

CDU's labor commission, the CDA, which denounced a call by the neo-con-controlled commission of the party which is supposed to represent the *Mittelstand*—small and medium-sized industry—for tax cuts for entrepreneurs. This call shows that “some people still have not understood what the message of the election was: namely, that there is not a majority for such proposals in this country,” the CDA said. Furthermore, only three members of Merkel's nine-member “competence team,” which she used as a kind of neo-con shadow cabinet during the election campaign, are left; the other six have deserted her.

The difficulties of Merkel and her political current do not solve the main and acute problems of Germany, though. The Social Democrats have not yet come up with a meaningful program that offers a strategy to regain full employment, to revitalize investments in the productive industry, and to rebuild a sound tax revenue base for the state which can help to overcome the giant budgetary bottlenecks. Both the Social Democrats and the anti-neo-con grouping within the Christian Democrats are going to depend on the programmatic input made by the LaRouche movement. The environment is now more favorable for that input to occur, since Merkel has been turned effectively into a lame duck.

The LaRouche Youth Movement (LYM) launched a week of action in Berlin on Oct. 10, to give that programmatic input into the German capital, during the week before the Grand Coalition negotiations were to begin formally, and before the newly elected parliament would be inaugurated and hold its first session. The LYM told politicians, notably those that have been elected to the new parliament, what the priority issues in economic and financial policies are. Offices of parliamentarians are receiving LaRouche movement material, and are being reminded that the new parliament and government will not be able to continue business as usual, to just pick up legislative work where the outgoing parliament left it standing, at the time of the Sept. 18 election.

Germany urgently needs legislation to promote a program of conjunctural and labor market incentives, of great projects in infrastructure and industrial development. The Stability Law of June 1967 is still on the books; it was passed by the first Grand Coalition 38 years ago, at the height of the big recession then—a recession that appears mild in retrospect, given the problems of today, with ten times as many unemployed. The Stability Law of 1967 gave the government special powers to enact credit generation for productive, job-creating investments in the range of an extra 5 billion deutschemarks per fiscal year, which at that time was a lot of money. Today, with inflation taken into account, Germany needs a program at least 20 times that size, to have any positive effect. Even that would be insufficient, because like in the United States, many branches of productive industry with high-paying skilled jobs no longer exist; they have to be rebuilt from scratch—at the latest state of technology, that is. Germany has not built any new nuclear power plant in 25

years, and it urgently needs a source of abundant energy at calculable and affordable prices, protected from speculators of the kind that are driving the oil prices up at present.

Germany must become a leading initiator for a New Bretton Woods agreement internationally, and to achieve that, politicians have to establish channels of direct contact to the LaRouche Democrats in the United States, who are campaigning for a changed U.S. approach on the issue of a new global financial and economic architecture. The LYM's week of action in Berlin, which had its complement in a parallel week of action in Washington, D.C., told German politicians that. And, with the Merkel neo-cons visibly weakened in Germany now, more people will have open ears to the LaRouche proposals.

Helga Zepp-LaRouche

The Promise of a True German-American Alliance

Helga Zepp-LaRouche, Chancellor candidate of the LaRouche Movement's BüSo party in the recent Federal elections in Germany, was interviewed Oct. 8 on “The LaRouche Show,” an Internet radio show.¹ We reproduce here her answers to two questions: first, what the content of the German-American alliance for which she has called would be, and second, what effect the BüSo had in the election campaign. The show was hosted by Harley Schlanger, and the panelists were LaRouche Youth Movement members Gaby Arroyo from Boston and Abdul Aliy Muhammed from Los Angeles.

Arroyo: Helga, you brought up this idea, that when you look at history, in the study of history, you have windows of opportunity which are not going to be there forever, in order to intervene and change history. I know that Germany plays a very important role in Europe, as a locomotive for Europe, in a sense. So, my question is, if this is coming from the United States, what kind of role would this German-American alliance be playing in order to unleash the kind of transformation to revive the American System?

