

Impeachers' Mantra: War Is Peace!

by Paul Gallagher

This is the edited transcript of Paul Gallagher's opening remarks on the weekly LaRouche PAC Fireside Chat on November 14. Subheads have been added. The full webcast is [available](#).

Let's discuss the crisis facing us, and our immediate objectives in facing it. First of all, let me remind people, we are in a situation of financial crisis. It's a global crisis relatively speaking, but I'm discussing it now in terms of the United States. We know, more or less, that some relatively large financial institutions—one or more—have become illiquid this Fall; in the way that Bear Stearns and divisions of Citigroup became illiquid in early 2007.

We know this from what the Federal Reserve Bank has been forced to do since the middle of September. It has been forced first to establish daily liquidity lending to the big banks, overnight, on a rapidly increasing scale which has now reached the level of \$120 billion *per day* in what they call overnight liquidity emergency loans. In addition, the Fed has been forced to add two-week emergency liquidity loans up to \$45 billion a day. That started lower also and has gone up.

In addition to that, just today it has announced an additional program of emergency liquidity loans to begin in December for 14 days or 28 days; whatever is sufficient at that time to get these obviously somewhat crippled financial institutions past December 31—past the end of the financial year.

This is all being done essentially in secret; even financial publications which specialize in reporting Wall

Street financial news and so forth have not been reporting the way in which the Fed has been increasingly forced to do this. And of course, one has to read not only the Federal Reserve sites and so forth; one has to read the blogs—not just financial blogs—but contrarian financial blogs, to find *any* kind of coverage of this going on.

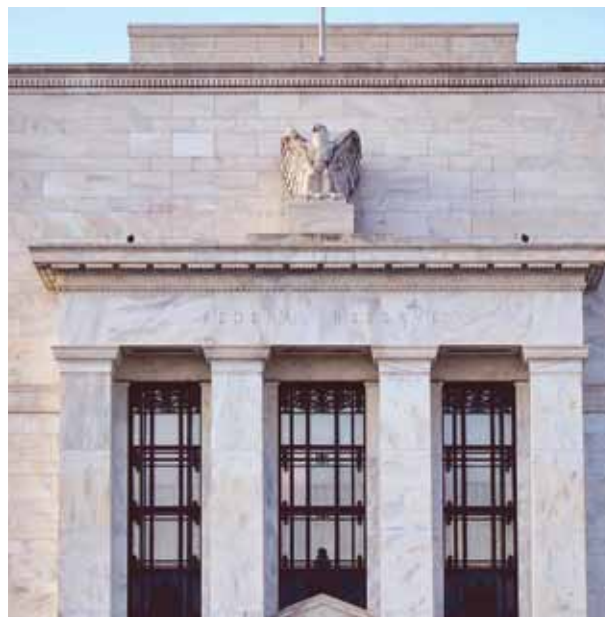
Of course, there is an even deeper secret as to what are the actual financial institutions that need this emergency liquidity every day. They are paying some of it back every night, but over this period of two months since mid-September, we know that the Federal Reserve put out, more or less permanently, more than \$300 billion in bailout cash on an emergency basis to large financial institutions—to the 25 so-called primary dealer banks.

Where it's going from there is being kept a secret. Whether it is any of those banks which are the biggest banks in Europe and the United States which are illiquid, that is being kept a secret by the Federal Reserve in the way that it was in 2007. Although at that time at

least, there were some business journalists who made very hard-hitting efforts to find out which they were, and found, for example eventually, that \$2.5 trillion in loans of this kind were made to Citibank in that period of time in order to keep it from blowing up completely.

If we were in a repeat of the 2008 crash (which we are not, and this may very well be a considerably worse one), this would place us roughly at the point of April-May 2007 in the run-up to the September 2008 global crash. It was

EDITORIAL



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The Federal Reserve Board Building in Washington, D.C.

just before that time that our magazine, *Executive Intelligence Review*, in a rather notorious headline on the front cover of a feature story, said “the mortgage meltdown could cause a global crash.”

That article described in ten pages exactly how that was likely to happen. This was perhaps 16 months away at that time, but it was visible. It was clearly visible to Lyndon LaRouche; it was clearly visible to the intelligence people in his movement. He then immediately moved to say what had to be done to protect the economy from that coming crash. Not to stop it—he said it couldn’t be stopped—but to protect the economy from it.

Now, this market into which the Federal Reserve is pumping the liquidity, is called the repurchase market or the overnight lending market. That market is not what is driving this crisis; it is the ten years of zero and negative interest rates by the central banks; it is the now \$16 trillion debt bubble in the United States, which grows at \$1 trillion a year and has nearly tripled since 2009, which is actually driving this. The derivatives figures which have just been published by the Bank for International Settlements are disturbing. You can see from them that more and more trillions of actual bank assets and financial assets are at risk of suddenly being lost in the derivatives markets.

