

Current Concerns

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English Edition of *Zeit-Fragen*

Tax amnesty and bank-client confidentiality

Hot topics for cool heads

by Christine Hirszowicz*

Germany, instead of attacking Switzerland and positioning themselves in regard to the elections without sensible proposals for restructuring the public finances, could take an other path. The treatise by Dr oec. publ. Christine Hirszowicz, emeritus professor for bank business administration in the Institute of Swiss Banking at the Zurich University, formerly manager of the Swiss banking School Zurich, reminds us of another way, a mutually co-ordinated tax amnesty in Europe. Thus useless turbulences would be avoided.

1. Tax amnesty and bank client confidentiality in Switzerland

What are the consequences of a tax amnesty in Switzerland?

Hypothesis

- The amnesty would be shaped very generously, that is without penalties, without punishments; only the declaration of the up to now evaded assets would be required together with the normal capital and income taxation beginning from now on. The amnesty would not be repeatable (last chance for tax evaders!). After that stricter measures would be taken against those tax subjects who had not made use of the amnesty.
- The political reactions according to which such an amnesty would be socially unjust would have to be accepted, namely with the argument that the taxation of the now revealed capital assets would benefit the whole national economy of the country and might result in a possible lowering of taxes.
- This would form a big incentive for tax evaders to make use of such an amnesty.

Effects on the banks

- The revealed assets would remain in the portfolio management of the banks, as before. The banks would come to a higher reputation without their intervention, because they would no longer (have to) administer black money.
- The bank client confidentiality would not at all be affected for Swiss bank customers.

Conclusions

- Only a generous amnesty has a reasonable chance of success and brings advantages for everybody: for the treasury (higher income), for the now honest tax payers (they are released from the nightmare of their evasion), for the banks (their reputation is raised, and the bank client confidentiality is not affected).
- For such a great fiscal-political success a personality is needed who knows to represent its unequivocal advantages across all parties: socio-politically, financially and fiscal-politically. Where is this personality to be found?

2. Tax amnesty in the EU and its results for the Swiss banks

Starting point

- All EU countries will encounter difficulties during the next years with the stabilisation and growth pact of the Maastricht Treaty: Neither will they be able to keep to the budget deficit limits nor to those of the complete indebtedness. Therefore, the governments will strive to raise their tax incomes, how-

"Realizing such a solution requires political personalities who are really willing to take a stand for the interest of the res publica and not only for their own interests."

- ever, neither can they reach this by tax rises nor by expenditure cuts (both are unpopular). Therefore, they will watch out for new tax subjects, i.e. they will intensify the chase after tax evaders and tax fraudsters even across national borders. This raises pressure on the Swiss bank client confidentiality.
- With the interest income taxation the EU externalise their tax problems (for example to Switzerland) instead of solving them from scratch. This externalisation with the agent tax will lead to a perfect fiasco already after a short period of time: At first there may result some billions in tax money, however, the development will tend towards zero very quickly (alternative investments without interest yield etc.). The EU

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*With the best wishes for our appreciated readers –
strengthen the values of peace and solidarity with courage
and confidence in the new year.*

A German-dominated EU policy taking that many victims requires correction

On Heiner Flassbeck's book, "Marktwirtschaft des 21. Jahrhunderts" (The Market Economy of the 21st Century)

It is high time that every personality is given a voice who reflects an alternative to the current deadlock in economic and financial policies in Europe. One of them is Heiner Flassbeck (see Current Concerns No. 53, 2012), who has been working for the United Nations Organization for Trade and Development (UNCTAD) in Geneva since 2000, and who has been their chief economist since 2003. His clear criticism of the current policy of the European Union, mainly determined by Germany, opens a way out for thought and action.

km. Already in the summer of 2010, shortly after the beginning of the so-called euro- or European state debt crisis, Heiner Flassbeck published the book "The Market Economy of the 21st Century". The fact that two and a half years after the national debt problems in Greece had become increasingly important, nothing has been tackled in EU-Europe; that the taxpayers, the citizens of all euro-zone countries – not only in Germany –

now act as a guarantor for debts that amount to more than 1 trillion euro which some euro-zone states have with some financial institutions that are trying to pass their creditors' burdens on the general public; that the differences in development within the European Union have intensified significantly; that in countries like Greece, the glaring need of more and more people is getting worse on a daily basis; that even in the so-called "rich" countries like Germany the gap between rich and poor continues to widen, and that the alleged prosperity is only a delusion – all these facts are reasons to consider whether something is fundamentally wrong with the prevailing diagnoses of problems and the therapies recommended so far.

A trade order without financial regulation cannot work

In the summer of 2010, Heiner Flassbeck pointed out that the theories applied so far



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is certainly aware of that, since, after some years it has installed the reconsideration in the agreement with Switzerland.

Problem solving

- A thorough solution of the fiscal problem of the EU is the following: deep capital and income taxes, combined with a unique, very generous tax amnesty, without penalties, without retroactive taxes, without return enforcement of the assets which were invested abroad. No investment enforcement, only the generous offer to free people from tax evasion by this amnesty. Otherwise one could not speak at all of an amnesty, but rather one would have to speak of an enforced sacrifice of the formerly dishonest tax subjects. Nevertheless, the non-use of such a generous amnesty would have to be chained with serious consequences for the tax evaders.

Impact on the Swiss banks

- Swiss bank client confidentiality would not be affected because the tax subjects (bank customers) themselves would declare their income and no exchange of information by the bank would follow.

"Nevertheless, the non-use of such a generous amnesty would have to be chained with serious consequences for the tax evaders."

- The portfolio formerly administered by the Swiss banks can go on to be administered by them, whether off-shore as before, or by the newly built up on-shore business in the respective EU countries. Here the quality of the service of the Swiss banks will compete with that of the competitors in the EU countries. In their on-shore banking, the Swiss banks must beat the competitors by service quality, performances, special customer care and creativity. "Swiss Banking" must be something special for the customers. The bank client confidentiality will continue to exist, but will no longer be debated publicly because it would be relieved from the negative connotation of tax evasion.

Everybody would profit from such a solution

- The treasury in the EU countries would re-gain the tax subjects' trust because the tax rates are adequate now and the treasury renounces to punish the present tax evaders due to the generous amnesty. The treasury requires no return, only disclosure and taxation of the assets as well as of their yield. This right is rec-

ognised in view of the new tax policy by the former tax evaders, above all because the treasury does not interfere with the real investment management (domestic and foreign markets).

- The banks (in Switzerland) achieve a higher reputation without their doing because they no longer (have to) administer black money. The banking secrecy loses its negative connotation of abuse. Switzerland gets out of the EU's line of fire.
- The national economies of the EU profit from higher tax income that will contribute to deficit reduction. The Maas-tricht criteria are no longer violated which will lead to a reduction of tension in Brussels.
- Finally, the hereditary generation can further diversify their property. It may be assumed that the customers will increasingly invest in their homelands (for example, in EU countries) because these national economies will recover faster and will flourish. However, they will still allow the portfolio management to be carried out by the Swiss banks because they are better and the customer's trust is established.

Source: *Der Schweizer Treuhänder* 6-7/2003

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did not convince, and that thinking about alternatives was required. For example: There can be no solution to the problems as long as a global trading order is aspired without a global order of the financial markets. Heiner Flassbeck's criticism of the free-movement-of-capital mantra is fundamental and plausible: "Market economy is not a system in which everybody can do as he pleases, but a market economy, as I understand it, is a serving element, but only *one* element in a functioning democracy." [emphasis in original]

Heiner Flassbeck reminds us that the "heyday of the market system" occurred in a period of consistently regulated global financial order." Just because after the Great Depression the major governments strictly regulated the financial markets and also prevented on an international scale that anybody could play fast and loose with the non-regulation of global markets, there was the economic miracle in the entire world."

The euro followed the false theory of the Chicago Boys

However, since 1970 the "West" has ever more moved away from these principles.

Flassbeck does not express it explicitly, but you have to add at this point: the introduction of the euro was not an attempt to regulate the European financial markets. Determined by *Milton Friedman's* theory of monetarism the Maastricht Treaty limited the criteria for a "successful" monetary union to restrictions on government budgets and alleged interest rate and price stability. That economic science was much more advanced even at that time was completely ignored. It was known that a healthy economic system requires more than just monetary stability, that it must include an adequate and uniform economic growth, full employment and an external economic balance – and that the states have an important regulatory function regarding all these objectives.

Karl Albrecht Schachtschneider and his colleagues pointed to these facts as early as at the end of the nineties, in their first euro-lawsuit. They saw the failure of the monetary union coming, and exactly predicted what has happened during the past two and half years. The euro has proved to be an instrument of those economies in the euro-zone following the "supply-oriented" theory (lower costs for businesses, especially lower taxes and labor costs), driving up capital gains ("shareholder value") on the backs of the citizens, taxpayers and workers. The bitter price for this is the following: With the neglect of the "demand-driven" theory (to raise wages in order to

secure the demand for products and services) they avoided passing on productivity gains to those who had earned it. Instead, they unilaterally banked on export, which created the problem that Germany now generates almost 50 percent of its value with export, i.e. it offers goods and services abroad produced with German labor that do not find a market in Germany itself due to lack of income. And at the same time other countries had been driven into trade deficits. For this situation, the introduction of a single currency was a "perfect" instrument.

Self-destructive competition for the highest return on invested capital

As Heiner Flassbeck demonstrates, forcing 17 countries of Europe into one Procrustean bed of a common currency while at the same time leaving the financial markets deregulated and thereby triggering a self-destructive race for the highest returns on capital invested has really been doomed to failure from the start. This was bound to influence decisions of where to invest, following the principle of big fish eating little fish, or bluntly speaking: mainly Germany attracts investors, German exports push domestic production in the importing countries aside.

That's why Heiner Flassbeck has called for a new currency system since summer 2010, one that prevents investors and currency gamblers from making profits and from ruining other national economies. In fact and truth the Eurosystem's straight-jacket has abolished what was left of the ever hailed free-trade since countries were no longer able to de- or upvalue. If countries such as Greece did not consent to a bloodletting of their workers (and, one has to add, had good reason to do a little bit more for the welfare of their population after being attacked in world war II, followed by civil war and dictatorship) they were bound to fall behind. Manipulations were the only way to keep afloat at least for a while. However, the capacity to devalue their currency would have enabled them to protect or regain their competitiveness on the European market.

Currency bias was ignored for the sake of German export advantages

Flassbeck points to the readiness of voicing concerns about under- or overvalued currencies if it fits into political schemes and China, for instance, can be blamed for that. As for short-term advantages of their own export economy, however, Germany had no problem ignoring the biases in their own currency system for quite a while.

Heiner Flassbeck also argues that the problem as such had indeed been identified long before the so-called Greece crisis and the UNCTAD had proposed a solution

in their "Trade and Development Report 2009" already: "Once a set of sustainable exchange rates is found and accepted by the countries, inflation differentials may be the main guide for managing nominal exchange rates in order to maintain the real exchange rates (RERs) at sustainable levels." That means in practical terms: Since Greek products had become more expensive than comparable German ones due to relatively higher pay rises, while German wages were shrinking (making their products even cheaper), Greece should have been able to compensate for this price disadvantage by devaluation. That way it wouldn't have been possible to increase market shares of countries like Germany by austerity programs to the detriment of German employees. And thinking one step further: For national economies, competing with each other and thereby ruining their workers' rights wouldn't be worthwhile any longer, the decision in favor of a different kind of policy would be easier.

Southern Europe will leave the monetary union ...

... provided there is a will for it and other measures are not necessary. As early as 2010 Heiner Flassbeck wrote: "Given the choice of three possibilities, i.e. maintenance of the EMU [European Monetary Union] and free trade and staying dependent on transfer charities from a colonialist-dominant Germany, or having to make it on one's own in autarchy or leaving the EMU and abolishing free trade for that goal, the people in the hard-pressed countries will go for the third option. It is only a question of time until these three options will have become clear and common knowledge. And at some point politicians in Southern Europe will realize that and start acting according to the will of their own citizens instead of some EU or IMF directives."

More than two years after Heiner Flassbeck's book one has to add: Maintenance of this very colonialist system may be the reason for governments such as the German one to keep Greece within the repressive monetary union and spoiling any other sensible solution such as the one suggested by UNCTAD.

Tax payers should no longer be liable for investment speculation losses

There is not enough room here to explain the other suggestions of Heiner Flassbeck in similar detail. Therefore, just three strokes of the brush:

- Banks have to get back to their initial business of loans and savings. Investment banking speculating with billions has to be outsourced. Tax payers must never again be held accountable for

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this sort of thing. It is just bizarre that banks lent the same money they have just received from the national reserve banks almost free of charge back to the same states with high interest rates, although those reserve banks were actually founded by the states in order to secure their national currencies. Wouldn't it make much more sense for the reserve banks to give that money directly to the states, for the same low interest rates?

- Not only is it the employees' well-earned right to equally participate in the productivity progress of their companies – this participation is at the same time the best guarantee that their products and services will sufficiently meet the needs of domestic consumers and thereby avoid trading imbalances between countries.
- Future pensions have to have a solid foundation. The neoliberal concept of advising each employee to save enough capital for their own pensions during his or her lifetime will not work. Saving money for one's pension damages the national economy, since the saved money is badly needed for new investments. A new contract of generations is what we need instead. Each generation has to make sure that current pensions for the old may be paid from their current earnings.

"Competition" should be kept out of international relations

Heiner Flassbeck is right in regarding that school of thought as sick and dangerous which teaches that relations between nations should be seen and organized as those between competing corporations. "Competition" should be kept out of international relations. Nations have to co-operate. The ideology of a "competition of nations" had opened up old rifts already in summer 2010, and those rifts have become deeper during the last two and a half years. "Do we seriously believe", writes Heiner Flassbeck, "that we can permanently declare some nation to be the winner in a rat race of nations, and others to be the losers for ever?" Once again Heiner Flassbeck reminds the readers that the co-operation of nations requires rules and that it is totally wrong "that within the European Union the freedom of capital flow seems to have climbed to the highest position of all values".

"The EU is out of touch with what democracy is all about"

The European Union, Flassbeck continues, has obviously "lost any contact to what a functioning democracy is all

about". And further: "There are natural limits in a democracy to what may be imposed on people. [...] Haven't we purposefully included the principle into the United Nations' charter that the dignity of man stands above all? Doesn't that mean that economic interests, too, range below the dignity of man? [...] In the neoliberal rage of recent years it has just been ignored that there are still people involved here. For economic co-existence of nations in the 21st century we have to completely reorganize relations, especially political relations. However, political relations can only be reorganized once we have got some clear and sensible idea in economic terms of how nations can interact freely and independently in economic co-operation."

