

‘Dumping the Euro and Returning to National Currencies Is Very Easy’

Helga Zepp-LaRouche was interviewed by Daniel Estulin of Spain on Oct. 17 for his weekly Spanish-language “Russia Today” TV program, “From the Shadows.” The interview was conducted in English, and dubbed into Spanish for the broadcast.¹ Here is an edited transcript.

Daniel Estulin: All of the nations of Europe, all of their citizens, today face a double existential crisis. The euro system and the entire trans-Atlantic financial system have entered a process of total economic disintegration. It’s not a crisis; nor is it a recession; nor is it even a depression. It is, rather, disintegration. The question is, can we stop it?

In the last ten years, the European Union has become a super-state. However, it lacks all the characteristics that a state should have, including caring for the common good. Nor does the European Constitution even have the consent or the support of the citizens. What we do have in Europe is an enormous bureaucracy, a whole series of overlapping institutions that don’t answer to anybody. The collapse of the trans-Atlantic monetary system would mean a chain-reaction collapse through the destruction of the assets of Europe and North America, or a hyperinflationary explosion such as that of 1923 Germany.

In a few minutes, we will speak with Helga Zepp-LaRouche, the founder of the BüSo [Civil Rights Solidarity] political movement in Germany, and also the founder of the Schiller Institute. . . .



In her interview with Daniel Estulin, Helga Zepp-LaRouche said, “We can no longer solve the problems on this planet with geopolitical means and war.” A renewed commitment to develop the economic and cultural potential of every nation must replace the drive toward World War III.

Helga, why do you say that the only two options within the existing trans-Atlantic system are collapse and default, or a hyperinflationary blowout?

Helga Zepp-LaRouche: Well, the point is, that the five years since this financial crisis has been going on, since July 2007, all that has happened is that the financial institutions have turned private speculative debt into public state debt. And now they are trying to have more bailouts and impose brutal austerity on countries like Greece, Spain, Italy, Portugal, but also the so-called northern countries of Europe. And if you stop that, then you have an instant collapse of the banking system. The Eurozone needs a minimum of about EU8 trillion this year; and if you start printing that amount of money to prevent a banking collapse, you will have a hyperinflationary explosion in the very short term.

A Return to Feudalism

Estulin: Let’s look at Greece. What they are trying to do is to break up the system, because by not allowing Greece to reorganize its system, they are converting Greece into an instrument, asking for the Greek debt to be bailed out by Europe.

But that debt is worthless! It’s a waste—“Monopoly” money. Although of course asking Europe, which itself is undergoing its own financial collapse, to absorb that unpayable debt, which the Greeks, in fact, will never be able to pay, means the certain destruction of Europe. And this is

1. The interview in [Spanish](#) is available at the RT website.

being done on purpose, because no one, not even European Commission President Barroso, thinks that Greece, Portugal, and Spain can be saved.

What is absolutely certain is that we are in a process of total economic disintegration. Now, is this disintegration accidental, the results of bad planning, or is it being done on purpose? If yes, by whom and why?

Zepp-LaRouche: Well, it's a combination. I would say that there are different groups having different interests. Just look at what [prominent French economist] Jacques Attali admitted in public interviews. He said that the whole euro project was conceived as a deliberate mechanism to enforce the political union which nobody would have agreed to otherwise. In other words, they made a birth mistake in the creation of the euro in order to, then, at the first crisis, impose a political dictatorship in the form we see right now with the ESM [European Stability Mechanism]. So I think the intention was de-industrialization of Europe.

You look at the policies of the EU Commission towards Spain, for example, where they cut out all the programs which would allow for a recovery—like 25% of the science budget. I think it's very clear that nobody in the EU has the intention that Spain should recover. And therefore I think the real aim, given the fact that the EU is the regional expression of the British Empire, is population reduction and to go back to some kind of feudal structure.

The Synarchy

Estulin: What we mean by “globalization” is in reality the British Empire. If we take the entirety of the central banks, the investment banks, the hedge funds, the shadow banks, the re-insurance companies, and the way these financial institutions control not only the financial system but also governments; and then you add to that the Commonwealth, the private mercenary arrangements today with which wars are fought, you have the British Empire in a new form. But it is the British Empire.



The creation of the euro, Zepp-LaRouche stated, was a “birth mistake,” aimed at imposing a political dictatorship to carry out the deindustrialization of Europe. Shown: a recent mass demonstration in Barcelona, Spain, against cuts in social spending.

Helga, this crisis is five years old, and in this period, the G20 governments have been unable to do the slightest thing to regulate the banking system. Why do you think this is—that the governments seem to be less powerful than the financial institutions of nation-states?

Zepp-LaRouche: Well if you go back to the 1930s and 1940s in France, there existed a phenomenon called the Synarchy. And there is even a Synarchy charter, which stated that the financial institutions would make sure that no politician would ever come into a position of high office, if they did not serve the banking interests, especially in a moment of crisis, and be absolutely sure that they would not be for the common good.

