

War and the Money - Economy

Why politicians (still) don't really want peace

By Wolfgang Fischer

- translation by Sian Edwards -

"New forms of slavery are now appearing before our very eyes as a result of deregulation and globalisation of the economy. The worst abuses of human rights are now the consequences of the world economy. Limitless world trade is the new idol that rules us!"
(Dorothee Sölle)

Only the realisation and success of social justice will prevent future wars. Social justice can however only be realised if the political will actually exists. Necessary for this is a broad political majority that is mature enough in human terms to recognise that one's own happiness should never be built on others' hardship. Social justice and peace can only be achieved if the few stop "skimming off the cream" at the expense of the vast majority. But we are a long way from this. Reality looks totally different: waging war is becoming respectable again, even in a country in which we were saying after the last catastrophe: never again war!

Our search for the causes of the return to open acknowledgement of (armed) violence should not stop at the current arguments of the US administration and its followers, the "axis of deceit" (1). The fog surrounding the causes of the dangers that threaten us both socially and ecologically must be cleared in order to bring to light real starting points for averting them.

I will therefore look at an element of our economic system, our money system, on which is bestowed a property that in nature only belongs to life itself, that is, the ability to multiply. We question the seemingly magical growth of money through interest and compound interest just as little as we react to the worldwide destruction of life, nature and atmosphere! Spellbound by frightening daily news reports of terror, war and stock market rates, we lose sight of the causes of and connections between events.

It is incomprehensible to me how even former members of the peace movement such as Erhard Eppler (2) - to say nothing of the "Greens" - can in the meantime be on the same side as those who, after important ecological issues have repeatedly been pushed aside to make way for industrial demands, now also want to see pacifism and militarism united. They speak of the necessity of imposing order on chaotic situations by means of a police-like military. They assert that the causes of the war situations breaking out all over the world are ethnic or religious differences. Some historians even talk of the "clash of civilisations" (3), apparently driven by ideological fundamentalism. At the same time, the fact remains unashamedly unspoken that the USA alone has been responsible for innumerable conflicts in recent centuries, from Iran to Vietnam to Chile and Nicaragua and on to Iraq (just to name a few examples) and for that reason is hated around the world, as the American Bishop Bowman has stated (4). The financial, economic and power-political causes of wars are practically never addressed, they are deliberately kept hidden by interested parties. Whether in Africa, in the Near or Far East, America or elsewhere, everywhere ideological, ethnic or religious discord is not subjected to arbitration attempts by the UN but spurred on by secret services, armed and transformed into full-blown wars. Wars guarantee along with economic and material destruction "naturally" profitable investment opportunities and at the

same time satisfy geostrategic power interests. Human lives count just as little as the destruction of nature in the process. The term "collateral damage" points to a shift in the value of life down to the level of objects and numbers. As if guided by a magical hand, the spectre of terrorism, created by secret services and fed with drug money, together with its most recent child, so-called privatised or denationalised war, is used fatefully, as it were, to justify an extreme increase in militarism worldwide since the collapse of the communist bloc. The unfortunate thing about the situation is that, owing to the interference of the secret services, hardly anyone has the insight to tell which events are criminal and which originate from sheer necessity. Over 3 million people have been killed in recent years in African wars without the media informing the public of the "civilised world" about the fact that all these wars are over diamonds (blood diamonds!), oil, gold and highly prized coltan/tantalum needed for manufacturing electronic chips. The public is rather encouraged to believe it's about "tribal feuds". Prejudices against black Africans are exploited in this way in order to mask war-causing economic interests (5). Instead of carrying out reconnaissance work in the service of the general population, the secret services become politically active themselves, cover up or murder in the interests of their respective wirepullers in the military-industrial political complex (6).

Any discussion about possible alternatives is blocked, resistance against this madness is criminalised, attempts are made with so-called anti-terror laws to prevent democratically legitimate forms of protest (7). The democratic facades of the state edifice crumble and their cold, calculating, totalitarian structures become more and more clearly visible. The fear of terrorism and economic losses paralyses the critical powers of manipulated public opinion and holds it in check.