German policies jeopardize democracy and peace in Europe

If that fails, if states and nations in Europe continue to be pressed towards some hegemonic order, if prejudices against other countries continue to be fostered in a country such as Germany with grotesque delusions of superiority despite their own citizens being just as heavily exploited as all the others, then other nations may lurk behind the horizon, with features different from those who "can freely and independently engage in economic co-operation". Then democracy in the national states might be severely jeopardized, and so might the peace in Europe.

Heiner Flassbeck is aware that only with international rules all pending problems may be solved so that it works for all countries. But nevertheless he sees tasks to be addressed within nations, too, and as a German especially in Germany: to stop and re-focus the course of recent years. His former minister *Oskar Lafontaine* has phrased it like this in a recent newspaper article: Within each nation state democracy and social fairness have to be guaranteed, as well as a consequent commitment to peace. Without democratic, socially just and peaceful nation states it's not even worth thinking about the future of any European unification.

The citizens of Europe are all in the same boat

Just a few days before Christmas the German "*Deutscher Paritätischer Wohlfahrtsverband*" (Association of Social Movements) – an umbrella organization of more than 10,000 institutions of free welfare providers – has presented their annual report about the development of regional poverty in Germany. Some quotations from the report: "With a poverty risk of 15,1 percent an absolute climax since the reunification has been reached

in 2011." – "The development of poverty has become disconnected from economic development." – "Policy makers seem either incapable of or not willing to use the good economic development for at least preventing the rift in this society between the poor and the rich from getting still deeper." – "The statistically good successes in job market policies are obviously paid for by the increasing phenomenon of the 'working poor', an Americanization of the job market."

Obviously most people in Europe are in the same boat. There isn't such a thing as one country, one nation benefiting from the exploitation of other countries and nations. Injustice and exploitation are exerted by just a few and are directed against many, in every country alike. Even better reason to read Heiner Flassbeck's book and urgently think about alternatives. •

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“Blessed are the Peacemakers”

Message of his Holiness Pope Benedict XVI for the celebration of the World Day of Peace on 1 January 2013

Each new year brings the expectation of a better world. In light of this, I ask God, the Father of humanity, to grant us concord and peace, so that the aspirations of all for a happy and prosperous life may be achieved.

Fifty years after the beginning of the Second Vatican Council, which helped to strengthen the Church’s mission in the world, it is heartening to realize that Christians, as the People of God in fellowship with him and sojourning among mankind, are committed within history to sharing humanity’s joys and hopes, grief and anguish,¹ as they proclaim the salvation of Christ and promote peace for all.

In effect, our times, marked by globalization with its positive and negative aspects, as well as the continuation of violent conflicts and threats of war, demand a new, shared commitment in pursuit of the common good and the development of all men, and of the whole man.

It is alarming to see hotbeds of tension and conflict caused by growing instances of inequality between rich and poor, by the prevalence of a selfish and individualistic mindset which also finds expression in an unregulated financial capitalism. In addition to the varied forms of terrorism and international crime, peace is also endangered by those forms of fundamentalism and fanaticism which distort the true nature of religion, which is called to foster fellowship and reconciliation among people.

All the same, the many different efforts at peacemaking which abound in our world testify to mankind’s innate vocation to peace. In every person the desire for peace is an essential aspiration which coincides in a certain way with the desire for a full, happy and successful human life. In other words, the desire for peace corresponds to a fundamental moral principle, namely, the duty and right to an integral social and communitarian development, which is part of God’s plan for mankind. Man is made for the peace which is God’s gift.

All of this led me to draw inspiration for this Message from the words of Jesus Christ: “Blessed are the peacemakers, for they will be called children of God” (*Mt* 5:9).

Gospel beatitude

The beatitudes which Jesus proclaimed (cf. *Mt* 5:3–12 and *Lk* 6:20–23) are promises. In the biblical tradition, the beatitude is a literary genre which always involves some good news, a “gospel”, which culminates in a promise. Therefore, the beatitudes are not only moral exhortations whose observance foresees in due time – ordinarily in the next life – a reward or a

situation of future happiness. Rather, the blessedness of which the beatitudes speak consists in the fulfilment of a promise made to all those who allow themselves to be guided by the requirements of truth, justice and love. In the eyes of the world, those who trust in God and his promises often appear naïve or far from reality. Yet Jesus tells them that not only in the next life, but already in this life, they will discover that they are children of God, and that God has always been, and ever will be, completely on their side. They will understand that they are not alone, because he is on the side of those committed to truth, justice and love. Jesus, the revelation of the Father’s love, does not hesitate to offer himself in self-sacrifice. Once we accept Jesus Christ, God and man, we have the joyful experience of an immense gift: the sharing of God’s own life, the life of grace, the pledge of a fully blessed existence. Jesus Christ, in particular, grants us true peace, which is born of the trusting encounter of man with God.

Jesus’ beatitude tells us that peace is both a messianic gift and the fruit of human effort. In effect, peace presupposes a humanism open to transcendence. It is the fruit of the reciprocal gift, of a mutual enrichment, thanks to the gift which has its source in God and enables us to live with others and for others. The ethics of peace is an ethics of fellowship and sharing. It is indispensable, then, that the various cultures in our day overcome forms of anthropology and ethics based on technical and practical suppositions which are merely subjectivistic and pragmatic, in virtue of which relationships of coexistence are inspired by criteria of power or profit, means become ends and vice versa, and culture and education are centred on instruments, technique and efficiency alone. The precondition for peace is the dismantling of the dictatorship of relativism and of the supposition of a completely autonomous morality which precludes acknowledgment of the ineluctable natural moral law inscribed by God upon the conscience of every man and woman. Peace is the building up of coexistence in rational and moral terms, based on a foundation whose measure is not created by man, but rather by God. As Psalm 29 puts it: “May the Lord give strength to his people; may the Lord bless his people with peace” (v. 11).

Peace: God’s gift and the fruit of human effort

Peace concerns the human person as a whole, and it involves complete commitment. It is peace with God through a life lived according to his will. It is interi-

or peace with oneself, and exterior peace with our neighbours and all creation. Above all, as Blessed *John XXIII* wrote in his Encyclical *Pacem in Terris*, whose fiftieth anniversary will fall in a few months, it entails the building up of a coexistence based on truth, freedom, love and justice.²

The denial of what makes up the true nature of human beings in its essential dimensions, its intrinsic capacity to know the true and the good and, ultimately, to know God himself, jeopardizes peacemaking. Without the truth about man inscribed by the Creator in the human heart, freedom and love become debased, and justice loses the ground of its exercise. To become authentic peacemakers, it is fundamental to keep in mind our transcendent dimension and to enter into constant dialogue with God, the Father of mercy, whereby we implore the redemption achieved for us by his only-begotten Son. In this way mankind can overcome that progressive dimming and rejection of peace which is sin in all its forms: selfishness and violence, greed and the will to power and dominion, intolerance, hatred and unjust structures.

The attainment of peace depends above all on recognizing that we are, in God, one human family. This family is structured, as the Encyclical *Pacem in Terris* taught, by interpersonal relations and institutions supported and animated by a communitarian “we”, which entails an internal and external moral order in which, in accordance with truth and justice, reciprocal rights and mutual duties are sincerely recognized. Peace is an order enlivened and integrated by love, in such a way that we feel the needs of others as our own, share our goods with others and work throughout the world for greater communion in spiritual values. It is an order achieved in freedom, that is, in a way consistent with the dignity of persons who, by their very nature as rational beings, take responsibility for their own actions.³

Peace is not a dream or something utopian; it is possible. Our gaze needs to go deeper, beneath superficial appearances and phenomena, to discern a positive reality which exists in human hearts, since every man and woman has been created in the image of God and is called to grow and contribute to the building of a new world. God himself, through the incarnation of his Son and his work of redemption, has entered into history and has brought about a new creation and a new covenant between God and man (cf. *Jer* 31:31–34),

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thus enabling us to have a “new heart” and a “new spirit” (cf. *Ez* 36:26).

For this very reason the Church is convinced of the urgency of a new proclamation of Jesus Christ, the first and fundamental factor of the integral development of peoples and also of peace. Jesus is indeed our peace, our justice and our reconciliation (cf. *Eph* 2:14; *2 Cor* 5:18). The peacemaker, according to Jesus’ beatitude, is the one who seeks the good of the other, the fullness of good in body and soul, today and tomorrow.

From this teaching one can infer that each person and every community, whether religious, civil, educational or cultural, is called to work for peace. Peace is principally the attainment of the common good in society at its different levels, primary and intermediary, national, international and global. Precisely for this reason it can be said that the paths which lead to the attainment of the common good are also the paths that must be followed in the pursuit of peace.

Peacemakers are those who love, defend and promote life in its fullness

4 The path to the attainment of the common good and to peace is above all that of respect for human life in all its many aspects, beginning with its conception, through its development and up to its natural end. True peacemakers, then, are those who love, defend and promote human life in all its dimensions, personal, communitarian and transcendent. Life in its fullness is the height of peace. Anyone who loves peace cannot tolerate attacks and crimes against life.

Those who insufficiently value human life and, in consequence, support among other things the liberalization of abortion, perhaps do not realize that in this way they are proposing the pursuit of a false peace. The flight from responsibility, which degrades human persons, and even more so the killing of a defenceless and innocent being, will never be able to produce happiness or peace. Indeed how could one claim to bring about peace, the integral development of peoples or even the protection of the environment without defending the life of those who are weakest, beginning with the unborn. Every offence against life, especially at its beginning, inevitably causes irreparable damage to development, peace and the environment. Neither is it just to introduce surreptitiously into legislation false rights or freedoms which, on the basis of a reductive and relativistic view of human beings and the clever use of ambiguous expressions aimed at promoting a supposed right to abortion

and euthanasia, pose a threat to the fundamental right to life.

There is also a need to acknowledge and promote the natural structure of marriage as the union of a man and a woman in the face of attempts to make it juridically equivalent to radically different types of union; such attempts actually harm and help to destabilize marriage, obscuring its specific nature and its indispensable role in society. These principles are not truths of faith, nor are they simply a corollary of the right to religious freedom. They are inscribed in human nature itself, accessible to reason and thus common to all humanity. The Church’s efforts to promote them are not therefore confessional in character, but addressed to all people, whatever their religious affiliation. Efforts of this kind are all the more necessary the more these principles are denied or misunderstood, since this constitutes an offence against the truth of the human person, with serious harm to justice and peace.

Consequently, another important way of helping to build peace is for legal systems and the administration of justice to recognize the right to invoke the principle of conscientious objection in the face of laws or government measures that offend against human dignity, such as abortion and euthanasia. One of the fundamental human rights, also with reference to international peace, is the right of individuals and communities to religious freedom. At this stage in history, it is becoming increasingly important to promote this right not only from the negative point of view, as *freedom from* – for example, obligations or limitations involving the freedom to choose one’s religion – but also from the positive point of view, in its various expressions, as *freedom for* – for example, bearing witness to one’s religion, making its teachings known, engaging in activities in the educational, benevolent and charitable fields which permit the practice of religious precepts, and existing and acting as social bodies structured in accordance with the proper doctrinal principles and institutional ends of each. Sadly, even in countries of long-standing Christian tradition, instances of religious intolerance are becoming more numerous, especially in relation to Christianity and those who simply wear identifying signs of their religion.

Peacemakers must also bear in mind that, in growing sectors of public opinion, the ideologies of radical liberalism and technocracy are spreading the conviction that economic growth should be pursued even to the detriment of the state’s social responsibilities and civil society’s networks of solidarity, together with social rights and duties. It should be remembered that these rights and duties are fundamental for the full realization of other rights

and duties, starting with those which are civil and political.

One of the social rights and duties most under threat today is the right to work. The reason for this is that labour and the rightful recognition of workers’ juridical status are increasingly undervalued, since economic development is thought to depend principally on completely free markets. Labour is thus regarded as a variable dependent on economic and financial mechanisms. In this regard, I would reaffirm that human dignity and economic, social and political factors, demand that we continue “to prioritize the goal of access to steady employment for everyone.”⁴

If this ambitious goal is to be realized, one prior condition is a fresh outlook on work, based on ethical principles and spiritual values that reinforce the notion of work as a fundamental good for the individual, for the family and for society. Corresponding to this good are a duty and a right that demand courageous new policies of universal employment.

Building the good of peace through a new model of development and economics

5 In many quarters it is now recognized that a new model of development is needed, as well as a new approach to the economy. Both integral, sustainable development in solidarity and the common good require a correct scale of goods and values which can be structured with God as the ultimate point of reference. It is not enough to have many different means and choices at one’s disposal, however good these may be. Both the wide variety of goods fostering development and the presence of a wide range of choices must be employed against the horizon of a good life, an upright conduct that acknowledges the primacy of the spiritual and the call to work for the common good. Otherwise they lose their real value, and end up becoming new idols.

In order to emerge from the present financial and economic crisis – which has engendered ever greater inequalities – we need people, groups and institutions which will promote life by fostering human creativity, in order to draw from the crisis itself an opportunity for discernment and for a new economic model. The predominant model of recent decades called for seeking maximum profit and consumption, on the basis of an individualistic and selfish mindset, aimed at considering individuals solely in terms of their ability to meet the demands of competitiveness. Yet, from another standpoint, true and lasting success is attained through the gift of ourselves, our intellectual abilities and our entrepreneurial skills, since a “liveable” or truly human

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“Blessed are the ...”

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economic development requires the principle of gratuitousness as an expression of fraternity and the logic of gift.⁵ Concretely, in economic activity, peacemakers are those who establish bonds of fairness and reciprocity with their colleagues, workers, clients and consumers. They engage in economic activity for the sake of the common good and they experience this commitment as something transcending their self-interest, for the benefit of present and future generations. Thus they work not only for themselves, but also to ensure for others a future and a dignified employment.

In the economic sector, states in particular need to articulate policies of industrial and agricultural development concerned with social progress and the growth everywhere of constitutional and democratic states. The creation of ethical structures for currency, financial and commercial markets is also fundamental and indispensable; these must be stabilized and better coordinated and controlled so as not to prove harmful to the very poor. With greater resolve than has hitherto been the case, the concern of peacemakers must also focus upon the food crisis, which is graver than the financial crisis. The issue of food security is once more central to the international political agenda, as a result of interrelated crises, including sudden shifts in the price of basic foodstuffs, irresponsible behaviour by some economic actors and insufficient control on the part of governments and the international community. To face this crisis, peacemakers are called to work together in a spirit of solidarity, from the local to the international level, with the aim of enabling farmers, especially in small rural holdings, to carry out their activity in a dignified and sustainable way from the social, environmental and economic points of view.