Zepp-LaRouche: I think there are several aspects to it. One is economic: The German economy is the largest and the strongest of Europe. And, for example, the German and the French economies are so interwoven, that the direction that Germany takes immediately influences the direction the French economy is going. This would be even more the case, if Germany would ally economically for such a program with

1. Aired every Saturday at 1:00 p.m. Eastern Time at www.larouchepub.com.

the United States. In Italy, the economic system is blowing apart. The crisis in Italy is so big, that now the new Deputy Prime Minister, Tremonti, already said we need such a large infrastructure program, because otherwise the Italian economy will collapse. In France, people are already saying that one has to learn the lessons about the relative defeat of Merkel in the election campaign [in Germany], because she opposed the social state, and so on. So, there is already a debate. So, if Germany would take the lead, and together with the United States, say: “Yes, let’s have a new world economic order in the tradition of Franklin Roosevelt,” *all* of Europe would follow. I’m absolutely one hundred percent convinced of it.

Now, the second reason which I think is also very important, is that, Germany has a very rich cultural tradition. It used to be called the “people of the poets and thinkers,” or “poets and philosophers.” And in the same way that Germany has two traditions, one is very beautiful—the Classical tradition of Nicolaus of Cusa, of Kepler, of Leibniz, of Kästner, of Gauss; of Bach, Beethoven, Schubert, Schumann, Schiller—I mean: We have such an incredible, rich tradition. But we also had a terrible tradition, which fortunately only lasted 12 years, but we have this other side.

In the same way, the United States has a *beautiful* tradition, in terms of the Founding Fathers, of Lincoln, of Roosevelt, of Martin Luther King; but the present United States is not so much liked in the rest of the world—which you proba-

bly are aware of. As a matter of fact, the image loss of the United States has never been so bad as it is right now.

So, if both countries would say: Okay, let’s go away from what went wrong. Let’s really focus on the best tradition. Let’s focus in the United States on the fact that we have been the beacon of hope and the temple of liberty for the whole world because of the American Revolution, because of the American Constitution, which says that a government is only legitimate if it’s devoted to the common good of the people. And if such an America would say, “Let’s have a new Atlantic Alliance,” with a Germany which says, “Let’s go back to our best tradition of all the many, many beautiful contributions of such people as Leibniz and Schiller and Beethoven, and make a new economic order and let’s have a new Renaissance in this spirit”—Man! We are in front of the most unbelievable, positive period of human history! And I think people have to get a vision, that the future can be bright, and that it’s in *our hands* to do it!

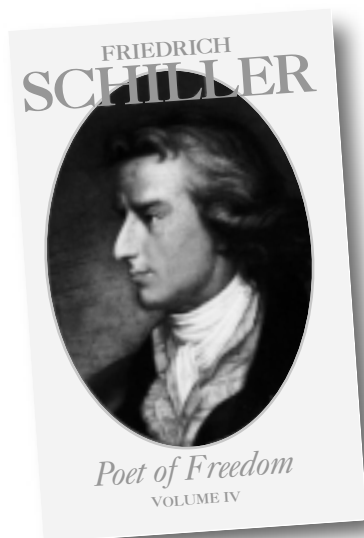
So, I really think we could win this one, if people in time understand that they have to move now: They can not wait. They can not sit it out. But the window of opportunity of history is open now, but people have to move now.

Schlanger: . . .Why don’t you give us a quick summary of the effect of the BüSo on the German campaign?

Zepp-LaRouche: We had a tremendous campaign, and I

“*There is a limit to the tyrant’s power.*”

—Friedrich Schiller,
Wilhelm Tell.



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think the positive result of this campaign is that we have not only put ourselves on the map as an institution, despite the fact that we did not get any candidates elected; but we also changed the debate from the standpoint of the conceptual input.