To return to the monetary and economic system, it can easily be seen even without a great deal of study that exponential growth will eventually eat away at its own foundations - this prospect must be counteracted by all those who can recognise it. Tying money to the circulation of trade should be vitally important to us, as only the exchangeability of money is property. Money itself, i.e. its liquidity, belongs to the people (8). Our money system must be transformed in such a way that its task remains the simple transfer of value fairly without perpetuating worldwide through exponential growth of interest a socially destructive unequal distribution in favour of monstrous accumulations of capital and at the cost of those who may only work with their own vital energy (9). This recalls earlier feudal times, during which land and serfdom formed an inseparable unity in human consciousness. Today we see all that differently: property is one thing, and serfdom is seen as having been overcome a long time ago. The connection between money and interest is however still regarded as "natural", although here also two completely inde-

pendent phenomena are concerned, to whose apparent inseparability we have simply accustomed ourselves, as a result hardly recognise their independence from each other, and therefore question it too little.

The compound interest system has no social benefit whatsoever for the people. On the contrary, it brings about social and other destructive effects as a result of independent growth of assets to astronomical heights and mountains of debt that become unpayable. Because real production grows linearly while capital grows exponentially, an unbridgeable abyss opens up over time as a result of the system. The tension between rich and poor becomes explosive - and this is happening everywhere in the world. The current interest system violates the socially binding spirit of the German Constitutional Law (8). The exponentially growing amounts of money are only for lucrative investments, profit for profit's sake; social and ethical values just stand in its way. Destruction by war guarantees fabulous profits in reconstruction. Our economic system is therefore a system of sheer madness. On the one hand the burden of debt of indebted countries, states and organisations can no longer be paid off anyway, except by magic. And on the other hand the limited availability of natural resources, the interests of ordinary people and the social and ecological consequences play hardly any role in the plans of a corporation-friendly world economy. When, according to monetary logic, further debt is imposed, then the pressure grows to steal raw materials from elsewhere or force cheap labour at home and abroad in order to be able to pay off the debts. Hence the reimposition today of colonialism on all the countries suspected of being rich in resources. Hence also the renewed belligerence in our own country (even under a red/green regime), where we said after the last catastrophe nearly 60 years ago: NEVER AGAIN WAR. After the confrontation with socialism, now believed to be vanquished once and for all, the mask of humanity has been put aside to reveal the naked face of power, of "capital", which no longer shies away from nuclear threat. The disregard of internationally established legal standards exposes the true rogue states, the desecrators of our world.

The myth that the welfare of the rich also benefits the poor (10), only ever referred to crumbs falling from the table and has moreover destroyed ecological relationships as a result of the runaway economic growth that continues because it is imperative for the welfare of the rich. Today the future of welfare even in the industrialised nations does not look good since public services the world over are being surrendered to the game of capital under the cover of neo-liberalism and corporate globalisation (internal colonialisation). The thirst for profit ties up huge amounts in the virtual arena of the stock markets while vital social services lack money (9). The desire for profit, the shameless greed no longer balks at the public services of the last centuries. Socially necessary institutions created, financed, maintained and improved over centuries by the public for the public, such as postal services, railways, schools, universities, power supplies, water supplies, healthcare, roads and much more are being taken away from state regulation and sacrificed to capitalist speculation. The security of Germany's position is used as a pretext, the gigantic profits of the banks are concealed as are the social consequences: mass redundancies, unemployment, poverty, social tensions, degradation of people who are able to work... While the sick are burdened with paying their own prescription charges, while social security payments are cut, while jobs become more insecure and while high unemployment figures are tolerated for the sake of keeping wages low, the state easily has the cash available for military handouts in dizzying quantities. Whatever party coalition that rules this country moves unashamedly towards further social disintegration. Bigger and bigger sections of the population are pushed to the edges of society, and their need is shamelessly exploited to lower wages further. On the surface it's about international competitiveness. In reality however public interest

is subject to the cause of satisfying the interests of business and its striving for maximum profit. Although Germany is as "world champion exporter" one of the richest countries in the world, even here impoverishment at home is growing. The resulting social tensions exacerbate the situation of foreign inhabitants and other minorities. The xenophobia that proliferates on the soil of increasing competition is creating a political reality that breaches the German Constitutional Law's human rights provisions.