Education for a culture of peace: the role of the family and institutions

I wish to reaffirm forcefully that the various peacemakers are called to cultivate a passion for the common good of the family and for social justice, and a commitment to effective social education. No one should ignore or underestimate the decisive role of the family, which is the basic cell of society from the demographic, ethical, pedagogical, economic and political standpoints. The family has a natural vocation to promote life: it accompanies individuals as they mature and it encourages mutual growth and enrichment through caring and sharing. The Christian family in particular serves as a seedbed for personal maturation according to the standards of divine love. The family is one of the indispensable social subjects for the achievement of a

culture of peace. The rights of parents and their primary role in the education of their children in the area of morality and religion must be safeguarded. It is in the family that peacemakers, tomorrow's promoters of a culture of life and love, are born and nurtured.⁶

Religious communities are involved in a special way in this immense task of education for peace. The Church believes that she shares in this great responsibility as part of the new evangelization, which is centred on conversion to the truth and love of Christ and, consequently, the spiritual and moral rebirth of individuals and societies. Encountering Jesus Christ shapes peacemakers, committing them to fellowship and to overcoming injustice.

Cultural institutions, schools and universities have a special mission of peace. They are called to make a notable contribution not only to the formation of new generations of leaders, but also to the renewal of public institutions, both national and international. They can also contribute to a scientific reflection which will ground economic and financial activities on a solid anthropological and ethical basis. Today's world, especially the world of politics, needs to be sustained by fresh thinking and a new cultural synthesis so as to overcome purely technical approaches and to harmonize the various political currents with a view to the common good. The latter, seen as an ensemble of positive interpersonal and institutional relationships at the service of the integral growth of individuals and groups, is at the basis of all true education for peace.

A pedagogy for peacemakers

In the end, we see clearly the need to propose and promote a pedagogy of peace. This calls for a rich interior life, clear and valid moral points of reference, and appropriate attitudes and lifestyles.

Acts of peacemaking converge for the achievement of the common good; they create interest in peace and cultivate peace. Thoughts, words and gestures of peace create a mentality and a culture of peace, and a respectful, honest and cordial atmosphere. There is a need, then, to teach people to love one another, to cultivate peace and to live with good will rather than mere tolerance. A fundamental encouragement to this is “to say no to revenge, to recognize injustices, to accept apologies without looking for them, and finally, to forgive”,⁷ in such a way that mistakes and offences can be acknowledged in truth, so as to move forward together towards reconciliation. This requires the growth of a pedagogy of pardon. Evil is in fact overcome by good, and justice is to be sought in imitating God the Father who loves all his children (cf. Mt 5:21–48). This is a slow process, for it presup-

poses a spiritual evolution, an education in lofty values, a new vision of human history. There is a need to renounce that false peace promised by the idols of this world along with the dangers which accompany it, that false peace which dulls consciences, which leads to self-absorption, to a withered existence lived in indifference.

The pedagogy of peace, on the other hand, implies activity, compassion, solidarity, courage and perseverance. Jesus embodied all these attitudes in his own life, even to the complete gift of himself, even to “losing his life” (cf. Mt 10:39; Lk 17:33; Jn 12:25). He promises his disciples that sooner or later they will make the extraordinary discovery to which I originally alluded, namely that God is in the world, the God of Jesus, fully on the side of man. Here I would recall the prayer asking God to make us instruments of his peace, to be able to bring his love wherever there is hatred, his mercy wherever there is hurt, and true faith wherever there is doubt. For our part, let us join Blessed John XXIII in asking God to enlighten all leaders so that, besides caring for the proper material welfare of their peoples, they may secure for them the precious gift of peace, break down the walls which divide them, strengthen the bonds of mutual love, grow in understanding, and pardon those who have done them wrong; in this way, by his power and inspiration all the peoples of the earth will experience fraternity, and the peace for which they long will ever flourish and reign among them.⁷

With this prayer I express my hope that all will be true peacemakers, so that the city of man may grow in fraternal harmony, prosperity and peace. •

*From the Vatican, 8 December 2012.
Benedictus PP XVI*

¹ Cf. SECOND VATICAN ECUMENICAL COUNCIL, Pastoral Constitution on the Church in the Modern World, *Gaudium et Spes*, 1.

² Cf. Encyclical Letter *Pacem in Terris* (11 April 1963): AAS 55 (1963), 265–266.

³ Cf. *ibid.*: AAS 55 (1963), 266.

⁴ BENEDICT XVI, Encyclical Letter *Caritas in Veritate* (29 June 2009), 32: AAS 101 (2009), 666–667.

⁵ Cf. *ibid.*, 34 and 36: AAS 101 (2009), 668–670 and 671–672.

⁶ Cf. JOHN PAUL II, *Message for the 1994 World Day of Peace* (8 December 1993): AAS 86 (1994), 156–162.

⁷ BENEDICT XVI, *Address at the Meeting with Members of the Government, Institutions of the Republic, the Diplomatic Corps, Religious Leaders and Representatives of the World of Culture*, Baabda-Lebanon (15 September 2012): *L'Osservatore Romano*, 16 September 2012, p. 7.

⁸ Cf. Encyclical Letter *Pacem in Terris* (11 April 1963): AAS 55 (1963), 304.

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“With each other and for each other”

New Year’s Address by Swiss Federal President Ueli Maurer



Swiss Federal President Ueli Maurer (picture ma)

Dear fellow citizens

First things first: For the New Year my sincere wishes for best health, all the very best and the best of luck. I hope that the year 2013 will fulfill all your hopes and wishes and that it additionally holds many happy surprises.

If we are looking backward and forward as the Community of Switzerland, we have

reason to be grateful. Our country is doing well in a time when many countries not far from us are doing worse and worse.

Let us therefore reflect on our origins, our roots. I have just visited once again the Museum of the Swiss Charter in Schwyz. The many historical witnesses of the history of our country have deeply impressed me. In particular, I was impressed by our “Bundesbrief”, the Federal Charter from 1291. A venerable original certificate on parchment, 721 years old, dating from the early days of the Confederation.

The essence of the Federal Charter is timeless and has influenced our society. In summary, it says: One for all and all for one. These are words that we also find in the dome of the Parliament Building. Or put simply: with each other and for each other. This is like an inheritance, a legacy.

Now we know what you can do with an inheritance. You can take care of it and pass it on, or you can squander it within a short time. We will also have to take care for our roots and values in the future. The Community of Switzerland will only work well if we all keep asking what we can do

for our country. Each of us according to his abilities and strength. The Community of Switzerland cannot work in the long run, if we only ask what the state should do for us. With each other and for each other, this is the foundation for security and prosperity.

Switzerland has repeatedly been put under pressure in recent years. Therefore we need citizens who stand together and stand up for our country. We will also be criticized in the next months from various sides. Not because we did something badly, but because we have done many things better. We can be proud of what we have achieved. Let us keep the message of our Federal Charter in mind and go ahead into the future with self-confidence.

Let us jointly preserve our precious heritage and pass it on to the next generation.

I wish you a happy new year – long live Switzerland!

Source: Federal Department of Defence, Civil Protection and Sports for New Year 2013

(Translation Current Concerns)

Federal Charter of 1291

In the name of God – Amen. Honor and the public weal are promoted when leagues are concluded for the proper establishment of quiet and peace. Therefore, know all men, that the people of the valley of Uri, the democracy of the valley of Schwyz, and the community of the Lower Valley of Unterwalden, seeing the malice of the age, in order that they may better defend themselves, and their own, and better preserve them in proper condition, have promised in good faith to assist each other with aid, with every counsel and every favor, with person and goods, within the valley and without, with might and main, against one and all, who may inflict upon any one of them any violence, molestation or injury, or may plot any evil against their persons or goods. And in every case each community has promised to succour the other when necessary, at its own expense, as far as needed in order to withstand the attacks of evil-doers, and to avenge injuries; to this end they have sworn a solemn oath to keep this without guile, and to renew by these presents the ancient form of the league, also confirmed by an oath. Yet in such a manner that every man, according to his rank, shall obey and serve his overlord as it behooves him. We have also vowed, decreed and ordained in common council and by unanimous consent, that we will accept or receive no judge in the aforesaid valleys,

who shall have obtained his office for any price, or for money in any way whatever, or one who shall not be a native or a resident with us. But if dissension shall arise between any of the Eidgenossen (confeder-

ates; Eid = oath, Genosse = fellow, comrade), the most prudent amongst the confederates shall come forth to settle the



Letter to Eveline Widmer-Schlumpf

Mrs Eveline Widmer-Schlumpf
Swiss Federal President
Head of the Federal Department of
Finance FDF
Bundesgasse 3
3003 Bern

Bern, 22 December 2012

Your statements on the automatic exchange of information

Dear Mrs Federal President

In the context of your annual conference of your presidency you required a discussion on the introduction of the *Automatic Information Exchange* (AIE) and queried the flat rate withholding tax model for future situations. Thereby Switzerland should exchange the access to the EU market for the abolition of the banking secrecy. Thus, not only the banking secrecy would be abandoned but at the same time also the basic attitude of the citizens which is deeply rooted in our nation and based on personal responsibility. In EU manner, the citizens would be put under general suspicion and the distrust of the State towards the citizen would be raised to the maxim.

We are deeply concerned about these statements impairing our country and therefore formally protest:

1. Just a day before your statements the Federal Council adopted the financial market strategy rejecting the AIE and describing its disadvantages. This completed a process of several months in collaboration with experts and the parties concerned. 24 hours later, you stab in the back of the entire Federal Council and violate the principle of collegiality.
2. By doing so you confirm foreign voices which classify Swiss politicians as

inconstant. According to a report of the French Senate foreign countries make systematically use of this weakness: "En lisant régulièrement la presse helvétique, on constate d'ailleurs que la classe politique suisse est relativement fragile: lorsqu'on passe à l'offensive, elle a tendance à accorder des concessions et il faut continuer à mettre la pression sur ce territoire. [Reading the Swiss press on a regular basis one can note that the Swiss political class is relatively fragile: when you take the offensive they have a tendency of making concessions so we must continue to pressurize this territory]." As a Councillor, even more as President you are not to heat up the political cacophony, as you already did in the case of the delimitation/lifting of the banking secrecy in Switzerland a few weeks ago.

3. Your proposal of an open discussion is also materially ineligible: Contemporaneously with your misguided willingness to make concessions, the EU rejected new bilateral treaties without institutional issues being resolved. Your proposal represents an experiment on the disabled object and weakens the position of Switzerland.
4. Instead of countering the attack of the president of the Swiss Social Democratic Party, *Levrat*, against the parliamentary secretary *Ambühl*, you continued it smoothly and thus weakened the negotiating position of our country increasingly. Thereby you violated even the most basic management principles. However you and the entire Federal Council are responsible for the strategy and not your outstanding chief negotiator.
5. The establishment of a new group of external experts on the financial market strategy, which you presented to us

on the occasion of the last Von-Wattenwyl-talks as "second opinion", now appears in a new light: Since you apparently do not want neither the directly affected individuals nor your parliamentary secretary as members of this group, the mandate of the group seems to be the introduction of the AIE requested by the left.

6. Finally, it is incomprehensible that you – according to well-informed sources – apparently do not give priority to the conclusion of other double tax agreements. Such agreements with emerging countries are crucial for Swiss companies.
7. All the above mentioned points are a very strong signal to those who say that you give in to the pressure of the Left to pay off the debt of having been elected. Against this background, we ask ourselves whether the SIF, the State Secretariat for International Financial Matters, is still in the right place in the FDF. It seems appropriate to put this important office including its chief negotiator under control of another department.

We once again take the liberty to express our great concern about your policy. Be assured that the *FDP. The Liberals* will offer fierce resistance against it and will do everything that the thrust you are aiming at will never be capable of obtaining a majority – out of love for Switzerland.

Yours sincerely
FDP. The Liberals
The President of the Party
Philipp Müller, National Councilor
The President of the Parliamentary
Group
FDP. The Liberals
Gabi Huber, National Councilor

(Translation Current Concerns)

"Federal Charter of 1291"

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difficulty between the parties, as shall seem right to them; and whichever party rejects their verdict shall be held an adversary by the other confederates. Furthermore, it has been established between them that he who deliberately kills another without provocation, shall, if caught, lose his life, as his wicked guilt requires, unless he be able to prove his innocence of said crime; and if per chance he escape, let him never return. Those who conceal and protect said criminal shall be banished from the valley, until they be expressly recalled by the confederates. But if any one of the confederates, by day, or in the silence of the night, shall maliciously injure another by fire, he

shall never again be considered a fellow-countryman. If any man protect and defend the said evil-doer, he shall render satisfaction to the one who has suffered damage. Furthermore, if any one of the confederates shall spoil another of his goods, or injure him in any way, the goods of the guilty one, if recovered within the valleys, shall be seized in order to pay damages to the injured person, according to justice. Furthermore, no man shall seize another's goods for debt, unless he be evidently his debtor or surety, and this shall only be done with the special permission of his judge. Moreover, every man shall obey his judge, and if necessary, must himself indicate the judge in the valley, before whom he ought properly to appear. And if anyone rebels against a verdict, and, in consequence of his obsti-

nacy, anyone of the confederates is injured, all the confederates are bound to compel the culprit to give satisfaction. But if war or discord arise amongst any of the confederates and one party of the disputants refuse to accept the verdict of the judge or to give satisfaction, the confederates are bound to defend the other party. The above-written statutes, decreed for the common welfare and benefit, shall endure forever, God willing. In testimony of which, at the request of the aforesaid parties, the present charter has been drawn up and confirmed with the seals of the aforesaid three communities and valleys. So done in the year of the Lord 1291 at the beginning of the month of August. •

Source: *The Origin of the Swiss Confederation*, Section 1, Document Volume 1, Aarau, 1933.

Is political sovereignty possible without energy sovereignty?

The energy revolution as a path to a peaceful future?

On Daniele Ganser's book "Europa im Erdölrausch. Die Folgen einer gefährlichen Abhängigkeit (Europe in the oil rush. The consequences of a dangerous dependency)"

by Tobias Salander, historian

How do human dignity, social justice, national independence, food sovereignty, energy security, historiography that is committed to the truth and the question of war and peace interrelate? Can there be peace without a democratic state that is based on the rule of law? The democratic state based on the rule of law without food sovereignty? Food sovereignty without energy security? Energy security without peace? Or to put it another way: social justice without national independence? National independence without energy security? Energy security without the democratic state based on the rule of law? The democratic state based on the rule of law without peace? Peace without historiography committed to truth? The individual elements could also be linked in other causal connections and the elements could be extended by the terms of international humanitarian law, human rights, upright gait, civil courage, etc – in short by the total of the UN Charter as a seminal document for a better, more humane world and a counterpoint to war, hatred, destruction, as the world saw in World War II and drew the conclusion: Never again!