Now if you look at that today, why is it that certain politicians, the majority, follow the principle of “go along to get along”? But there are also some cases where you have to prove you have a dead body in your closet to make a career. I just want to remind you that certain people who became ministers, were street fighters in their youth, and they are now posing as great statesmen, and running the European Council on Foreign Relations, together with George Soros. So here you have a classical case where people have to prove that they are totally with the system, before they

make a career. And their previous crimes or misdeeds are the guarantee that they will never leave the system.

Estulin: The synarchist movement was created as the counterattack of the oligarchy against the American Revolution and the principles of the new sovereign state. It really arose during the period of the French Revolution, and the consequence of the Jacobin terror was the emergence of the first modern fascist movement, that of Napoleon Bonaparte. And synarchism was conceived as the ideological basis of Bonaparte's fascist dictatorial system.

During the 20th Century, synarchism was a kind of general swamp from which Italian fascism and German national-socialism emerged, and it then spread throughout all Europe: in France, in Great Britain, in Germany, Holland, and Belgium. Its members were the European elite, people like Hjalmar Schacht, Hitler's banker; the leaders of Banque Worms, the bank which controlled the French government in the fall of 1941; Lazard bank; Montagu Norman, the governor of the Bank of England. The descendents of the synarchists are people like Milton Friedman and George Shultz, the gray eminence behind the Presidency of George W. Bush. Synarchism seeks to take the power of the nation-state and return it to the world aristocracy.

National Currencies; Glass-Steagall

Helga, you have called for dumping the euro and returning to national currencies, with fixed exchange rates among them. Could you please explain that?

Zepp-LaRouche: It would be very easy. In the same way as it was possible to go from national currencies to the euro, it would be very easy to go back to national currencies. All you have to do is, on the grounds of national existence and national interest of each participating country in the Eurozone, you cancel the treaties from Maastricht to Lisbon. Then you go back to sovereignty over your own currency and economy. You declare a banking holiday, like [Franklin] Roosevelt did; you find out what assets are in the accounts in the banks at that time. You stamp the currencies with a kind of magnetic ink. You impose exchange controls for a short period of time. And then you go to the new currency. And that way you could re-launch the real economy. It has, however, to be combined with fixed exchange rates and a credit system.

Estulin: One of the dangers of the whole European Union framework is the Lisbon Treaty, which replaced the [unratified] European Constitution. One sophisti-

cated trick used to make the Lisbon monster seem more attractive, is to present it as a needed basis for European identity, to stop the aggressive and negative American influence on other continents. However, this is just a swindle with intentional bait. At the same time that a fusion between the EU and NATO, and their expansion eastwards, is clearly being defined, it's evident that we have an imperialist strategy of confrontation with China and Russia, which these two countries have well understood for a long time.

Helga, you have been a tireless crusader for the enactment of Glass-Steagall. What exactly is Glass-Steagall, and why is it so important?

Zepp-LaRouche: Well, this is what Franklin D. Roosevelt did in response to the crisis of 1929-1933, by simply separating commercial banks and investment banks. So what we have to do today is to do exactly, without change, what Roosevelt did in 1933. The state must guarantee the commercial banks, so that they can issue credit to the real economy. The investment banks have to bring their books in order, without taxpayer bailout packages, and without having access to the assets of savings in the commercial banks. If they have to bring their books in order and it turns out they are insolvent, well, that's too bad: Then they have to declare bankruptcy. And that way we get rid of this entire volume of quadrillions of toxic waste, in the form of derivative contracts, which is why this system is about to blow out.

Estulin: How would an FDR Glass-Steagall approach look in the European context? What precedents are there for this?

Zepp-LaRouche: I think the best example of precedents was the reconstruction of Germany in the post-war period. Remember that Germany in 1945 was completely bombed to a rubblefield; and then the Marshall Plan, which was administered by the German state bank, the Kreditanstalt für Wiederaufbau, using the model of Roosevelt's Reconstruction Finance Corporation, channeled state credits into well-defined projects. Now, everybody knows that Germany turned from a rubblefield into the famous German economic miracle, in a few years, with that method. So that is exactly the same method which has to be applied in every European country today. And if there is a willingness on the side of the institutions and the populations to do this, it is absolutely possible in every country, not only in Germany.

Estulin: Secretary of State George Marshall pro-



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The Marshall Plan, working through Germany's Kreditanstalt für Wiederaufbau, channeled state credits into well-defined projects, after the war. This photo from 1946 shows Berlin's bombed out buildings.

posed a solution to the economic disintegration facing the nations of Europe after the Second World War. That's where the name of the Marshall Plan came from. The U.S. committed itself to provide help for the economic reconstruction of Europe. In exchange, the U.S. demanded the liberalization of trade and the European market, which guaranteed the Americanization of Europe. The Marshall Plan, in addition to helping lift Europe up, led to the 1950 Schuman Plan, which led in turn to the European Coal and Steel Community, and finally to the Common Market—the cornerstone in the construction of an empire, World Business, Inc.