State debt is about 1300 billion euros and the mountain of debt grows by another 1300 euros every second. Whereas finance ministers M \ddot{u} ller and Schiller resigned at the time because of 1 to 3 billion in new debts, as they did not want to participate in a policy of "after me, the deluge", ministers Apel to Schmidt left behind new debts in the low tens of billions, Stoltenberg in the high tens of billions, and finance minister Waigel the laughable sum of 480 billion euros. Minister Eichel said sourly: "we've had our future for breakfast" (11). Who is WE? Where is all the money? Why are the money pits of the nuclear, arms and space travel industries challenged just as little as the interest services of the creditor banks? The foreign assets of the banks more than quadrupled between 1980 and 1995 (9). The state's regular new debts flow directly from the donor's account to the banks' interest accounts. Specialists speak of the risks of the money system in analogy to the risks of nuclear technology as "monetary fission" (12). Since reunification Germany has also been indebted to the international capital market, which is free to dictate its terms. It is illuminating to know here that interest is regarded as a "fixed cost", whereas human work is put in the category "variable costs" like wages or working time. Banks prefer to lend their money to the state, as the state is, in contrast to middle-class entrepreneurs for example, always solvent. The state pays the requested interest obediently without complaining, as it gets the money from its citizens through taxes and duties or by confiscating private accounts, as has happened in Argentina. The contradictions of German transport policy (freight transported by road instead of by rail, air travel instead of rail travel, large projects on the one hand and line closures on the other) are explained among other things by the fact that the Deutsche Bank steers this policy by means of its credit, rather than the politicians elected for the purpose. Money for social projects is as everybody knows less available. The existential risks for the population are growing immeasurably. Since 1990, 45 years after the last world war, wealth feeds itself and is no longer put into production. It no longer has to be invested in jobs at all and leads a happy-go-lucky life of its own for the approximately 350 people in the world who own the most wealth. Where in this picture is the spirit of the regular oaths the politicians take to protect the public from losses and increase their profits? Obviously the career politicians feel less duty to the public than to the new wielder of power, capital. Obviously parliaments have long since given up power. Obviously parliamentarians are no longer concerned with a vigorous fight for better solutions in terms of a good future for everyone - no, the impression is that they are only concerned about securing their own living (13) from the cashbox of transnational corporations (TNCs). The people, the intended sovereign of parliamentary democracy, play in addition to the role of the voting "herd" only the role of consumers in the service of capital. Natural relationships are turned upside down and all too few of us are looking at this sad state of affairs in its existentially threatening for us all, that is, criminal dimension, examples being Michel Chossudovsky, Maria Mies and Claudia von Werlhof (14).

If things were different, then there would be a long overdue, broad discussion about possible ways out of a situation that is turning into misery for more and more people. Just as the amoeba adapts to changed conditions in order to survive, the state must also learn to adapt its structures to the needs of people, nature and the environment. The social obligations of property must be rediscovered. The piles of money tramping around the

stock markets must be returned to the circulation of world trade by measures such as Tobin tax or other means and made available there for useful investment. If money keeps moving thanks to creative ways of ensuring its circulation, and speculatively making it scarce is no longer worth it, then interest will settle down to a tolerable level, especially for the poor. With the loss of profit on interest, investment in employment will also become attractive again. Human work does not then have to compete with the yields of capital. Work can once more acquire a quality that not only is characterised by joy and satisfaction, but also makes sense.

If, along with critical awareness, an awareness of our responsibility towards our descendants also grows, then further measures to ensure basic social conditions and to maintain ecological relationships are within reach: as the basis of the common good that cannot be increased, property can be withdrawn from speculation by being protected and respected as a loan (15). An economy can be built universally that, owing to the imposition of consideration for life, nature and its resources, no longer serves belligerent greed but cooperative sharing.

The demands of the French Revolution for liberty, equality and fraternity can finally after more than 200 years be realised. Intellectual freedom is overcoming imprisonment in ideologies or dogma. Legal equality is overcoming the individual's advantage over the majority. And fraternity recognises along with the common origin of all life our responsibility for the chances of future generations (16).

Footnotes

- 1) - Krieg, Konflikte, Militarismus, NATO, neoliberale Globalisierung [War, Conflicts, Militarism, NATO, Neoliberal Globalisation - <http://emanzipationhumanum.de/english/titels01.html#4>] Biowaffen, Bakterien gegen Panzer [Biological Weapons, Bacteria against Tanks - <http://www.sunshine-project.org/>], Jan van Aken, Biologist and Biological Weapons Expert from the "Sunshine Project" in Hamburg, on US plans to develop offensive biological weapons (5. 2002).
- 2) - Vom Gewaltmonopol zum Gewaltmarkt [From the Monopoly of Violence to the Market of Violence], Erhard Eppler, Suhrkamp, 2002
- 3) - The Clash of Civilizations: And the Remaking of World Order, Samuel P. Huntington, Simon and Schuster, 1997
- 4) - Weil wir gehasst werden, Terrorismus und USA [Because we are hated: Terrorism and the USA - http://www.krysstal.com/democracy_whyusa.html] by Robert Bowman - <http://www.rmbowman.com/> (Bishop of the United Catholic Church)
- 5) - Klaus Werner / Hans Weiss, Schwarzbuch Markenfirmen, Die Machenschaften der Weltkonzerne [The Black Book of Brand Companies: The Intrigues of Global Corporations], Deuticke Verlag, Vienna 2001, [<http://www.markenfirmen.com/>] - In Africa's Forests a Suppressed War Rages, A Current Report from the Green Heart of the Dark Continent (23. 3 2004), by Ruedi Suter
- 6) - Im Namen des Staates, - CIA, BND und die kriminellen Machenschaften der Geheimdienste [In the Name of the Government - CIA, BND and the Criminal Intrigues of the Secret Services], Andreas von Bülow, Piper, 2000
- 6 Interviews with von Bülow on the activities of the secret services in connection with 9/11 as a PDF file
- Economy as Crime: Modern Capitalism as the Last Stage of Organised Criminality, Conrad Schuhler, isw Report No. 42, In-