Finally, the climate change Green bubble which the central banks are pushing now, to force investment out of coal and oil and so forth and into solar and wind—which they imagined might slide them through this crisis without a complete crash—is actually making it worse. Because it is very rapidly pulling down the market values of assets associated with fossil fuels in particular, and it is bringing forward—not pushing away, but bringing forward—the point of this crash.

Enact LaRouche’s Four Laws, Now!

So, knowing that that’s happening, right now what we must accomplish is to re-establish the Glass-Steagall Act in the United States. The Democratic Party has disappeared on this issue. Just one session of Congress ago, there were 90 Democrats in the House and 11 in the Senate who were sponsoring Glass-Steagall bills. Now there are virtually none, because they’re all totally absorbed in trying to impeach the President.

The Glass-Steagall Act is essential now. It would give the commercial banks time to withdraw themselves from all the speculative hedge funds, investment banks, private equity funds, derivative markets, and so forth, and let those things crash on their own. While the lending banks would still be able to lend, so the United States would then issue productive credit for infrastructure, for manufacturing. To get out of the crisis, that credit will go to the banking system where we want it to go—into productive employment and productivity—and will not disappear into a million speculative channels.

So, Glass-Steagall, as everybody knows, is one of the *sine qua non* laws of what Lyndon LaRouche has



called his “Four Laws” for an economic recovery. It leads directly to the issuance of that credit, and to much bigger things, including crash programs in space exploration and fusion power development. We have to get that first step under way.

Secondly, we have to fight for openness to cooperation on credit with China. This is one aspect of combatting the war drive that Barbara was talking about. But specifically, in this case, the United States and China are in a position to very readily cooperate in joint issuance of credit for major productive projects. Not only within their countries but, as China is already doing, within many third countries to which we can export capital goods to which our manufacturing will contribute.

We have a pamphlet, “End the McCarthyite Witch-hunt Against China and President Trump,” which will be released within the next few days. It directly attacks the propaganda against China in this country, exposes where it is coming from. Who controls, for example, the Falun Gong group and the *Epoch Times* which many of you may suddenly have seen emerging from nowhere in recent months? Who actually connects this to Steve Bannon, for example? Where is the money coming from that is driving this propaganda war?

But equally importantly, what are the immediate steps by which China, with its very large holdings of U.S. Treasury securities, could put those Treasury securities to work in a credit institution in the United States to build new infrastructure in the way that President Trump clearly wanted to do when he was a candidate, and to rebuild our manufacturing capability? The United States, with other countries, could move its space program, Artemis, the Moon-Mars program, forward much more rapidly if the budget sabotage of certain Democrats were to be overridden.

The wide distribution of our upcoming pamphlet is going to enable the President, for example, to take trade settlement steps—not in the way that they’re being taken now, which is an infinite process leading to nowhere. It’s like constantly approaching an essence which will never be reached, and there is not going to be any agreement this year. Instead, it will enable him to take trade settlement steps in a different way—in a way which would actually get credit flowing between the two countries and get great project building under way, for example, in Mexico



Igor Kolomoisky



Fiona Hill



George Kent



William B. Taylor, Jr.

and Central America with the joint investment of the United States and China. So that pamphlet is intended to accomplish something very specific.

The ‘Whistle-blowers’ Scam

On the impeachment fight, I’m not going to repeat what Barbara very succinctly and powerfully described in what Dennis read to you at the beginning, nor what he added to it. Let me say just this: We want to put the mass organizing against the impeachment process on the basis of a drive against the British war game; a drive against the war game, and in this particular case, very specifically a British intelligence war game. Why? Why are they doing it? In part, because war is the resort of imperial finance when a financial crisis hits them.

When their financial power appears to be disintegrating or in danger of doing so, war is their response. It changes the geometry in ways that they like: it confuses the people in the countries affected by the war. It enables them to keep their balance—they think—in the face of the loss of their financial power even temporarily. So, they resort to war in these situations. But here we have something building up in addition for a very long time, as Barbara described. So, you have a war impeachment against a peace President. This counter to impeachment by us has to be a drive against a British war game.

No one should imagine that Adam Schiff is running this impeachment drive, or that Nancy Pelosi is running it, or for that matter, any Democrat.

Adam Schiff is like the little boy under the Christmas tree, who suddenly opened a box on Christ-

mas morning—or in this case, it was in July—and found there his great big prize, a CIA top-secret clearance badge; then turned around, and saw coming through the door of his office all the superheroes of the swamp, one after another. From the State Department, from the National Security Council, from the CIA, from the DIA, from the Pentagon; coming in and saying, “Adam, we want to testify at the hearings you’re going to hold.” “I am?” says Adam. “Yes, you’re going to hold them. You’re a smart boy. You too can be a hero in this drive to bring down the President, so get going!”