All the issues raised above and some approaches to their answers can be found in a new book by a Swiss historian who attracted attention by his previous research – and because of his fearlessness, absolute dedication to the truth and his incorruptibility that earned him so much professional adversity and sharp personal hostility – a process that can only enable a researcher who firmly stands on the grounds of international humanitarian law and the direct democratic tradition of Switzerland, without wavering – as it shows that the work hits the mark, reveals the criminal energy among elite oligarchies and therefore should be widely discussed.

Dr Daniele Ganser, historian and founder of SIPER, the Swiss Institute for Peace and Energy Studies, has gathered facts and figures in his meticulously researched work "Europa im Erdölrausch. Die Folgen einer gefährlichen Abhängigkeit", which comes down to the following conclusion: In the face of the 2006 global peak oil, the production maximum of oil, and the ensuing output decrease, the world population has only one way out: to focus by 100 percent on renewable en-



The Marmorera-barrier lake. "The four non-renewable energy sources: oil, gas, coal and uranium are to be replaced by the 6 renewable ones, namely solar, hydro, wind, biomass, biogas, and Geothermics. According to WWF Switzerland, an energy transition of 100 percent will be feasible by 2050." (picture keystone)

ergies and resolve the conflicts in relation to the energy security of the various countries in a dialogue. The alternatives that no one can wish are war, violence or terror, i.e. the well-known means of power politics that treat the dignity of man, the sovereignty of the nation states and the peaceful coexistence of the peoples with contempt.

Gone are the days when researchers who referred to the scarcity of fossil fuels were not taken seriously. The fact that conventional oil, i.e. oil, which can easily be produced, reached its peak worldwide in 2006 is now the basis of the analyses of the *International Monetary Fund* (IMF), as well as of the *International Energy Agency* (IEA), located in Paris. It is remarkable that the IEA, founded in 1974 as a counterpart to OPEC and serving the OECD, had doubted the situation for a long time and revised down the potential production rate in the organization's annually published reference work *World Energy Outlook* (WEO), but finally also dated the Peak Oil to 2006 in its *2010 Yearbook*.

What Ganser succeeds in with his book and what qualifies it as a teaching material for high school, is his poly-perspective approach: Instead of assessing

the situation himself, except where the situation is absolutely clear, he always lets those affected voice their views and let the players have their say – statements clarity, sometimes even audacity of which induce the reader to get involved and give further thought to them. Or to express his concern in the words of *Friedrich Nietzsche* whom he quotes as follows: "There is only seeing from a perspective, only knowing from a perspective; and the more emotions we allow to speak about one thing, the more eyes, different eyes, we can use to observe one thing, the more complete will our 'conception' of this thing, our 'objectivity', be." (Ganser p. 320. Quote from *Genealogy*, III, 12¹)

George W. Bush: "America is addicted to oil"

What started in 1859 in Titusville, Pennsylvania, and brought with it an incredible wealth for many people, especially for those in the first world of course, was the production of crude oil which has been developed to a true oil rush since World War II with all the conditions and symptoms of addictive behavior. When in 1945 worldwide 6 million barrels (159 liters each)

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were consumed per day, we have reached today a figure of incredible 88 million barrels in 2012, an amount which 44 supertankers transport across the oceans every day!

The most addicted are the US with a daily consumption of 20 million barrels, next China with 9 million barrels. Less known from the newspapers' front pages but all the more crucial for us Europeans: Europe is still far ahead of China with 15 million barrels per day.

These figures and the fact that the US had its peak oil as early as in 1970, China in 1994, the UK and Norway in 2000 help us to understand that nowadays we have a sharp competition on energy issues between China, the US and, although covert, Europe. As *George W. Bush* put it in April 2006 in his State of the Union address: "America is addict-

ed to oil, which is often imported from unstable parts of the world."² And now the newly re-elected *Barack Obama* said, "Breaking our oil addiction is one of the greatest challenges our generation is ever going to face."³

More wars for oil – or peaceful energy transition?

While the cost of a barrel of oil was at a constant \$ 2 between 1950 and 1960, it had already risen to \$ 10 in 1999, but then in 2008 it cost the hitherto unimaginable sum of \$ 148! Although the price dropped slightly recently, it remains at a high level, which contradicts current price development models and happened for the first time in the history of oil production. This means that in 2008 the IEA published the dire warning that the production was declining in many places simultaneously to rising global demand: an unsolved problem!

Energy issue as a threat to the sovereignty of nation states

ts. In his chapters on the history of Swiss energy *Daniele Ganser* shows how much a small country, especially without resources, depends on the goodwill of the global players and larger states. In an emergency, they turn off the power supply for the smaller ones, unless the individual nation states, especially the small states, spare no effort to achieve the highest possible degree of energy self-sufficiency. This will certainly not be achieved with the help of fossil fuels. Again only the energy turnaround to renewable energy sources can help.

The first oil crisis of 1973 and Switzerland

To classify the crisis of 1973, critical voices could be heard in the Swiss media, but also in politics: So we could read that in the first place it was not the sheikhs, but the Western corporations and the US that were interested in a rise of the oil price. The shortage was artificially stoked up – an assessment which among others was also backed by the US trade union leader *Charles Levinson*.

PdA National Councillor *Jean Vincent* said in Parliament, that there was absolutely no oil crisis, but only "criminal practices of the oil monopolies". CVP National Councillor *Edgar Oehler* pointed to a double blackmail by Arab sheikdoms and the corporations, while SP National Councillor *Otto Nauert* noted that the sovereignty of a country became a farce if the price was dictated by corporations. However, the exec-

utive also spoke out. Federal Councillor *Ernst Brugger* admitted misjudgments in December 1973 and said. "This international oil market is not very transparent; it is indeed a science apart!" The United States would also not understand it, he said. (cf. Ganser, pp. 188)

In 1978 the final report of the Federal Council's "*Eidgenössische Kommission für die Gesamtenergiekonzeption*", *GEK (Federal Commission for the Global Energy Concept)*, called for the development of renewable energy – although at that time the emphasis was put on the development of nuclear energy. (cf. Ganser, pp. 205)

Making use of war-based instruments

In September 1980, at the outbreak of the war between Iraq and Iran in 1980, Federal Councillor *Fritz Honegger* pointed to the fact that the closure of the Strait of Hormuz was extremely dangerous for Europe and Switzerland, since it would call a shortage of at least a quarter of the western oil. Switzerland had prepared itself and could make use of war-based instruments, i.e. rationing, bans etc.

The Federal Council's warning in March 1981 to reduce the dependency on oil remained without consequences, but in November 1985 the price of oil drastically collapsed, contrary to expectations, from 32 to 10 dollars, since Saudi Arabia suddenly produced much larger quantities. (cf. Ganser, pp. 225)

Because of these unambiguous facts and with regard to the dark current of human history, a history that on the one hand is rich in pro-humane processes, people and communities – just think of *Elinor Ostrom's* work on the cooperatives and the *UN Year of Cooperatives* in 2012, not to mention the co-operative structure of the peace model Switzerland – on the other hand, however, it shows human baseness, man's deficit relation to human nature, culminating in the greed for money, power and sexual perversion: Mindful of this background *Daniele Ganser* hypothesizes and proves with innumerable documents that the wars the US and European countries are waging today, after the collapse of the Soviet Union, are wars to capture oil – and not at all for humanitarian causes.

Or, how did Western corporations regain the third-largest oil reserves? Keyword: Iraq war in 2003. How did the largest oil reserves in Africa return to the descendants of the seven sisters, the big Western oil companies such as those of the families *Rockefeller* and *Rothschild*? Keyword: Libya war in 2011. And is Syria going to be involved in a war for gas?

Ganser adds for consideration that we in the West would like to block out the fact that others get killed for oil. His cleanly-documented evidence will however make future blocking out impossible. And that is precisely the author's concern: to bring about a shift in consciousness, because without it the energy transition will not be possible, and certainly not with the old barbaric methods of war and violence. The four non-renewable energy sources: oil, gas, coal and uranium are to be replaced by the 6 renewable ones, namely solar, hydro, wind, biomass, biogas, and Geothermics. According to *WWF Switzerland*, an energy transition of 100 percent will be feasible by 2050.

Our age is merely a fossil intermezzo

After looking into the geology and history of the past 2,000 years, which are an exciting read as they are written in a way easy to understand and are therefore best suited for high school students, *Ganser* summarizes: Today we live in a fossil-energy rush and have forgotten that energy was once scarce and very expensive! In the last 200 years, Europe has consumed fossil fuels which are finite – the dark sides were however blocked out!

From a historical point of view, our age was only a "fossil intermezzo", which, however, brought a kind of mobility for many people, which in medieval times was not even possible for kings!

Apart from the description of the formation of large integrated companies such

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as *Standard Oil*, *Royal Dutch Shell*, *British Petroleum*, *Total* and *Eni*, at a later stage the state corporations of OPEC countries like *Saudi Aramco* etc, Ganser also provides a work, which has been long awaited: Integrated into the history of the black gold is the Swiss history that includes a beneficial factual presentation of the Confederation's geostrategic position, especially during the two great wars of the 20th century.

**Coal and oil as means of blackmail –
an implicit disproof
of the Bergier Report**

Ganser shows crystal clear that both during the greatest disaster of human history, World War II, as well as during the killings of World War I, Switzerland was in the stranglehold of the belligerent powers. The country was blackmailed by the British and the French at an early point in time, and later by the US, but also by the Nazis. All warring parties mentioned that the small, neutral Switzerland could become a security flaw and might pass on its tediously imported products to the enemy. A Swiss citizen may dislike to read that Switzerland's economic sovereignty was lost in World War I, when the British and the French dictated trade as it suited them – especially in view of the current situation, when it is surrounded by a crisis-ridden European Union and Germany as a neighbor adopting outrageous tones and playing a power game reminiscent of unpleasant times. The double twist knot in World War II, the rigorous austerity measures of war economy, the dark and cold homes, the power of King Coal, then still less the power of black gold – all of Ganser's explanations allow a reconstruction of events which a *Bergier* Report had not only made impossible but even fought against in its ideological thrust. Without mentioning Bergier's name – an exemplary approach, since Bergier's miserable Secret Service construct is not worth the paper on which it was printed – Ganser's factual presentation acts as an antidote, which clarifies our heads, unravels the minds and clearly points out: without their tough negotiating the Swiss would either have frozen or starved to death. And what authors like *Charles Higham* ("Trading with the enemy"), *Herbert Reginbogin* ("Hitler, der Westen und die Schweiz"), *Alberto Codevilla* ("Eidgenossenschaft in Bedrängnis") and others made plain (see also *Current Concerns* No. 38/39 of 17 September 2012): Without the supply of petroleum and its derivatives as anti-knock agents and others, *Mussolini* would have had to stop his Ethiopian aggression after a week, and *Hitler's* tank armies

with their "blitzkrieg" tactics would long have come to a halt for lack of fuel. However, they were supplied as long as they needed Hitler to bleed *Stalin* to death, and when *Rommel* was to advance towards Baku, the fuel reserves suddenly ran out, because the British fleet sank the German tankers in the Mediterranean.

The Second World War seen from the perspective of oil – a war different from the one we find in recent history books.

**Oil and the bullets fired in Sarajevo,
oil and Pearl Harbor**

After the First World War, the British *Lord Curzon* stated, "The Allied cause had floated to victory upon a wave of oil"⁴, and *Stalin* gave three cheers to the US oil industry in a toast with *Churchill* and said, "The war was decided by engines and octane"⁵. On the other hand, *Hitler* had stated early: "To fight, we must have oil for our engines." And: "Unless we get the Baku oil, the war is lost."⁶

Ganser states that the role of oil was strongly underestimated not only in the First but also in the Second World War: fighting alongside the United States had meant to have enough oil – and to win.

With the help of his sources and descriptions Ganser gets very close to various events that are circumvented as far as possible in history books for schools:

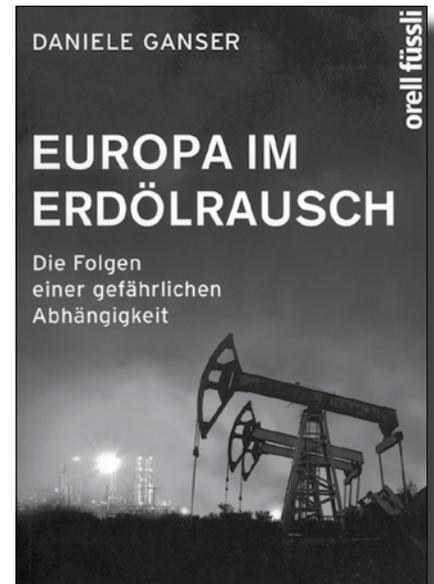
Of course, the famous bullet was fired in Sarajevo – but it is plausibly laid out that Serbia was the only link in the chain with which the British – in order to secure their world power, i.e. to master the oil routes with their fleet – could prevent the German efforts to transport oil from Iraq via the Berlin-Baghdad Railway – which allows further conclusions ...

With respect to Pearl Harbor Ganser gives *Robert Stinnett* a chance to speak, who was operating from 1942 to 1946 in the US Navy: according to him, *Roosevelt* deliberately provoked Japan with the oil embargo in order to lead the United States into the war as an alleged victim of aggression. The President "was forced to find circuitous means to persuade an isolationist America to join in a fight for freedom."⁷ *Stinnett's* book is the best funded and most comprehensive study on Pearl Harbor.

**When oil is considered some events
must be viewed in a different light ...**

The abundance of information in Ganser's book cannot be fully appreciated here. I just want to mention other treasures from his work in the form of chapter titles:

"The rise of Saudi Arabia and Saudi Aramco", "The overthrow of the Iranian government by the USA in 1953", "The Suez Crisis and the fear of supply interruptions", "The construction of pipelines in the US and Europe", "The Italian oil



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company *ENI* and the death of *Enrico Mattei*", "The construction of the Central European Pipeline *CEL* across the Alps", "The construction of the Trans Alpine Pipeline *TAL* by Austria", "The power of the cartels", "The Seven Sisters and the cartel of *Achnacarry*", "The billions in profits of the oil companies", "The formation of *OPEC* in 1960", "The first oil crisis in 1973", etc, etc.

And this way it goes on to the *Club of Rome*, the second oil crisis, the Gulf Wars, 9/11 and the recent wars up to the war in Libya. Elderly people will experience one or the other déjà vu effect when reading this chapter, they are perhaps even more shocked by the criminal activity of the Western actors, while younger readers who were in their kindergarten age at the time of 9/11 can get an idea of the events that shaped their childhood and adolescence without them being able so far to understand all this due to their age.