- stitut für sozial-ökologische Wirtschaftsforschung München e.V. [Institute for Social and Ecological Economic Research, Munich, registered association, 2000 [<http://www.isw-muenchen.de>]] - Confessions of an Economic Hit Man - <http://www.johnperkins.org/>
- 7) - Innere Sicherheit in der Festung Europa [Internal Security in Fortress Europe], Angelika Lex [<http://emanzipationhumanum.de/downloads/limo.pdf>]
 - 8) Constitutional Diener Suhr: - Geld ohne Mehrwert - Entlastung der Marktwirtschaft von monetären Transaktionskosten [Money without Value Added - Relieving the Market Economy of the Burden of Monetary Transaction Costs], Dieter Suhr, Fritz Knapp Verlag 1983, - Befreiung der Marktwirtschaft vom Kapitalismus [Freeing the Market Economy from Capitalism]", Dieter Suhr, in: Vortrags-Sammelband der INWO [INWO (Initiative für natürliche Wirtschaftsordnung, Initiative for a Natural Economic Order) Lecture Compendium', St. Veith, 1987
 - 9) - All over the world, goods and services are urgently needed, but despite this, unemployment stands at 35 million people in West Europe and 820 million worldwide, that's nearly a third of all people who are able to work. And the daily increasing global streams of capital create no jobs and no material value, are longer concentrated on profit, but on interest alone. The volume of international flows of money has increased ten times in the last 6 years. Now more than 1000 billion dollars change hands in the world every day - only 1% of that (about 10 billion per day) is in the course of world trade transactions - 99% of money movements are purely speculative. The banks' foreign assets have multiplied from 1836 billion dollars in 1980 to more than 8000 billion dollars, that's an annual increase of nearly 10%. The proportion of income from pure interest to business earnings rose from 7% in 1960 to nearly 60%. (Source: Arno Peters, Das Äquivalenz-Prinzip als Grundlage der Global - Ökonomie [The Principle of Equivalence as the Basis of the Global Economy, p.22ff, Akademische Verlagsanstalt 1996)
 - 10) - The gap between rich and poor yawns wider and wider. Managers' salaries were for years about 25 times that of ordinary workers. Now this has risen to 500 times!
 - 11) - Contribution to Panorama NDR (v.Klitzing, J.Graebert, G.Stuchlik), ARD, 18.4.2002, 20:15
 - 12) - Bernd Senf in "Die blinden Flecken der Ökonomie, Wirtschaftstheorien in der Krise [The Blind Spots of the Economy: Economic Theories in Crisis]", dtv, 2001, (see here for content), Bernd Senf, Fließendes Geld und Heilung des sozialen Organismus [Liquid Money and the Healing of the Social Organism] (pdf)
 - 13) - Das System, Machenschaften der Macht, [The System: The Machinations of Power] Hans Herbert von Arnim, Droemer/Knaur 2001
 - 14) - see bibliography
 - 15) - Die drei Funktionsebenen der Bodenordnung und ihre Zusammenhänge [The Three Functional Levels of the Land Order and their Relation to Each Other] [pdf.version]- Eine Gedanken-skizze [An Outline] - Fritz Andres, <http://www.sffo.de>
 - 16) - Global Exit, Die Kirchen und der Totale Markt [The Church and the Total Market], Carl Amery, Luchterhand 2002
- The War Economy and its Transformation by Dieter Duhm-<http://emanzipationhumanum.de/english/warsociety.html>
- Money makes the world go round - but why? - http://emanzipationhumanum.de/downloads/MONEY_MAKES_THE_WORLD.PDF, by Wolfgang Berger

Further links:

<http://www.systemfehler.de/en/index.htm>