Economic Miracle for the Mediterranean

Helga, you have presented a program for an economic miracle for Southern Europe and the Mediterranean.² Could you summarize its central points, please?

Zepp-LaRouche: We took the Transport Ministers conference of the EU of 1994, where they decided on ten priority transport corridor projects. These have never been built—almost no part of them. So we would put this on the agenda. We would connect the European waterways of the Rhine-Main-Danube canal, through a system of rivers and canals, to the

2. Helga Zepp-LaRouche, "There Is Life After the Euro! An Economic Miracle for South Europe and the Mediterranean!" *EIR*, June 8, 2012.

Mediterranean. It would include building high-speed railway connections into the Balkans, into Greece, into southern Italy, where it would have tunnels from Sicily to Tunisia, and naturally the famous tunnel under the Strait of Gibraltar, where a feasibility study was done in 2006, and a state contract was concluded between Spain and Morocco in 2009. These are all projects which are completely traditional; there is nothing spectacular about them.

Estulin: They just have not been built under the EU austerity regime. All of these projects could be started tomorrow. They would increase productivity of the labor force; unlike tourism and unlike the real estate bubble, they would really develop the labor force in Spain, in Portugal, and all the other countries. And it would create physical wealth and it would increase the standard of living of the population, because progress and devel-

opment of society is directly proportional to population density.

Helga, these are very ambitious projects. Where will the money come from?

Zepp-LaRouche: That question is moot, since trillions have been used for bailouts. In the U.S. alone they used I think \$25-29 trillion to bail out the banking system. I calculated that to build a maglev rail line from Siberia to Lisbon would cost approximately EU450 billion; so that's sort of peanuts. And you would have an entire maglev connection from Siberia to southern Europe. So the financing, in that sense, is not what people say it is.

Estulin: Bailouts are money paid to past obligations, past debt—dead money, money which has no value. If you issue a credit for future production where you create real development, productive jobs which create real wealth, that money is not inflationary, and it's an investment into the future.

Speaking of the future, what is the significance of the recent landing of Curiosity for your program?

Zepp-LaRouche: Oh, that's very, very important, because for the last 40 years, the reason we are in this existential disintegration crisis is because the paradigm-shift of the last 40-45 years—which was away from production to speculation, the whole counterculture, the whole Greenie wrong way—was a mistake. And we have to re-connect to the optimism of the



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“An Economic Miracle for the Mediterranean”—the LaRouche movement plan to build great projects in rail, energy, water, transportation, etc.—throughout the North Africa-Southern Europe region, can be implemented immediately with a shift away from the current EU policies. Shown: an artist’s concept of the Strait of Messina Bridge, linking the Italian mainland with Sicily.

Apollo project, where everybody thought that you can go into space, you can colonize space, that there is no limit to human ability to conquer scientific challenges. So we have to re-connect from the Apollo Moon landing project, to the question of the Curiosity project.

Toward a Europe of the Fatherlands

Estulin: Helga, you are the founder of the BüSo party in Germany and an active political leader in that country. Many people in southern Europe blame Germany for their problem. What is your message to these people?

Zepp-LaRouche: Well, first of all, don’t mix up Germany with Mrs. [Chancellor Angela] Merkel. Because fortunately these are two different things. Mrs. Merkel is a politician who is driven by these financial markets, who has no compassion for the common good of the people, neither those of Spain nor those of Germany. The German people are suffering in the same way. So, my message is, let’s concentrate on these joint development projects, and unite our countries as sovereign fatherlands for a joint mission of these sovereign republics of Europe. And then I think we will have a beautiful future, and all of this terrible EU bureaucracy period will soon be forgotten.

Estulin: I have a suggestion. Let’s get rid of the Brussels bureaucracy. Let’s fire them all! They are bums. They are inept. They are people who haven’t

done anything useful in life. Let’s get [European Council president Herman] Van Rompuy off our back, not because he is a useless obstacle, but because he is evil and very dangerous. This is not the first time that a short, unlikely guy with bad intentions manages to open a space for himself in the intestines of power.

Helga, what do you suggest as the steps that Europe should take to overcome the crisis?

Zepp-LaRouche: I think the most important thing right now is to address the fact that we are on the verge of World War III. What is happening in Syria, in particular, is the biggest lie I have ever seen in my whole life. This “opposition” doesn’t exist. There is a real opposition, but they are peaceful people. What is happening right now is that the rebels are being financed and orchestrated in a military fashion by foreign countries, by the United States, several NATO countries, and they are threatening potential thermonuclear war with Russia and China. We have to absolutely recognize that we need to have a paradigm shift. We can no longer solve the problems on this planet with geopolitical means and war. What we have to replace this with, is the common aims of mankind.

Estulin: Our time has run out. Thank you for being with us.

Zepp-LaRouche: Thank you so much for having me on your show.