**1973 Oil Crisis: US-staged against the
background of US Peak Oil**

From the abundance of insights that can be gathered from Ganser's book, a few key words shall be presented here to describe the 1973 oil crisis. What was it about? Oil shortages? Not likely. It was a price crisis, not a crisis of quantity. And in the background, so Ganser's thesis, was the previous dollar crisis. And behind that was Peak Oil in the USA.

But first things first: As a result of the costly Vietnam War more dollars circulated than gold was stored in the basement of the Federal Reserve, the private US central bank. Many central banks therefore demanded gold for their dollars. When France wanted to exchange their dollar reserves into gold in 1969, the United

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"Is political sovereignty possible ..."

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States were not able to fulfill this demand! The US gold reserves covered only ¼ of the US foreign debt. So not only oil was scarce, but also gold to cover the dollar, with which one wanted to buy oil. In this situation, *Henry Kissinger* among others – National Security Advisor since 1969, and Secretary of State from 1973 on – advised *Nixon* to repeal the gold backing of the dollar. And on 15 August 1971 *Nixon* announced the repeal of the dollar's gold backing on TV and thus triggered off what became known as the "Nixon shock" in history. Europe was annoyed; oil exporters now received less for their oil, but for the US this step had great advantages: To date, the Fed can print dollars out of nothing and exchange them for oil!

**What is necessary
is a paradigm shift**

"The transition can only succeed if energy companies earn money by saving energy; that requires a paradigmatic change which has not yet started." (Daniele Ganser, p. 333)

Ben Bernanke, chairman of the Fed, later put it in a nutshell: "The US government has a technology, called a printing press (or, today, its electronic equivalent), that allows it to produce as many US dollars as it wishes at essentially no cost."

Or in the words of Professor *Walter Wittmann*, University of Freiburg, in 2008: "The US Federal Reserve produces, if necessary, dollar bills just like the *Hakle* company produces toilet paper."

**Kissinger and Bilderberger
wanted higher oil price**

These procedures may not be unknown, however Ganser takes one step closer to uncovering the background; he quasi opens another curtain hitherto hiding the true facts: Behind the repeal of the gold standard in 1971 stood the collapse of the US oil production in 1970. This means that the United States now had to import more oil, which happened to be much cheaper without gold backing, as the amount of dollars can easily be enlarged.

In a further explanation of the 1973 backgrounds, Ganser follows the advice of *Sheikh Ahmad Zaki Yamani*, from 1962 to 1986 oil minister of Saudi Arabia, elected Man of the Year by the US magazine *Time* in 1973 and also called a "strategist of the oil weapon". This very Yamani now recommends the US journalist *William Engdahl's* book "A Century of War: Anglo-American Oil Politics and the New World Order" as the only true representation of oil prices in 1973.

**Can unconventional oil fill the gap?
No, as EROI negative!**

ts. Jeroen van der Veer, CEO of Shell, admitted that in 2006 conventional oil had reached the peak. But concerning unconventional oil and gas the development of which is more difficult, there are big reserves. Ganser refrains from giving the all-clear-signal as one should know one thing: Expenditure, costs and speed of conventional oil and unconventional oil production are as different as day and night.

Conventional oil could be compared to Coca-Cola which spills out of the can after a little shaking. Unconventional oil however, has to be quarried deep from the sea, from more than 500 meters below sea level; tar sand, which is not liquid, has to be removed by pillars; the delivery production more energy than that of conventional oil. That means that the proportion between expenditure and energy return deteriorates.

They call it "Energy Return on Investment" or EROI. The EROI of Easy Oil is 1:100 (1 barrel of oil is needed to produce 100 barrels) however, the EROI of unconventional oils shale is 1:5 or even 1:2!

In other words: The use of unconventional oil only helps to push the peak on the axis of time farther away. And: Unconventional oil is a much heavier burden on the environment.

For the non-professional the case is getting more and more complicated as in most today's statistics conventional and unconventional oils are mixed. Thus, for example, the figures of OPEC and BP are different: OPEC indicates the peak was at 2006 at 70 million barrels a day, BP, however, registers an annual increase to 83 million barrels per day in 2011. The answer to the problem? BP is listing all products on the basis of oil, also unconventional oil products, and BP is adding organic fuels when adding up the consumption. Ganser demands that the big newspapers report this in a more precise way. He criticizes that "NZZ" and "FAZ" have not done that up to now.

At least: Today Exxon Mobil confirms that there is a stagnation concerning conventional oil whereas other firms have already admitted that there is a reduction. (cf. Ganser, pp. 266)

Consequently from 11 to 13 May 1973, prior to the crisis, a meeting of the Bilderberg Group took place in Sweden, the background group, which had met for the first time in 1954 at the *Hotel Bilderberg* in Holland.

At the 1973 meeting *Henry Kissinger*, *Lord Greenhill* of BP, *David Rockefeller* of *Chase Manhattan Bank*, *George Ball* of *Lehman Brothers* and *Zbigniew Brzezinski* had talked about the decline of the dollar and the rise of oil prices. They talked about a 400% rise. Actually, the oil price rose by 400% as a result of the oil crisis, and then the dollar crisis defused!

**Reza Pahlavi pushes OPEC
into the role of the scapegoat
at the behest of the United States**

The plan of the conspirators' group was as follows: A global OPEC oil embargo should drastically cut down the supply of oil, oil prices would rise dramatically together with the demand for dollars, and this would support the value of the dollar! The US would have benefited despite recession! The fury would be directed against the sheiks and the real masterminds would remain undetected and could be presented as victims.

Ganser regrets that this thesis by Yamani and Engdahl is hardly discussed; moreover the meetings of the Bilderberg Group are secret. Therefore, the hypothesis could not be proved.

But in reality it was just like this: On 16 October 1973 during the *Yom Kippur* War OPEC decided to more than double the oil price, cut production, plus a total boycott of the United States and the Netherlands, as well as reductions in deliveries for industrial countries until Israel withdrew from the territories occupied in 1967.

The word "oil boycott" had a tremendous impact: People thought that oil was running out, the Western media vilified the OPEC – but all that turned out to be a myth!

In December 1973, the OPEC conference was held in Tehran. Discussions focused on the fair price of oil. The conference finally ended with a six-fold increase in price in just three months!

According to the US petroleum researcher *Yergin*, *Shah Reza Pahlavi* was most aggressively campaigning an increase of the oil price, more than Yamani, who did not want the West to go down because then OPEC would go down as well.

The fact that the Shah as the West's governor – supported by the British and the United States after their overthrow of *Mossadegh* – campaigned for higher prices seems paradoxical since it harmed the US. But in 2001 Yamani commented as follows: The Shah told him that Kissinger had wanted a higher oil price.

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"Is political sovereignty possible ..."

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For Yamani it is now clear: the US staged the oil crisis of 1973 and the increase of the oil price from 2 to 12 dollars. OPEC was staged as the scapegoat.

The situation of Switzerland during the Second World War

"Our situation had become similar to that in a mouse trap. Incessant diplomatic efforts to protect trade were necessary in order to save our nation from slow starvation."

Extract from the report of the Federal Council about the situation in Switzerland, after the fall of France in May 1940 when Switzerland was totally surrounded by fascist states. (Source: Eidgenössisches Volkswirtschaftsdepartement (editor): "Die Schweizerische Kriegswirtschaft (The Swiss war economy): 1939–1948". Bern. Eidgenössische Zentralstelle für Kriegswirtschaft, 1950, p. XV

(Translation Current Concerns)

Quotations which should interest the ICC chief prosecutor ...

Some of the pointed statements made by politicians in the US-UK war alliance may be cited here – the older generation may know them all, but it is Ganser's merit to have them compiled especially for the younger generation: in their density, audacity, and chutzpah they do not leave the question unanswered who should nowadays be brought to the ICC because of flagrant violation of the *Nuremberg Principles*. At that time of the Nazi war criminals' trials, chief US prosecutor *Robert Jackson* had said that the United States wanted to be judged by these very principles in the future. And since the worst of all crimes was a war of aggression, and *Kofi Annan*, for example, called the war in Iraq such a war in 2003, entire legions, ranging from Western heads of state down to the ordinary soldiers, would have to populate the detention cells in The Hague. We remember: The German officer *Florian Pfaff*, who refused to obey orders during the illegal war of aggression against Iraq violating international law, referred to the *Nuremberg Principles* and the UN Charter, in particular Article 51. Pfaff prevailed before the Court in Germany – but he was nevertheless militarily degraded ...

The round of citations shall be opened with sentences by Henry Kissinger. On 22 September 1980, when Iraq attacked Iran with US support, Henry Kissinger said, "I hope they kill each other. Too bad they can't both lose."⁸ We have learned since

the Iran-Contra affair that the US also supported Iran with weapons – entirely in line with the dictum of Nobel Peace Prize laureate Kissinger ...

On 12 May 1996 *Madeleine Albright*, the former UN ambassador and later US Secretary of State, in an interview in "60 Minutes" on CBS answered the question whether the embargo was worth the price that already 500,000 children had died in Iraq, more than in Hiroshima: "I think this is a very hard choice, but the price – we think the price is worth it."⁹

Conclusion Ganser: What has become clear is that the US is willing to kill even children for oil!

John Bolton, UN Ambassador under Bush and a senior fellow of *PNAC* on *Fox News* 2011: The Middle East was "the critical oil and natural gas producing region that we fought so many wars to try and protect our economy from the adverse impact of losing that supply or having it available only at very high prices ..." ¹⁰ Al-Qaeda is suddenly no longer mentioned by Bolton – had the Moor done his duty and could go?

In November 1999, *Dick Cheney*, CEO of *Halliburton*, explicitly warned of peak oil in a London speech. Demand would increase and production decrease at the same time. Where was the oil to come from, an additional 50 million barrels per day in 2010?

Prophetic was his answer: "While many regions of the world offer great oil opportunities, the Middle East with two thirds of the world's oil and the lowest cost, is still the region where the prize ultimately lies, even though companies are anxious for greater access there".¹¹ Did it not only take a "catalytic event" in order to send troops? As the Supreme Commander of NATO during the Kosovo War, General *Wesley Clark* expressed in several places that the wars against Iraq, Libya, Syria and others had been planned in the Pentagon long before 9/11 ...

Research ban on 9/11?

In January 2001, Dick Cheney founded the *National Energy Policy Development Group (NEPDG)*, an expert group on oil and energy issues. They met in secret until May 2001 and planned the energy future of the United States. Corporate lobbyists, the US Secretaries of State, Energy and Treasury had joined in. They passed on their findings to President *Bush*, who went public in May 2001 and said, "What people need to hear loud and clear is that we're running out of energy in America. We can do a better job in conservation, but we darn sure have to do a better job of finding more supply."¹²

Despite efforts of democratic parliamentarians, meeting documents and the large number of participants were kept se-

cret, when the final report was published on 17 May 2001 it showed that the US had too little oil, and this was undermining national security, the economy and living standards. So the United States was going to become increasingly dependent on foreign countries. Since the Middle East had two-thirds of offshore reserves, the Gulf Region remained very important to the US interests.

Why are today's citizens and why were even the contemporaries of September 2001 hardly aware of this state of affairs? The shock of 9/11 had blocked off the issue of peak oil completely from the headlines. If people had previously understood that wars were waged over oil, the coming wars were waged under the label "war on terror" and the dissemination of democracy – a slogan that *Edward Bernays*, author of the book "Propaganda" and one of the first spin-doctors had already created for the war entry of the US into the First World War.

Bush and Cheney had immediately blamed *al-Qaeda* and *Osama bin Laden*. At the United Nations on 10 November 2001, Bush contradicted the so-called "conspiracy theories" according to which the United States had manipulated the attacks in order to perform wars on natural resources.

Amazingly, the Europeans abided by Bush's language regime, although each person somewhat interested in history knows that history is crowded with lies, collusion and conspiracy. For example, the murder of *Caesar*, the 1956 attack by France, Britain and Israel on Egypt in, the incubator lie of 1990, NATO's secret armies, the Reichstag fire, etc.

Ganser criticizes that Bush in his statement before the UN had demanded that his own conspiracy theory should be believed; hence he had actually put a research ban on 9/11 – a fact that is scientifically unsupportable since research must always ask questions and theories may always be investigated. Research bans are only known in dictatorships.

What role did Dick Cheney play?

Europe, Ganser claims, should more openly join in the debate about geo-strategy in the US. In particular, the role of Dick Cheney must be further investigated.

In January 1998 for instance, the *Project for a New American Century (PNAC)*, – a neoconservative think tank – had already called for a violent regime change in Iraq: the US was to dominate the world by the control of oil, among other things. Signatories were Cheney, *Rumsfeld* and *Wolfowitz*. The then-President *Clinton*, however, turned a deaf ear.

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"Is political sovereignty possible ..."

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As late as under President Bush, both Cheney as Vice President and Wolfowitz as Deputy Secretary of Defense gained influence. In this context Ganser quotes from a Wolfowitz speech in Singapore in 2003: "The primary difference [...] between North Korea and Iraq is that we had virtually no economic options with Iraq because the country floats on a sea of oil."¹³ Wolfowitz openly and honestly: The control of the oil reserves in the Gulf was essential for the United States. And al-Qaeda?

Ganser pays a special tribute to a US author who sees a connection between 9/11 and Peak Oil: It is *Michael Ruppert*, former Los Angeles police officer. His thesis is that between 1998 and 2000, the US elites had realized the peak oil problem. From January 2001 on, Cheney and others had decided to manipulate terrorist attacks. In May 2001, Bush had handed over the responsibility for terrorism to Cheney, and Cheney had had the total control for 9/11. They had justified the criminal behavior, since it was "only about a few thousand lives." (Source: Michael C. Ruppert. "Crossing the Rubicon. The Decline of the American Empire at the End of the Age of Oil" Gabriola Island, 2004.)

Senior US-/UK contemporary witnesses: It was all about oil!

And again, let us consult General Wesley Clark as a witness: As early as in 1991 Wolfowitz had told him about the plans, which had shocked him. Wolfowitz had said: "But one thing we did learn [from the Persian Gulf War] is that we can use our military in the region – in the Middle East – and the Soviets won't stop us. And we've got about 5 or 10 years to clean up those old Soviet regimes – Syria, Iran, Iraq – before the next great superpower comes on to challenge us."¹⁴ (Speech by Wesley Clark, 3 October 2007 at the *Commonwealth Club* in San Francisco. Cited in: Wes Clark and the neocon dream. In: "Salon News", 26 November 2011).