“We have a whole bunch of whistleblowers (or smoke-blowers as you might call them) from the CIA. A whole group of them who are ready to give you everything you want. Then we’ll all be there, all of us from the swamp, in order to come in and promote war as national security. We will explain to all of the viewers of your hearings across the country that a war confrontation with Russia is actually national security, that perpetual wars throughout the developing world actually constitute national security, and therefore peace. We will convince them that U.S. national security depends on perpetually being in regime-change war, and that in fact, this is the essence of peace.”

The Truth About Ukraine

If you have listened to or read (exactly as Barbara said), what these swamp creatures testified to at the hearings, that’s exactly what they’re saying. And they were concentrating on Ukraine; this is now, as the President himself said, the third stage of the drive to get him out. In this case, it is specifically aimed at a policy of getting Ukraine back at war with Russia. The clearest proof of this appeared yesterday in the *New York Times* in an interview with a man named Igor Kolomoisky. He is acknowledged to be the political sponsor, more or less, of the new President of Ukraine, Volodymyr Zelensky.

Kolomoisky is one of these very rich, what they call “oligarchs” in Russia and Ukraine. He has had a very dramatic change in his view; he was previously funding and equipping his own militias to fight the Russian-speaking Ukrainians in the East. He now has an entirely different view, and in his interview, he said, “Impeach-

ment is the last straw. Now that we see you doing this, or trying to do this, impeaching the President, we are going back to Russia.” He said the objective of everything that is being done in this impeachment drive is “war against Russia to the last Ukrainian.”

Kolomoisky said, we are not playing that game; we want peace with Russia. We want to organize the rebuilding of our country and collaborate with Russia on this. He said specifically, “If I were President of Ukraine right now, I would do exactly the investigations of corruption that President Trump wants to do. If a Democrat then became President and gave me any trouble, I would simply tell them, ‘We’re allying with the Russians.’”



Azov News

The Azov Battalion of the National Guard of Ukraine, marching under the banner of Hitler’s SS, in Berdyansk on July 21, 2017.

This is not just a man who has changed his views. He is now the target of all of the people who are testifying in the impeachment hearings in Washington. He named them, one after another: Fiona Hill, George Kent, William Taylor. All of these have demanded that he be forced back out of Ukraine. He had to go into exile in Israel while Poroshenko was President there; now he has come back. These swamp creatures, the “War is Peace” gang, have all demanded that he be forced back out of Ukraine and that any move towards an accommodation with Russia be stopped, because this does not serve the national security of the United States.

Therefore, lack of war between Ukraine and Russia is “war” as far as these people are concerned. And war

between Ukraine and Russia would be “peace”; according to them it would serve the national security of the United States, and this has become a mind-numbing drumbeat. At the same time, they are moving very dramatically now against the new President, Zelensky, the one who everyone saw meeting with President Trump when all this broke out. They’re moving against Kolomoisky, his sponsor. They’re moving to revive the control of the fascists associated with the Azov Brigade and so forth in Ukraine, and get actual war fighting with Russia going again. As Kolomoisky said, “war with Russia to the last Ukrainian.”

The Same Old Hype and Lies

This is the nature of the impeachment drive. It is aimed at televised propaganda to the American people on a mass scale, telling them, “Remember, American policy, American national security is perpetual war. Trump is wrong. He’s crazy; he wants peace with Russia, he wants peace with China. He wants peace in Syria; he’s crazy, he wants to withdraw. We need war. War is peace; war is national security.” They are saying this over and over again to a completely distracted American population, thinking that they can stampede them.

There is one example in American history that strikes me very strongly, in which something exactly like this was done. That was in the 15 to 18 years before the Civil War in the United States, when the Congress came under the control—not by a majority, but effective control—of the slave-holding power from the Deep South states.

They repeated on the floor of the Congress, over and over for 15 years, that slavery is freedom; slavery



Mathew Brady

President Millard Fillmore

is equality; slavery is the only system in which there can be freedom and equality. Therefore, they said, slavery is the expression of the Declaration of Independence of the United States. They said this continuously for 15 years. The newspapers all quoted them saying this, and you had President after President in that period—perhaps the best example is the little-known, little-remembered for good reason, Millard Fillmore, who was a President from Buffalo, New York.

He was an anti-slavery Whig from Buffalo, New York, who was President for three years. During his Presidency, the power of the slave-holders in the United States dramatically expanded and grew more powerful, including by actions that he himself took. His entire Cabinet was dominated by slave-holders from the Deep South. That happened with President after President until suddenly in 1858-59, the Republican Party was very rapidly organized, apparently out of just a few shards of other parties. But it was rapidly organized in order to completely change the policy of the United States; to reassert the Declaration of Independence, to reassert the American System of internal improvements, infrastructure building, national banking, after 15 years in which everyone had been forced to listen to the idea that war was peace, that slavery was freedom, slavery was equality.

That’s the kind of thing you’re hearing emanating from the so-called impeachment hearings in Washington now. We have to very rapidly organize a larger and more interconnected movement which brings people along in whatever way possible to the truth that this is the war game; impeachment is a war game; a British war game, and it will break out in war probably between Ukraine and Russia again—unless we stop it.