

## Zepp-LaRouche Demands Germany Choose a Sovereign Solution

German President Horst Köhler made it official in a special television address on July 21: Germany will hold Federal elections on Sept. 18. Setting aside the challenges which have been made to the Constitutional Court against Chancellor Gerhard Schröder's orchestration of a vote of no-confidence against his own government, President Köhler dissolved the Bundestag (parliament), and called for the elections to be held.

Helga Zepp-LaRouche, the chairwoman of the Civil Rights Movement Solidarity party (BüSo), who had already declared her candidacy for Chancellor weeks before, greeted the decision with the statement we print immediately below, in which she reiterated her July 15 demand that Germany immediately return to its national currency, the deutsche-mark, and launch both an emergency state infrastructure investment program, and an international monetary conference in order to organize a New Bretton Woods system.

Within days, Zepp-LaRouche expects to release the platform of her party, which will show how the programs of every other political party in the election campaign, including the purportedly anti-austerity "Left Party," will lead to a new feudalism. In particular, she is warning of the possibility of the elections concluding with a Grand Coalition government of the Social Democrats (SPD), the Christian Democratic Union (CDU), and the Christian Social Union (CSU), which would move to push through the brutal austerity program now being proposed by the poll-favored candidate, CDU leader Angela Merkel.

Merkel has released a radical monetaristic economic program, which barely conceals the goal of brutally reducing the standard of living of the majority of the population, through fiscal and other "reform" measures. Merkel's agenda includes increasing the retirement ages for workers and employees, privatization of pensions and of labor market programs, and increases of the value-added tax, which will hit all consumers in the wallet. The other pro-monetaristic leg of Merkel's pro-

gram, is an abrupt turnaround in foreign policy, weakening Germany's strategic partnership cooperation with France, Russia, and China in favor of an axis with the neo-cons who presently occupy the White House in Washington. "Frau Merkel," noted Zepp-LaRouche, "has not realized that Water-gate clouds have risen over Washington."

Merkel revealed her loyalty to the Anglo-Dutch core of today's global monetaristic system, by banning from her campaign platform any reference to the reality of the onrushing world economic collapse. The platform doesn't even do what the governing Social Democrats do, although only vaguely, in their own campaign platform—namely, call for a new international financial architecture, and measures against hedge funds and off-shore financial centers. Instead, the Merkel platform, in a populist way, blames all the economic and financial problems on the (granted, misled and failed) policies of the outgoing red-green government of incumbent Chancellor Schröder. The existence of a world economy and of the main financial players that are certain to ruin it, through their obsession with keeping it alive at any price, is entirely omitted.

But many voters in Germany already know that Merkel's policy is a hoax, and many more voters will come to realize that quickly, as the LaRouche movement's intervention in the coming election campaign will intensify. Already, dozens of members of the LaRouche Youth Movement have joined with BüSo supporters in mass organizing throughout the country, especially the former industrial center of North Rhine-Westphalia, and the state of Saxony, and have begun to make Zepp-LaRouche's proposals the "talk of the town."

---

### Köhler's Non-Sovereign Decision

---

*Helga Zepp-LaRouche, Chancellor candidate of the BüSo, released this statement on July 22. Subheads have been added.*

Federal Chancellor Schröder praised the “sovereign decision” of German Federal President Horst Köhler to approve the new election, now advanced to Sept. 18. But what Köhler stated did not sound sovereign, either in its content or in its manner of expression. If it was supposed to have been his intention to present himself as Presidential and nonpartisan, then he did not succeed. He cited “enormous tasks,” an “unprecedented critical state of affairs” and the “serious situation,” but he spoke implicitly as a member of the Christian Democratic Union, who sees the solution to the problems in terms of a more severe austerity policy. To that end, he took the risk that the Federal Constitutional Court could reject his decision, and his office itself could be damaged.