And a similarly high-ranking witness, *Paul O'Neill*, Secretary of the Treasury under Bush, possibly the highest ranking one since he was a member of the Cheney *Energy Task Force*, declared that there had never been a connection between Iraq and the terrorist attacks, and that the war against Iraq had been planned long before 9/11.

And how was the issue viewed by the closest ally, the United Kingdom? There, the Minister for the Environment *Michael Meacher* earned his resignation by criticizing *Tony Blair* as follows: "The war on terrorism is being used largely as bogus cover for achieving wider US strategic geopolitical objectives." Therefore they required control over the oil resources. "The overriding motivation for this polit-

ical smokescreen is that the US and the UK are beginning to run out of secure hydrocarbon energy supplies". "Nor has the UK been disinterested in this scramble for the remaining world supplies of hydrocarbons, and this may partly explain British participation in US military actions". ("This war on terrorism is bogus", in "The Guardian", 6 September 2003)

Current sources, secured under the *Freedom of Information Act* by *Greg Muttitt*, agree with Meacher: In October and November 2002, six months before the invasion, corporate representatives and the British government were discussing the access to Iraqi oil.

Or in the words of the American author *Antonia Juhasz*: The aim of the Iraq war was to privatize state-owned oil and make it accessible for companies. After all, in 15 years, the companies would run out of the reserves, so access to reserves of the OPEC countries was of vital importance to them.

If even Alan Greenspan is admitting it ...

Finally, a man is to be cited, who may certainly be considered as a witness, since the dollar printing was in his hands: *Alan Greenspan*, chairman of the *Federal Reserve*. Ganser quotes him with the following revealing statement: "I am saddened that it is politically inconvenient to acknowledge what everyone knows: the Iraq war is largely about oil." (Alain Greenspan, quoted in "Greenspan admits Iraq was about oil". In: "The Guardian" on 16 September 2007¹⁶).

It is very revealing that with such high-profile witness, researchers in countless countries are not keen on shining more light on the darkness.

Federal Councillor Couchepin and Kofi Annan: Iraq war violates the UN Charter

And how have these proceedings been commented in neutral Switzerland? Ganser brings a statement to the fore, that has probably already been forgotten and which may be amazing due to the party membership of the speaker. On 20 March 2003 Federal Councillor *Pascal Couchepin* (FDP) told the Federal Assembly: The war against Iraq had not been authorized by the UN Security Council, and therefore it was a dangerous precedent case. The US and the coalition had defied the UN Charter. It was a dictate of the moment, he said, that the UN Charter was again more respected, and: Switzerland declared its solidarity with the Iraqi civilian population who has been suffering since the 1990 sanctions.

Statements, which have been confirmed at the highest UN level: On 16 September 2004, the then UN Secretary General *Kofi Annan* said that the Iraq war was illegal under international law.

Ganser points out that the money for all these illegal wars could have been used to promote renewable energy sources without any problems, and to a large extent. He regrets that there has been no debate about resource wars. Quite the contrary, these Western oil raids had not diminished the terrorist threat at all but rather increased it.

Ganser quotes the Algerian intellectual *Rachid Boudjedra* as a witness: The West in its greed had been backed up by corrupt Arab rulers. Not the Islam itself, but the wounds that Western violence inflicted

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Lessons taken by Switzerland:**A nation's own oil reserves arouses the greed of the big powers**

ts. The coup d'état staged by CIA in Iran was also observed in Switzerland with great attention. Councillor of State *Emil Klöti* added for consideration that the possession of oil was not harmless, as it aroused the greed of the big powers. Therefore Switzerland had to keep its hands on the search for oil in its own country.

And *Paul Kunz*, member of the National Council, added in March 1953: Oil in one's own country could endanger independence and neutrality – because of the other countries' thirst for oil.

As in Switzerland it is the cantons which issue concessions for searching for oil, on account of the so-called "*Bergregal*" ("entitlement to the rights and royalties from mining", Wikipedia, s.v. "Bergregal"), foreign companies like *Shell* had to deliver petitions for the concessions to 17 cantons in 1951. When the Canton of Fribourg came to a trade agreement with the company of *d'Arcy*, an affiliate of *BP*; the confederation,

that was very concerned, invited the cantons to an oil congress to Bern on 6 November 1952. There the Federal Council informed the cantons that the issuing of concessions to foreign companies was a danger for our outer security, for independence and neutrality because *BP* was controlled by the British Navy, that is to say by the State of Great Britain.

In June 1959 *Swisspetrol Holding AG* was founded, a holding company with a majority of its shares controlled by Swiss people. This holding company was intended to control the search of oil done in Switzerland. But the seismic measuring taken in the subsoil of the Swiss (Central) Plateau by the affiliate of *Swisspetrol*, "*Schweizerische Erdöl AG*" (*SEAG*), were not economical. The deep drillings which followed later on did not yield any finds, a fact which pleased a lot of Swiss people as they assumed that oil was a thing that always attracted wars. (cf. Ganser, pp. 90)

Metropolitan Area without a metropolis – the Mayor of Zurich is giving the eulogy

Suppose the EU is trying to impose its curious regional politics onto Switzerland and nobody is taking part

by Dr iur Marianne Wüthrich

In July 2009, the “Verein Metropolitanraum Zurich” (Association Metropolitan Area Zurich) was founded – a blitz just before the summer holidays. Eight cantons and more than 100 communes joined the “Association” on a mere decision of their executives; the people had no say in it. (cf. *Current Concerns* No 15 of August 2009)

Since then these cantons and communes are paying membership dues out of their tax money to the benefit of this EU regional politics’ creation which has no place in a direct democratic and federalist Swiss model.

Some time ago, in its article titled “Making up the balance after almost three years of ‘Metropolitan Area Zurich’: a waste of time and effort?” (No 21, 21 May 2012), *Current Concerns* reported that meanwhile a number of communes were fed up with putting their tax money into a non-democratic bureaucratic bubble where the communal population has no say: They were drawing the consequences and canceled their memberships.

Almost undetected by the public, on 12 December 2012 the City Council of Zu-

rich has removed the membership fee for 2013 from its budget, thus communicating its view that the City of Zurich should cancel its membership in the Metropolitan Conference.

Just an aside: Of course they speak “Schweizerdeutsch” (Swiss German) in the Zurich City Council meetings – so this should be also possible in the kindergarten.

In meeting of 12 December 2012, the Mayor *Corinne Mauch* (SP) was quite upset when the City Council simply removed the membership fee of SFR 40,000 and the project fee of SFR 20,000 from the budget of 2013 (the voting was 65 no vs. 54 yes and 70 no vs. 55 yes, respectively). No wonder – a Metropolitan Area without a metropolis is a curiosity, after all. In addition, Mrs Mauch has been president of the Metropolitan Conference since May 2011 – a president without the city which she supposedly represents in this panel?

In order to “save” the Metropolitan Area Zurich, Corinne Mauch will try to apply for a supplementary budget in the City Council early in 2013. We hope that

the Zurich parliament will stick to its resolution so that this ill-fated construction can be buried for good.

“Of course the cantons will continue to exist. The question is how can the Metropolitan Conference fulfill its task in parallel?”

With this outrageous statement, the Zurich Mayor has been confirming the fundamental criticism of the opponents: The Metropolitan Conference is an institution in parallel to our cantons which, however, is not mentioned in the canton constitutions and has not been approved by the sovereign.

“The living and working environments of people are less and less oriented along the city’s or cantonal borders [...] But the public institutions’ means of control are no longer reflecting this reality.” (Corinne Mauch in the “NZZ”, 7 May 2011)

Based on this dubious reasoning, a number of executive members have been “controlling” for three and a half years the “Greater Zurich Area” over the heads of the population although there has

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“Is political sovereignty possible ...”

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ed, drove young men into the arms of radical Islamists’!

To sum it up and update it in the words of *Michel Chossudovsky* at the University of Ottawa in Canada: The wars in Libya as well as in Iraq have been forays for oil. The aim was to privatize the country’s oil industry.

Energy transition or endless resource wars, lies, suffering and misery?

Ganser’s conclusion: Unfortunately, today’s world is investing more in arms than in the energy transition. Thus, the annual global military expenditure had been at 1,600 billion dollars in 2010. The large oil consumers are on top of the list: The US with \$ 700 billion, China with \$ 120 billion. Ganser says, “Anyone who uses violence and is willing to kill for the looting of oil and gas can gain strategic advantages. But the basic problem that the oil production will collapse in several countries can never be solved with violence. It is therefore important to avoid wars for resources and solve conflicts, wherever possible, without violence and use available funds for the energy transition. Only renewable energy may

ultimately get us out of the energy shortage because they will be available for generations.” (Ganser, p. 322)

And at the end of his work the author sums up, “After having studied for years the development of the oil industry, military spending, and various lies and deceptions in the context of resource wars, I hope very much today that the energy transition can be managed, and I commit myself to support this transformation with the *Swiss Institute for Peace and Energy Research* (SIPER). But I am also aware that the way is long and the risk of failure is high. Will we be able to manage the energy transition? I do not know, but I hope so. Or will we, our children and our grandchildren go on to face wars for resource, recessions, climate change and water shortages? The future will have to show it and document our ability to change.” (P. 362)

An approach that fully deserves the support of all peace-loving and democratic-minded citizens, in particular in small countries that could otherwise easily fall victims to blackmail of the greed of big powers. •

Source: Daniele Ganser. *Europa im Erdölrausch. Die Folgen einer gefährlichen Abhängigkeit*. Zurich 2012. ISBN 978-3-280-05474-1

- ¹ http://philosophos.com/philosophical_connections/profile_091.html
- ² http://articles.cnn.com/2006-01-31/politics/bush.sotu_1_energy-research-union-speech-advanced-energy-initiative?_s=PM:POLITICS
- ³ http://www.nytimes.com/2008/08/04/us/politics/04text-obama.html?pagewanted=all&_r=0
- ⁴ <http://www.h-net.org/reviews/showrev.php?id=23080>
- ⁵ <http://www.eutimes.net/2010/01/why-germany-really-lost-world-war-ii/>
- ⁶ https://en.wikipedia.org/wiki/History_of_Baku
- ⁷ <http://www.infowars.com/pearl-harbor-as-a-no-ble-lie/>
- ⁸ http://www.thirdcoastpress.com/4th_anniversary_the_next_war.php
- ⁹ https://en.wikiquote.org/wiki/Madeleine_Albright
- ¹⁰ <http://www.washingtonsblog.com/2012/10/the-wars-in-the-middle-east-and-north-africa-are-not-just-about-oil-theyre-also-about-gas.html>
- ¹¹ <http://www.energybulletin.net/stories/2004-06-08/full-text-dick-cheneys-speech-institute-petroleum-autumn-lunch-1999>
- ¹² <http://reason.com/archives/2004/07/21/energy-independence-the-ever-r>
- ¹³ <http://www.defense.gov/transcripts/transcript.aspx?transcriptid=2704>
- ¹⁴ <http://www.commonwealthclub.org/events/archive/podcast/wesley-clark-former-nato-supreme-allied-commander-author-time-lead-duty-honor>
- ¹⁵ <http://www.guardian.co.uk/politics/2003/sep/06/september11.iraq>
- ¹⁶ <http://www.guardian.co.uk/world/2007/sep/16/iraq.iraqtimeline>

"Metropolitan Area ..."

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never been a vote on it – neither in the communal assemblies, nor in a popular vote or in the parliaments. Just as if the Swiss cantons and communes had not been discussing their issues for ages – but of course based on contracts between cantons and communes and in agreement with constitution and law. Yes, there has not even been a debate in the Zurich City Council – and elsewhere – and the fees, small in relation to the billion Francs budget of the city of Zurich, just slipped through in the meetings. This was confirmed by a member of the council.

The commission minority moves for annulment of the Metropolitan Conference fees

In the City Council meeting on 12 December 2012, the minority of the *control commission* has made a move to slash the membership fee of SFR 40,000 and the project fee of SFR 20,000 from the 2013 budget. The applicants came from various parties (Greens, Green-Liberals and Swiss People's Party SVP). Initially, the FDP (Liberals) backed the magistrate's application. After the Mayor Corinne Mauch's speech they changed their minds, contributing to a clear No vote in the City Council vote.

In their motion, the Green Faction criticized that the Metropolitan Conference, despite using nice-sounding words like "sustainability" or "climate protection", is trying to impose billion Francs projects like the city tunnel which do not match these ob-

jectives. In fact this expresses the discomfort of the members of parliament who are supposed to release money out of the city budget without being able to control the program of the Metropolitan Conference.

Karin Rykart Sutter (Greens): "Both of these motions are about the Metropolitan Conference. The minority in the control commission no longer wants to pay any project or membership fees for the Metropolitan Conference. For various reasons. The Greens are less concerned about the money. In our eyes, the politics of the Metropolitan Conference are completely weird, especially with respect to traffic. [...] We think that we should no longer participate in a panel like the Metropolitan Conference. Or at least that the stupid city tunnel is taken off the program. We ask you to support both annulment motions."

The SVP faction in the City Council has, from the very start, opposed the Metropolitan Area Zurich for principle reasons concerning democracy.

Roger Liebi, SVP: "[...] We are more concerned about aspects of democracy attempted to introduce with this Metropolitan Conference – and this has been done from the very start – to sort of lever out a little the regional, communal peculiarities. After all, it could be read in the first years that they try to lever out motions which would have to be promoted on the communal level otherwise.

We think that we do not need an additional conference. That people talk to each other is fine; this is part of the game. But to create such a conference for this reason

which almost behaves like a super-regional, a super-communal parliament, this is why we are opposing it."

The Mayor's eulogy (excerpts)

Corinne Mauch: "[...] The concept of Metropolitan Areas is, both on national and on international level, a concept that is increasingly gaining importance and in which traditional political boundaries no longer apply, but borders are really defined by the way daily life is happening. At national level, the Metropolitan Areas are also very important elements in the regional development planning of the Federal Government.

The issue of democracy that has been raised by the Swiss People's Party (SVP) is important. [...] The concept of Metropolitan Areas is actually a new approach to spatial planning and the government in economic and living environments. It is however absolutely not true, if this is described as 'levering out'. As Mayor of Zurich, I represent the city of Zurich at the Metropolitan Conference. I am elected by the people. All the members there were elected by the people. – (Unrest in the room.) [...] Trying out a new approach which exceeds existing federal structures, you must be willing to accept such a transition phase.

Focal point is that the entire area as economic and living environment shall be strengthened, not by – let me express it as follows – any singular interests or specific interests of Podunk (any small place) – or by the city of Zurich's interests, but the main focus is on dealing with the interests of the overall area. This is the concept's incredibly exciting and important character. [...]

