last. And in the morning before the assassination Herrhausen told his wife; “I do not know, whether that will be the death of me.”

Besides the book by John Perkins, there is yet another very cogent reason to reopen the circumstances surrounding the murder of Herrhausen. Today we are confronted with the rapidly collapsing world financial system. And in this situation, Herrhausen had proposed and taken up certain measures, in order to prevent damage from being done to the population and to defend the general welfare. Since his death and that of Rohwedder, in Germany there have been very few if any bankers at all, who would be prepared to act in this way—and that was, to be sure, the intended effect of the perpetrators of the murder.

But what is the consequence? Our nation could perish. And not only our nation. The rapidly worsening strategic crisis (which, as Perkins correctly recognizes, has to do with Sept. 11) and the collapse of the financial system, to which globalization, and the attempt to erect a *pax universalis* (universal peace) according to the Venetian model, lead, demands a dramatic change of course. A new investigation of the murder of Herrhausen and Rohwedder will show how the railroad switch was incorrectly shifted, and in which direction it must now go.