Now one must consider, that before he became Federal President, Horst Köhler was formerly the head of the International Monetary Fund, and one can therefore be certain that he knows, in what a highly dramatic condition the global financial system finds itself, which, due to hedge-fund losses and the real estate bubble in the U.S.A. and elsewhere, is on the brink of the great crash. And he likewise surely knows, that the financial establishment is proceeding from the fact that the European Monetary Union cannot be held together, just as it is guaranteed that he is informed of the precarious condition in which a couple of German banks find themselves.

Apparently this knowledge is the reason why the Federal President sounded rather panic-stricken and took the risk of making a decision, which could still be refuted and could call into question his judgmental capacity. But what did he mean in reality, when he stated that the existing Federal order is “obsolete,” that we had “too few children,” and were becoming “always older”? What does that have to do with holding a new election or not?

## The Monetarist Austerity Program

This only makes sense, if one considers, that it is part of the CDU program, to “slim down,” by means of a federalist reform of the state, which is only a sophisticated form of expression for a wider austerity program and for cuts in the social domain. And the reference to the demographic development in Germany is a favorite theme of the neo-conservatives of the character of Meinhard Miegel, who, based on this theme, founded an ultimately Schachtian<sup>1</sup> austerity policy. If the economic background of Köhler’s nature were not monetarist, but rather based on real economics, then he would know, that this demographic situation in Germany can be counteracted not through cutting expenses, but rather only through an increase in productivity kindled by scientific innovation.

---

1. Hjalmar Schacht was the head of the German Reichsbank and then Hitler’s Economics Minister, and was instrumental in putting the Nazis into power, with the help of his international banker friends, such as Bank of England Governor Montagu Norman, Averell Harriman, and Prescott Bush, the grandfather of the incumbent U.S. President—ed.

We are now in an election campaign, and therefore it is urgently necessary not to hide behind PR-compatible formulations, but rather to tell the truth, so that the voter can see exactly what future—which, according to Köhler, is what is at stake—he is actually choosing. And it also comes with the territory, that on the same day on which Köhler made known his decision, the Market Research Institute Forum published a poll, according to which top German managers wish for the return of Friedrich Merz (formerly vice chair of the CDU parliamentary group), because they consider him to be the most competent politician in respect to economics and finance. These top managers, whose reputation these days is also not exactly the best, are obviously not disturbed by the fact that Merz is on the board of directors of a hedge fund, which has the pious name TCI (The Childrens’ Initiative), only because he diverts some of his profits to poor children in Africa. What’s next? Is the CDU for the hedge funds, or for the middle class, which is being devoured by the hedge funds as if by locusts?

In order to understand this paradox, one must consider the special mega-neo-liberal perspective from which, for example, Count [Otto von] Lambsdorff criticizes the “Cuddle Capitalism” of Mrs. Merkel. While even normal CDU members become frightened and alarmed, that Mrs. Merkel’s sinking of real income through an increase in the value-added tax and reduction of social payments to the wage-earner could ruin the election prospects of the CDU/CSU, even this is not brutal enough for the really austere neo-conservatives *a là* Lambsdorff. And therein lies the great danger for “our future and that of our children,” namely, that there are financial interests who want to solve the crisis of the system by dramatically reducing the living standard of the population in order to save the banks. From the standpoint of these financial interests Mrs. Merkel is also a transitional figure.

## Go for a New Bretton Woods

The problem lies in the fact that all the parties represented in the Bundestag, and the new party promoted by the media, the Left Party, have no answer to this crisis of the system, and the policies of each of these parties leads to a new feudalism. And therefore the program of the BüSo for a new global financial system, a New Bretton Woods system, and a New Deal in the tradition of Franklin D. Roosevelt, is the only positive answer.

In his declaration, Federal President Köhler also made the remarkable statement: “It is right, that in today’s situation the democratic sovereign—the people—can decide the future policies of our nation.” For this exact reason I demand that we withdraw from the Maastricht Treaty and from the European Monetary Union and return to the D-mark, because in this treaty we have given up sovereignty over our own economic policy, and we must urgently regain this. In this point, I agree with Federal President Köhler: The democratic sovereign must decide!