And of course, traffic and spatial planning issues are very important in this context. Priorities mentioned in connection with the lobbying activities should be understood in the sense of strengthening the Metropolitan Area, also on the federal level. Criteria have been defined and accessibility within the Metropolitan Area and between Metropolitan Areas has been made the central criterion. [...]

If you have been watching the activities of the Metropolitan Area Conference a bit you may have realized, that there was a clear emphasis on the activities related to public transportation – as far as the traffic sector is concerned. Just to mention the FABI project (*Financing and Developing of Railway Infrastructure*). Thanks to the high commitment of the Zurich Metropolitan Conference, the Council of States has made the decision to double the budget of the first steps of the FABI project by 6.4 billion Swiss francs, and that even the Zurich area is now back at the top of the list of key projects in public transport.

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Fundamental criticism of the Metropolitan Area construct

"It is evident from what Mrs Mayor said that she denies what is actually happening, i.e. that the proper democratic structures of this state and its territorial structures are being leveraged, and to some extent only a political elite should have a say. Every man for himself is of course democratically legitimized – but it is basically a very, very indirect democracy, that is cultivated here. Care is taken effectively to ensure that the citizen has no more to say. There are representatives of the executive of how many municipalities and cantons ever, who throw the dice together. Thus they might agree relatively fast. There is a certain 'unité de doctrine'. One may ask: Why should the so-called Metropolitan Area even be strengthened at all? The so-called Metropolitan Area of Zurich is already a cancer within our country, which quite understandably is perceived as a threat by the other Confederates. Today we already have the problem in this agglomera-

tion that each week we talk about schools which are to be built; we talk about housing problems every week; new buildings are erected like mad, there are not enough flats – and here comes Mrs Mayor and says: You will have to increase the attraction of the so-called Metropolitan Area even more. Does this chunk have to be extended, although it is already crushing half of Switzerland? People think we ought to grow as if we were in competition with other 'metropolis' – that is why the whole thing is called like that – with cities like London or Paris or Berlin or whatever.

For fundamental reasons, for democratic reasons and for reason of regional planning we are convinced that one should not endorse such efforts, and that the city of Zurich should quit this club."

Christoph Spiess, municipal councilor SD (Swiss Democrats)

(Translation Current Concerns)

"Metropolitan Area ..."

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Concerning the issue of democracy, I would like to announce to you: the contributions to the Metropolitan Conference have been awarded for 3 years. We get into a situation where it comes to repetitive contributions now, and I will submit an instruction to the City Council, and I hope we will then actually discuss both function and importance of the Metropolitan Area.

It is absolutely wrong, [...] if all members in this whole area are taking a very narrow view and say: Well, what does that Metropolitan Area do for me? [...] This is not the point at all. The point is however to take a global view. (Unrest in the room.)

In the meantime, other regions in Switzerland have also taken steps towards a Metropolitan Conference, [...] and I think it is worth the effort to allow something new to work for some time and to conduct this experiment really together. (Still unrest, President rings.)

The city of Zurich is the core city of this entire Metropolitan Area, and it is extremely important that the city of Zurich does not take a very narrow view but is able to see the bigger image with all our partners in this Metropolitan Area.

I appeal to you to agree to these two requests of the City Council."

**Majority of the City Council
votes against the Metropolitan Area**

Following the Mayor's memorable and unmasking speech the President of the Accounting Control Committee (RPK), *Urs Egger*, FDP (Free Democratic Party) – being

in favor of the contribution to the Metropolitan Area prior to her speech, pronounced his opinion in the following fateful words:

"Dear Corinne Mauch, during this almost seven-minute eulogy our attitude has changed. (Laughter). Before we had quite a different view of this Conference, (Laughter.) What you have just told us is exactly the opposite of what we expected. I am in fact rather astonished. I had a different view on what is going on there. I must tell you, we had discussions in between, and we will no longer stay with the majority."

In the following vote there was no agreement on the contributions for the coming year in the Metropolitan Area of Zurich – despite the Mayor's desperate attempt to change the council's opinion into a Yes vote with a second speech.

**Metropolitan Conference
acts beyond democratic structures**

Interestingly, Corinne Mauch pointed out in her second statement, that joining the Metropolitan Area had never been subject of a debate in the City Council and she offered to put it on the agenda in the new year.

Upon request, one of the present city councilors confirmed that financial contributions have actually been approved in the last three years by the council, without ever discussing sense or nonsense of the Metropolitan Area. The change of the Liberal Party's opinion is to understand on this background: Many members of the council were apparently not informed what the Metropolitan Area is about and what is on the Metropolitan Conference's agenda. In her speech the mayor involuntarily confirmed the reproach that this

so-called "association" is beyond our legally established democratic order. A number of executive members established the association in the summer of 2009 – without having obtained a constitutional order by the sovereign. Corinne Mauch was elected by the people to become Mayor, which does not mean at all that she is the legitimate representative of the population in any association that fits in her stuff; she should however devote her working hours funded by the taxpayer solely to execute her legally defined official duties. The executive authority has no right at all to take taxes and pay them as membership fees to an association, which is beyond its statutory obligations. •

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“Ignoring reality is not only stupid, but also a criminal threat to the future”

hep. On 28.11.2012, the Austrian agronomist and economist *Heinrich Wohlmeyer*'s latest book “Empörung in Europa – Wege aus der Krise” (“*Outrage in Europe – way out of the crisis*”) was presented to more than 200 interested listeners in the *National Defence Academy* in Vienna. Further panellists discussing were *Claus Reitan*, chief editor of the weekly magazine “*Die Furche*”, *Dr Stefan K. Zapototcky*, financial consultant and former CEO of the Vienna Stock Exchange, Brigadier MMag *Wolfgang Peischel*, chief editor of the “*Österreichische Militärzeitung*”, Univ. Professor *Markus F. Hofreither*, Institute for Sustainable Economic Development at the University of Agricultural Sciences in Vienna, and *Rudolf Svoboda*, entrepreneur and chairman to the *Association of Christian Entrepreneurs (VCU)*.

After words of welcome by Brigadier Mag *René Ségur-Cabanac*, deputy commander and chief of staff of the National Defence Academy, the two-hour discussion on H. Wohlmeyer's theories focussed on what Austria's needs were for the future, in particular in regard to the question of a forward-looking economy that should serve the citizens and be shaped by them.

A brief description of Austria

Austria is a small country with 8.5 million inhabitants, more than two-thirds of whom earn their living in the services sector, with the remaining third working mostly in trade and industry. 5% of the population engages in agriculture. The country's national debt is high, amounting to more than 230 billion euro (72.4% of GDP) in 2011, which corresponds to a debt of 55,305 euro per Austrian in employment. The annual interest on this is 8.2 billion euro, 1,970 euro for each worker, and is still rising (www.staatsschulden.at). As comparison, the annual interest alone is equivalent to the expenditure on compulsory schooling (4.6 billion euro) and universities (3.6 billion euro).

A million at risk of poverty

The unemployment rate in December 2012 was 8.6%. In total, 385,438 people were out of work in Austria, an increase of 6.9% compared to December 2011. At the same time, in 2011 about 13% or more than a million Austrians can be regarded as being on or below the poverty line (!) – despite the fact that Austria is still one of the richest countries in the world. A large proportion of those affected are single parents and women with no or insufficient pension.



Unequal distribution

The number of daily hot meals served at a large Viennese *Caritas* centre for the homeless has doubled in ten years to nearly 94,000. The “social markets” (shops which sell lower-quality goods to the poor, CC) recorded a new high with 45,000 authorisation cards in 2012. At the same time never before were there so many expensive cars bought as last year, in 2012. *BMW*, *Mercedes*, *Porsche* and *Ferrari* recorded double-digit growth by November despite an overall shrinking car market. Similarly, 187 people in Austria had a gross annual salary of more than one million euro in 2012. At the same time, one million people in employment in the same country earned less than 10,000 euro per year. 5% of all households own 45% of the country's total assets, while 40% of households have net assets of less than 50,000 euro (“*Kurier*”, 30.12.2012).

Don't let your perception be obscured

H. Wohlmeyer: “If more and more countries and other communal bodies run out of money and a generation that has neither experienced war nor real need, claims its birthright of being fed and if, in addition, this generation has never encountered any kind of sacrifice but only knows how to make demands and the adrenalin-pumping effect of ‘party-party’, then there is prerevolutionary potential. Radical organisations and foreign powers can take advantage of this situation. Apparently we have, uncritically ignoring the truth, made our comfortable home on a powder keg. The youth riots in France and England should be a warning.” (P. 227)

It was these almost civil war conditions in the wake of debt, unemployment and social tension that Heinrich Wohlmeyer took as a starting point of his presentation in the National Defence Academy. Excessive austerity measures could lead to violent conflict, refugee flows and internal unrest (*Current Concerns* reported). Wohlmeyer pointed out that the Swiss army currently considered it possible for the situation in the crisis-stricken countries of the EU to escalate and was taking into account an impact on the internal security of Switzerland, with such scenarios already being practiced during manoeuvres.

There are ways out of the financial disaster

“The money,” says H. Wohlmeyer, “which was initially almost forced on the countries to later increase the interest rates by means of corresponding ratings was created out of nothing (*fiat money*). It must now be returned to nothingness in an orderly way to avoid extreme social turmoil with unpredictable consequences. The accumulated financial bubble is currently about three times the world's gross product – i.e. the value of all goods and services that are created around the world. What is necessary at the moment is a controlled implosion by debt waivers or the levying of adequate amounts of money from the wealthy according to the principle of financial capability. This is the only alternative to the radical abolition of the wel-

“Suppression of reality ...”

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fare state, utmost suffering, chaos and civil war or war.” (P. 251)

Next Wohlmeyer suggested that the financial sector, which no longer serves the citizens but has adopted parasitic character, should be held accountable to its public welfare duties by a democratic “revolution from below”. He cites the Bavarian Prime Minister *Horst Seehofer* who had characterised the relation between the financial industry and government responsibilities with the following words: “Those who decide are not elected, and those who are elected, have nothing to decide”. (P. 253) If we want to regulate the financial economy, the author recommends decidedly that we follow *Irving Fisher*, an important US economist who has dealt with the consequences of the global economic crisis in the 30s. “100% money”, that is just plain money or central bank money, may be granted by banks. “This path would be possible in the euro zone, the ECB stepping in at the expiry of bonds with its own interest-free money, thus contributing to reducing the debts of the states, instead of giving the banks cheap money which they continue to lend at high interest rates or ‘park’ at the ECB to bridge risk periods.” (P. 256). A strong movement is required that demands such a reorganisation in order to break the resistance of the self-proclaimed financial elites.

Parallel currencies are also useful

As a first concrete step on the way out of the crisis, the author recommends the introduction of a transaction tax on the trading of money, a general international capital-VAT, an Internet tax, the taxation of large financial assets and the above-mentioned big worldwide haircut. The supporting measures that would lead to a smooth deflation of the financial bubble and create scope for country-specific additions such as parallel currencies or express money or stamp scrip in the tradition of the *Wörgl model*, are examined in detail by Heinrich Wohlmeyer in his comprehensive chapter on ways out of the financial crisis.

Performance orientation and value basis priorities for our youth

In this regard Stefan Zapotocky, board member of the Vienna Stock Exchange in the years 2000 to 2006, stressed that he had observed with great uneasiness, how little willingness we Austrians have had to oppose US investment banks and to invest in our own business locations. In the course of these years alone, Anglo-American funds had withdrawn 30 bil-

lion euro of revenues from our country. He also pointed to the fact that we have been spending more than we have earned and that it is of utmost importance to that end that we convey to our youth the right attitude towards a performance orientation and value basis and that we put our main emphasis on education. Companies will only have long-term success if the following three conditions are satisfied: We need people with a moral attitude towards economy and a company that is rooted in the region; it has to be oriented towards performance, i.e. it must guarantee highest quality and economy; and ultimately, they must act in line with environmental requirements.

Natural Law as a Guideline

Brigade commander Peischel built an interesting bridge by referring to military science and the tasks of the armed forces to protect a society that is under threat from outside and inside. He stressed the importance of a general education in connection with military education. A humanistic education, which has as its goal the mature and informed person, the officer who acquires the ability to examine the received orders on the basis of Natural Law and a moral foundation and if necessary recognizes the wrongfulness of the order is central for our time. He pointed out, that big differences exist even within the German-speaking countries today. The North German military school has been less focused on a broad general educational – until today – in contrast to the Munich or Austrian Military Academy. In a very concise way MMag. Peischel also pointed to the breach of international law in the name of human rights and in response to the risk of creating a kind of common law which repeatedly would violate international law in the name of protecting civil security in another country. This leads to the law of the jungle by disregarding international law as the cornerstone.

Reversing the burden of proof

In his contributions the economist Prof Hofreither addressed the possibilities of politics and the democratic state to confront the financial power, an issue that is discussed in H. Wohlmeyer’s book, as well. Where necessary, we need to erect barriers. After we accepted in the 80’s that the laws which protected our economies were revoked, after we allowed the growth of huge bubbles and created a monetary union that could not work – many have warned us of the high costs – it is now necessary to reverse the burden of proof: If the investment bankers with their “innovative products” had to obtain state approval first and had they

been obliged first to prove that they were compatible with and beneficial for the common good, matters would look different today. There would have been a lot of provisions. Hofreither compared the process with the pharmaceutical sector where each medication has to undergo a long testing and approval phase. In retrospect, the state would have had to take a much more active stance. Had that be the case the state would be much better informed today and would not have to run after the banks, which often themselves did no longer understand what had been going on.

A federal Europe of nation states is a modern concept

The unique character of Europe is its diversity. The modern nation states were created to ensure equal rights for all citizens in a country, and are not – as is constantly suggested – themselves the original cause for warmongering, rearmament and genocide. Heinrich Wohlmeyer argues also in this sense for a federal Europe of father-/motherlands and rejects a politically imposed “European federal state” which would further weaken the national parliaments and their fiscal autonomy which has been already massively weakened. The consequences are visible now as the example of Austria and the situation of its people, as described above, makes clear. It is an alternative “to create a confederation of states in the form of a deepened EFTA with a common, legitimate and democratic legal and peaceful order. In such an international structure, Switzerland with its high culture of democracy as well as Iceland – which showed the successful rebellion against the financial dictatorship – would be valued members.” (P. 241)

Reflection on the federal structure and public services modelled on Switzerland

In his third major section titled “action”, the author describes ways out of the crisis at different levels: Communalisation and buying back public services, conservation of small communities, promotion of local cooperatives, energy and food planning and more.