Now, first of all, we had the problem that the media, and I think a certain Mr. [Jeffrey] Gedmin from the Aspen Institute in Berlin had a lot to do with it, because he was quite active in mediating the influence of the neo-cons in Germany at this crucial period—we had tremendous problems with the media, which not only had a policy of not mentioning us, but, at a point one week before the election when we had in one election district in Dresden just received 1.2%—which is not bad; German elections work quite differently than in the United States. A percent here is much harder fought for by many parties, so it has a different weight. Then, the *Sächsische Zeitung* published on their front page a poll in which they said “BüSo, 0.0%”—which was a clear attempt to say, “You don’t exist.”

But we had a lot of people who responded very, very well, especially to the Classical singing by the Youth Movement, who were singing Beethoven, Bach, and many political canons. Also we had published already before the campaign started, two books on the neo-cons, one on the American neo-cons, and one on their German counterparts, which influenced the debate tremendously. Because when Merkel wanted to have a certain Professor Kirchhof as her economic guru, and economics minister in her future potential Cabinet, and this guy turned out to be the worst neo-con you could imagine. He threatened to smash the social state with “a sledgehammer,” we mobilized a huge campaign so that Merkel had to withdraw him at the last moment.

And now you have a counterreaction against what could only be described as a coup attempt by the financial oligarchy to smash the German social state and replace it with the Anglo-Saxon model of a free-market economy. And basically, this would have been the end of anything like the social state developed since Bismarck, in Germany for over a hundred years: That attack was fought back, and now you have a situation where Merkel, her teeth have been shortened already a little bit as a result of it.

So, we are coming out of this campaign with the recognition by a lot of voters, who said they would vote for us. They probably didn’t vote for us at the last second, because of this counterpropaganda, a rigging of the media, which was clearly visible. But that has not changed anything from the dramatic impact we had in certain parts of Germany: North Rhine-Westphalia, Berlin, but especially Saxony and Dresden, where we had a tremendous campaign, and we really have made an impact.

Saxony is very important in Germany, because people in Saxony have a very proud tradition—this is the country where Leibniz comes from, where [Friedrich] List comes from, where Schiller lived the better part of his adult life.

Italy Says: Less Maastricht And More Hamilton

by Claudio Celani

If there were any doubts that Italy, like other major European Union (EU) members, would do little more than nothing in order to enforce budget discipline next year, those doubts were swept away no later than Sept. 4, when the initial results of the German general elections were made known. Four days after that vote, Italian Finance Minister Domenico Siniscalco announced his resignation. Siniscalco, a technocrat, knew that his time was over. The lesson of the German vote was that no politician who promises neo-Thatcherite policies is going to survive the polls. Since technocrat Siniscalco knows nothing better than exactly those neo-Thatcherite policies, he had to go. His place has been taken by Giulio Tremonti, the very same man who had to leave the job one year ago, having lost a fight against central banker Antonio Fazio.

Tremonti belongs to the so-called “euroskeptical” faction and has profiled himself as a supporter of “Colbertist” policies, after 17th-Century French Finance Minister Jean-Baptiste Colbert, legendary for his nation-building programs. Tremonti has openly challenged the absurdities of the European Union’s Maastricht parameters, which have prevented productive investments under the pretext of fighting inflation, and has pushed for a European-wide infrastructural investment policy, which has become known as the “Tremonti Plan.” However, he has not yet challenged the euro system as such, and has limited himself to saying that the shift to a European-wide currency, the euro, was “the right thing in the wrong moment.” Tremonti should know better, and he possibly says different things in private.

Upon his comeback, Tremonti put his European plan again on the agenda. Presenting the budget in the Senate on Oct. 4, Tremonti called for “issuing titles of European public debt: This is not a financial, but a political operation. America, the United States, started with the so-called Hamilton debt. The issue of European public debt is fundamental to finance industrial reconversion. It does not appear to me that in the last years, a European industrial policy has been made; and yet, the Rome Treaty allows it; it forbids state aid for obsolete industries, but it does not forbid the use of public powers to determine processes of industrial restructuring.”

It does not occur every day that a Cabinet member in Italy—or anywhere else—quotes Alexander Hamilton these days; if the reader has the impression that this is a result of