

LaRouche-China Talks: 'Time for Solutions'

These are excerpts from an interview given by Lyndon LaRouche to a Chinese news outlet on Aug. 16, 2007. More extensive excerpts appeared in the Sept. 7, 2007 EIR.

Q: First of all, we are very interested in the current affairs, especially the subprime market. You are saying that it will be a crisis for the collapse of the financial system. . . .

LaRouche: The world financial-monetary system in its present form is disintegrating. There will never be a recovery of *this system, never*. But the problem is, how do we save the world from the collapse of this system? It means you have to take actions in a crisis, to save the world, not the system.

So, what is the alternate system?

The alternate system is a Great Power system, which immediately changes world policy. That is, you have many countries which would like to change things, but they do not have the power to do so. So you need a group of powerful countries, which work together, which bring the other countries together for a common interest action.

Q: Who are the group of powerful countries?

LaRouche: The United States, Russia, China, India. . . .

Q: Not including Britain, Japan, and—? . . .

LaRouche: No, they're not really powerful countries. Britain is powerful, but it's an empire, it's not a country. And as a country, it's a piece of junk. As an empire, it's powerful. That includes Australia, New Zealand, etc., etc., includes the world monetary-financial system. The same system as the East India Company. The same thing with a new name, a new form.

So therefore, if we say that the present world monetary system is bankrupt, the money system, then we can say, if the governments agree—four leading governments, and other governments agree—we can say, immediately we freeze world currencies, at current levels. And we reorganize the world financial system.

Q: You think there is the possibility for the Big Four to reach agreement on a monetary system?

LaRouche: There is. Look, in the United States you have a potential for that, which is real. Not in the present Administration, but it could be done, even with the present Administration, because in a crisis, we can dump Cheney, and bring Bush under control.

Q: Cheney and Bush will be out in 2008; they will be gone.

LaRouche: No, too late. Because the crisis will come before 2008. The crisis is coming now.

What we have so far, is, Putin and his government have shown several kinds of indication of their willingness to accept such a proposal. China is in a situation where China will have to make a decision of this type anyway, because the present financial disorder is now becoming a threat to China. . . .

Q: Would you tell us how dangerous are the results, the consequences, of this current crisis?

LaRouche: This can be existential for the planet as a whole. For example, look inside China. China has a certain development, and a certain part of it's good, but there are many problems left over, which still have to be solved. This requires 50 years to solve, really.

Q: Maybe more than that.

LaRouche: Sure, but you get stability. You have to arrange the world—50 years means two generations. That is, people who are now in the United States in their 20s, young adults, 50 years from now they will be retiring. This is the new generation. And if this generation in Europe and the United States and elsewhere agrees, they are going to shape the future for two generations. So therefore, if we can leave the world, 50 years from now, going in a good direction, we have done our job. So, therefore, we need agreement; what we need is development.

Now, this means an end to this financial system, first of all. It means freezing currencies and making currencies not instruments of the market, but of governments. In other words, actually, the *credit* of governments.

For example, China needs every kind of development imaginable. Europe and the United States are broken-down economies; they produce almost nothing now. But we have a labor force which could be revived to produce. All right. What will they produce? They will produce infrastructure for their own countries, and they will produce products for Asia, because the great challenge of this coming 50 years, is the development of Asia, and the development of Africa. These are the two great regional problems. This also involves raw materials.

If we're going to develop the population of Asia, for example, we need the development of raw materials, which exist in North Asia, principally. This is an area which is inhabited by Russians who know the area. The Russian mission should be to develop this area, as by rail systems and so forth, for the purpose of doing what Russians know how to do: develop the extraction of raw materials, and process them.

The biggest market for raw materials is going to become increasingly Asia itself. Because you have 1.4 billion in China, you have 1.1 billion in India, and so forth. Therefore, to improve the condition of life for the poor population, is going to require a great investment in a flow of new raw materials, and new technologies. The mission of Eu-

rope and the United States, in particular, must be development of these technologies, and supply of the basis for these technologies.

For example, we should be producing in the world today five nuclear fission plants per week. . . .

Q: Okay. The United States now is trying very hard to press China to appreciate its currency. I read a research report, I think you may have noticed it, from the Federal Reserve. It said, “The appreciation of the Chinese yuan will play a minor role in the trade relations. . . .”

LaRouche: It has nothing to do with the yuan. They’ve always been trying to do that, because the intention is obviously not the trade relationship with China, it’s the *internal* situation in China that’s the target. They want to create an *internal* crisis in China. It’s not the trade relations they’re concerned about! And poor [Sen. Charles] Schumer doesn’t know what he’s talking about. He’s a nice guy, he’s a lawyer, but he does not understand these things.

So the point is, this is a deliberate targeting of the internal political system of China, because if China loses face, by being forced to upgrade the yuan, that’s no benefit to the United States. There’s no economic benefit to trade relations, and it’s a threat to the U.S. economy! You would think they would protest against that. They wouldn’t want the yuan touched.

Because it is the fixed value of the yuan, which is the greatest advantage for the United States, for trade relations. So why should they want to raise it?

Only because some of the people in the Congress are idiots! They’re coming under pressure, and they don’t want to resist the pressure. They don’t want to think about it. But the target is, as you and I should know, the internal stability of China. That’s what they’re after. And they know what the effect of this kind of condition would mean. Because you have problems and tensions in China, as in every country at this time. You want to start something? Set fire to the place. How do you set fire? You create a crisis. How do you create a crisis?

Think about what the internal effect on various currents in China would be of this thing being done, China conceding. It would open the door for all kinds of problems. You don’t want that. None of us want that.

So, therefore, this is a fake. There’s no legitimacy. It’s a British game, a diplomatic game. It’s like a war game. It’s like a provocation. It should be called that. I would recommend the Chinese government, agencies, just simply say, “Well, we’re having this pressure from Charles Schumer and others. . . .”

Q: And [Sen. Max] Baucus—

Zepp-LaRouche in Beijing: Build the New ‘Silk Road’

In May 1996, Helga Zepp-LaRouche was a guest speaker at a conference in Beijing, China, entitled, “International Symposium for Development of the Regions Along the

Euro-Asia Continental Bridge.” Over 460 experts and officials from 34 countries participated in the symposium, whose subject was a grand strategy for developing the entire Eurasian land-mass, by means of an integrated, trans-continental network of modern transport, energy, water, and communications infrastructure. Her speech, delivered on May 8, was titled: “Building the Silk Road Land-Bridge: The Basis for the Mutual Security Interests of Asia and Europe.”



Schiller Institute

Following the symposium, Zepp-LaRouche was hosted as the international leader of the Schiller Institute, at seminars, lectures, and private meetings, including a tour of one of China’s most important high-technology projects.

Helga Zepp-LaRouche addresses an audience of professors and students in Beijing, May 1996.

LaRouche: Yes, and the whole crowd. There are Republicans, it's bipartisan. But I would say simply, publicly: "Well, this pressure's crazy, because obviously, if anyone understands economics, which apparently many people in the Senate don't, they would understand that the raising of the yuan in this way, would be a disaster for the U.S. economy, which has an intrinsic dependency upon China's supply to the U.S."

So, this has to be seen as the attempt of some people who are being misguided in the United States, to cause internal problems in China. . . .