Switzerland as a role model for Europe

One idea has to be stressed here: The federal and democratic tradition of Switzerland and the Swiss citizen’s responsible, alert and appreciative way of life is a living model for Europe. A little example is used by the author to explain what he means: As a child, he attended a Swiss secondary school after World War II. Civ-

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Germany

Less war in the new year? Yet we are miles away!

by Karl Müller

Once there was a German Chancellor who said: "Peace is not everything, but without peace everything is nothing." That was about 40 years ago, however it is still true, but meets with no response in today's German policy. An editorial of the "Frankfurter Allgemeine Zeitung" of 18 December 2012 gives evidence of that by blatantly failing to mention what the Germans have gained through their own efforts after the end of the Second World War.

And you might ask yourself: How is it possible that in a country with a constitution which has put human dignity in the first place and whose commitment to human rights and international law has constitutional status, which even makes the preparation of a war of aggression a punishable offence – how can it be, that in such a country a well-known, internationally respected newspaper *complains* (!), that the population of this country have "not yet accustomed to an army, whose task goes beyond deterrence, but whose skills must include the targeted killing of aggressors on various venues this world?"

Germany ought to be a state under the rule of law since 1949 and has decided to ban death penalty. Just because human dignity ranks first. Being a state under the rule of law includes that everyone has the right to an orderly trial, even a crime suspect. With the establishment of the International Criminal Court, the international community intended legal action against criminals in authorities and government offices. It also intended to clarify whether vociferous accusations were substantial.

But since the Bundeswehr has become an "army in action", hence Germany's state of war was declared permanently, all this applies less or no more. *Bertolt Brecht* has pointed to the difference between war and peace in his book "Mother Courage": In times of peace a murderer is threatened by the worst punishment, in war he will be rewarded with decoration. But what price does a society have to pay for such a permanent state of war? Look back in history: from Sparta via Nazi Germany up to today's United States – a re-evaluation of values, a loss of decency, a brutalization of youth... The former US Secretary

of State *Madeleine Albright* said when asked if she could justify the more than 500,000 children who died as a result of sanctions against Iraq that it was worth the price. Ms Albright is still a "highly regarded" personality. A former German Foreign Minister of a former peace party is still closely cooperating with her until today.

Are there still any ethics in German politics? Or is it similar to the situation described in "Mother Courage" that in war "other laws" apply? Perhaps all teachers at German schools should nevertheless take their constitutional mandate seriously and go through articles such as the one from the "Frankfurter Allgemeine Zeitung" as an example of modern war propaganda. Thus the students in German schools will have the opportunity to make sure that a different attitude finds its way into German politics when they have grown up. Until then, today's adults are in demand.

This does not require superhuman powers. With the decline of the American Empire and the fundamental shifts in world politics, the air for breathing freely has become much better, also for Germans. •

"Suppression of reality ..."

continued from page 20

ics was a major topic at school. His host parents did their tax declarations by themselves and informed themselves about the usage of their taxes money at all levels: covering community, district, and state as well as federal government levels. For him, the core of this model is the best possible delegation of public authority from bottom up, paired with a professional control from top down, which again in turn is controlled from bottom up by the state population. "To the contrary, Austrian pupils are 'saved' from the allegedly complicated introduction to the community. Even at the tax level the pay-as-you-earn principle 'saves' the employee from the study of public expenditures. Most Austrians don't know their local MPs, nor do they have to undergo regular polls." (P. 287)

The process of legislation in Switzerland, with the preliminary phase of consultation, with the involvement of the cantons and stakeholders in the preparation of amendments to the Constitution and major projects through a 'referendum proof' presentation are recommendable examples for a country like Austria. We would have to task us with the goal to correct federal policies by means of the referendum and to extend our democracy by central direct democratic elements. We and our politicians would have to learn a lot instead of mocking Swiss provincialism.

No dismantling of the military service and no mercenary armies

The author decidedly argues against a Europe that lets itself be involved in NATO and European battle groups, in weapons and war operations. Likewise decidedly he is opposed to the competition for economic and political power. He thinks of a "Europe that decides – like the Swiss after the lost battle of Marignano (1515) – to no longer get involved in international quarrels but to focus on its own development." (P. 323)

With respect to a currently hot political topic – on 20 January, Austria will vote on the question of conscription or a professional army – Wohlmeier turns decidedly against the dismantling of the militia army and the widespread establishing of professional armies. Mercenaries want their wages and work for it, they are usable for foreign interests without major moral inhibitions – at home or abroad. On the other hand, the militia system makes various professional experiences available for the common good and furthermore the inclusive effect of a good general military service cannot be overestimated (see p. 326).

"Informational asceticism" for the recognition of important facts

In his book "Empörung in Europa – Wege aus der Krise" (Outrage in Europe

– Ways out of the crisis) Wohlmeier describes concrete prospects and opportunities for the individual, to gently but firmly take a stance against the current destructive intellectual and social developments and ways to stand up and to get out of the crisis. As well, the book is an antidote to the constant indoctrination telling us that there is no alternative to the current situation and political decisions. Everyone can do something, even if the conditions are not always easy. Modern info-tainment, event and advertising culture is trying to spam us with superficial knowledge. In this context Wohlmeier speaks of a "necessary informational asceticism" to free our minds in order to understand important facts. This can be done for example by reading 'difficult books', since "knowledge is an obligation of the individual."

We are directly addressed as citizens: "By seeing the signals of the time with open eyes and not refusing reality one must become highly alert at several levels [...]. Each of us has to contribute to the necessary course correction, if he is not to act irresponsibly and as a criminal against our future." (P. 21)

Thanks to Heinrich Wohlmeier for the numerous deep and profound thoughts and suggestions in his book which give new impulses and inspirations. •

Heinrich Wohlmeyer: Outrage in Europe – ways out of the crisis

Confucius is quoted as saying: The one who knows his situation, how could he ever be stopped?!

This "survival book" is the orientation which is necessary to realize the need, to cope with it and to turn it to the better.

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Indignation alone is not enough. It must be followed by consistent and constructive action. Knowledge to that end is a "collecting duty" – this book makes the "collecting" acceptable.

In his 2006 bestseller Wohlmeyer wrote – before the financial crisis: "There comes a time when every ostrich must pull his head out of the sand when reality seizes him by the collar – and this is now the case worldwide."

Since policy makers do not dare to make the urgently recommended liberating blow, he has decided to write this instruction guide for a non-violent, but courageous and constructive uprising action of citizens.

He proceeds according to the well-proven experts pattern SEE – JUDGE – ACT, instead of only perceiving and complaining, but also tackling the task.

He presents in a very concise way the monstrous social developments, their background and their dramatic consequences:

How much are we and mentally and materially manipulated and misled – including the education system? How does modern financial slavery, i.e. "neo-feudalism" function? How was the perfidious attack on the euro organized? Are unemployment, precarious working conditions and fear of the future an

inevitable fate? Must we save ourselves to death?

In section III, concrete ways-out are designed: reforms of the financial system oriented towards public welfare and fair rules for world trade; before this background, the financial recovery of the suffering public finances is conceived. Sufficient funds for education, culture, public services and social networks are made accessible. Work for all and future security are possible.

The vision of a "sustainable Europe in the future" – not as a world power, but as a radiating model for a peaceful and happy world – is not an utopia, if we rid ourselves of the "fatal entanglement in the current system," and if we dare take the step to liberation and tackle the re-organisation.

The famous cartoonist *Markus Szyszkowitz* comes straight to the point visualising the complicated facts.

Heinrich Wohlmeyer, retired managing-director, Hon. Prof. Dipl.-Ing. rer. nat., Dr iur, Graduate in Law, born in 1936 in St. Pölten, studied in Vienna, London and the USA. He was successful in industrial and regional development and is one of the few managers who were honored *with the Golden Medal of Labour* for their social engagement. He was at the cradle of sustainability concepts, created the first "Green Energy Program" for Austria and addressed the return of the petrochemical industry, for closed-loop natural products chemistry. To this end, he established the *Austrian Association for Research on Agriculture and Sciences of Life and the Austrian Society for Biotechnology*. He taught the circulatory-systems-oriented method at the Technical University of Vienna and is Honorary Professor of Resource Economics and Environmental Management at the University of Agriculture in Vienna.

The almost uncontestedly accepted destructive international constraints led him to question the financial and trade regimes. He initiated the Austrian compensatory levy legislation, wrote numer-

ous trade articles and authored the books *The particular WTO, Agriculture and Sustainable Development, 2002, and Global sheep shears – Against the politics of decline, 2006*. In the latter, he predicted the financial crisis of 2008, and called for a precautionary policy. The former "resistance against advice" of the decision makers in the face of monstrous developments (particularly euro crisis, youth unemployment of 50%, non-financial politics and increasing destruction of livelihoods) prompted him to write this "uprising book" showing the way out of the crisis and to create a "survival pedigree" for politicians and citizens.

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The Swiss Red Cross in Kyrgyzstan: Successful health development in the village

Non-dominant behavior previously reflected in a special training

by Gabriela Neuhaus

cc. Listening and accepting on an equal footing must be learned. If even the Swiss Red Cross team with Tobias Schüth significantly benefited from such considerations before they tackled the task of rural health development in Kyrgyzstan, development workers in other countries should take this into consideration as well. The Swiss are already used to meeting on an equal footing from their own commune at home. The Kyrgyz will be happy to pick that up.

Whether teacher, carpenter, or housewife – thousands of citizens in Kyrgyzstan are involved in volunteer work for the improvement of health and well being in their villages. In this field the members of the local health committees play a major role in the rural areas as partners of the professional health workers: They examine the current needs, make home visits, organize information events, initiate vegetable gardens or campaigns against alcoholism.

Ten years after the foundation of the first Health Committee within the *Community Action for Health Projects* (CAH), the voluntary organizations have contributed much to promote health in the country. For example, by offering regular blood pressure checks and by ensuring that dilapidated water pipes are repaired. A particularly successful campaign, which even found international recognition, was providing the village shops with salt-control sets.

Since that time dealers and customers have been able to examine with a simple manner of testing whether or not the ingredients that were written on the package were really in the salt, and non-iodized cooking salt is no longer sold in Kyrgyzstan. As a result, crop diseases, still frequently occurring in the 1990s, have sharply decreased.

For Tobias Schüth however, who has developed and built up the CAH project on behalf of the *Swiss Red Cross* (SRC), the most important success so far is that people's attitude has changed: "They have

realized that the responsibility for their well-being does not lie with the Ministry of Health, but that they are responsible themselves."

Investments in infrastructure

From the outset the establishment of a basic health care was indeed provided for in the Kyrgyz health reform program. But in an initial phase the urgently necessary remedial maintenance of the hospitals was a priority for the government. Thus the Swiss Agency for Development and Cooperation (SDC) [DEZA], which since 1999 has been involved in the implementation of health reform in the Oblast Narin, confined itself to hospital renovations and restructurings in the first year aiming at the reduction of operating costs. The SRC, however, commissioned to carry out the work, quickly urged the health promotion in the villages to be advanced. At first this suggestion met with

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picture Tobias Schüth

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"The Swiss Red Cross in ..."

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skepticism in the Kyrgyz Health Ministry. Only when the SDC assured that the hospital renovations would nevertheless be continued in the existing framework, Tobias Schüth and his team were given the go-ahead to work in the villages.

By respecting the concern to continue the renovation of the hospitals, the SDC had created trust among the Kyrgyz partners and thus were able to open many doors for the new project, says Schüth.

Needs of those directly affected as a guide

With their commitment in the country they dared something new: Based on the conviction that public health can only be improved in cooperation with the directly affected people, the village population was invited to present their concerns to the local doctors and nurses. "The doctors and nurses are living in the village – but it was the first time that they went out and questioned the people instead of preaching to them what they should do" says Tobias Schüth. This encounter on a totally different level was important for everything else to follow. After the meetings the people thanked the doctors that they had listened to them. And the health care professionals were impressed how much the people already knew about the issue. To ensure the success of such encounters, Tobias Schüth emphasizes, the respectful behavior of both the doctors, the nurses and the staff of the project towards the people in the village is necessary: "We have previously practiced this in a special intensive training course for non-dominant behavior. A partnership often fails because nobody invests in such reflections. But this is just as important as learning about anemia or blood pressure."

Flexibility of the donor as a prerequisite

On the one hand, the meetings in the villages gave the impetus for the formation of health committees, on the other hand, the project managers had some first-hand information about the most pressing health problems in the country now. On this basis they developed a wide range of activities and projects in collaboration with all partners. This was possible because the SDC refrained from constricting budget guidelines and left a free hand to the project team: "We said that we wanted to develop a model for rural health promotion. For this purpose we needed money for meetings and training – that was all we knew", Tobias Schüth recalls. The flexibility of the donor had been the prerequisite for the development of a model that was tailored to the Kyrgyz conditions.

Transformation in Kyrgyzstan

Until the early 1990s, there was a well-functioning medical care in Kyrgyzstan that was accessible to all and free of charge. After the collapse of the Soviet Union resources were lacking to continue to maintain this system. At the same time the health of the population deteriorated due to increasing poverty and the collapse of infrastructure in the area of water supply and waste management. Despite limited resources, the government was strongly committed to building a new health system: With support by WHO, World Bank and USAID, it launched a family doctor system that works well today. The health care reform seems well on track. However, especially rural areas suffer from acute shortage of doctors – many emigrate abroad, where they earn several times more.

The actions that were developed within the CAH project, base on a broad interpretation of health promotion. As with the hospitals, also in the villages wide-ranging investments in infrastructure have been made: Many health posts and bathhouses from the Soviet era have been brought up to date, water pipes have been repaired. "You can not preach to people to drink clean water, if the water pipes are dilapidated. So you invest "in the restoration of the water supply", Tobias Schüth explains the approach.

From a pilot project to a successful health program

At the meetings in the villages it became obvious that anemia was one of the most pressing health problems. Therefore, the CAH project performed a study that tested the effectiveness of sprinkles – a pow-

der with the micronutrients iron, vitamins, zinc and folic acid – which is added to the baby food. In the test areas anemia could be reduced by up to 40 percent with the new method. Encouraged by this success, Kyrgyzstan launched the world's first national sprinkles program in 2011.

But also the CAH project as a whole is a success story: The initial scepticism of the Kyrgyz Health Ministry was quickly forgotten. The first 15 villages were soon followed by others. Since 2005, the Health Committees have been part of the official reform program for the promotion of rural health infrastructure. In addition to SDC, other donors became involved for nationwide expansion.

In the provinces the Kyrgyz Ministry of Health in turn makes both money and human resources available to support the health committees. In many places these have developed their own initiatives beyond participation in CAH and are now working together with various partners, particularly with local governments. "People have learned to make their voices heard, to deal with authorities and to find resources," Tobias Schüth says. He adds: "That is the way democracy develops from below. Almost unwittingly our health promotion project has contributed to it."

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