

Defining the alternatives to global collapse

by Nancy Spannaus

In the midst of the British-led assault on the Clinton Presidency being waged through terrorism, economic warfare, and scandal, a series of economic development conferences being sponsored by the Schiller Institute in the United States provides one of the unique voices of sanity on the political scene. The latest event, held on May 17 in Washington, D.C., put into sharp focus not only the depth of the financial crisis, but also the tasks for policymakers who wish to replace the collapse with economic revival, defeating the British gameplan for the destruction of the United States, and human civilization as a whole.

Approximately 125 political leaders, diplomats, and state legislators from around the country attended this event, which was keynoted by economist Lyndon LaRouche, and addressed by Schiller Institute founder Helga Zepp-LaRouche and members of the *EIR* staff. The LaRouches addressed the misperception by policymakers, especially here and in Europe, of the nature of the financial crisis, while the *EIR* researchers presented in-depth pictures on the way in which the International Monetary Fund (IMF) financial system is destroying the world food supply, the first phases of the collapse of the speculative derivatives markets, and the strategy of tension against the United States.

A special feature of the conference was a memorial concert dedicated to the recently deceased Arturo Frondizi, who had been a friend and collaborator of LaRouche. Frondizi was President of Argentina in 1958-62, and was a close collaborator of President John F. Kennedy. The tribute of three musical pieces was sung by the Schiller Institute Youth Chorus, and featured selections from the "Stabat Mater" by composer Giovanni Battista Pergolesi.

In his keynote, LaRouche identified the upcoming Group of Seven Heads of State summit in Halifax, Nova Scotia as

an important inflection point (see p. 4). Noting that he will be presenting a more technical discussion of the economic and financial problem in an article specifically written for *EIR*, LaRouche concentrated his remarks on the political problems involved in getting political leaders, in particular President Clinton, to take leadership in developing the new monetary system which is required.

Winning the war against public opinion

Granted that most of the media and the policy-shapers in the United States refuse to face the systemic nature of the financial crisis, LaRouche said, the question is this: "Do we have statesmen who have the courage to *change* public opinion rather than follow it? This is especially difficult in an election period in the United States." In an election period, such as that which has already begun, most politicians orient themselves primarily to those who control the money they need for their reelection, LaRouche explained. The President finds himself in a similar situation: He has two agendas—one to get reelected, and the other to fight for his policy objectives.

"The difficulty is that we must go against what is apparently prevailing public opinion to make creative decisions which are demanded by the circumstances, but which are not yet fully understood at this time by the general public. That's real leadership," LaRouche said.

Real leaders, he went on, have to *shape* public opinion in order to do what's necessary to help people who are suffering. The FBI and other institutions have targeted many such leaders, as House Speaker Newt Gingrich (R-Ga.) is doing today. But we have to convince the President, and many others, to stick their necks out.

"And therefore, it behooves us to think about our responsibilities in this connection, to see to it that the President is

suitably advised and supported in these matters, as the need may be. Because we can't blame him. We have to blame ourselves. He is our officer, we elected him, or at least he was elected. And he has to do the job. He needs the advice, he needs the support, to carry it through, even over the opposition of what is perceived as public opinion."

The City of London against the U.S.

LaRouche then elaborated the fundamental strategic reality, without which it is impossible to understand what is going on, from the bombing in Oklahoma City, to the financial crisis itself. The essential conflict is this, he said. "The British represent a tradition of usury. The issues of our war with Britain in the American War of Independence, in the War of 1812, the Civil War, which was a British orchestration; our differences with them during the time of McKinley during the 1890s, our differences with them in the time of Roosevelt's Presidency, the fight against Churchill; our differences with them in the time of Kennedy's Presidency. These differences are not accidental, personalized differences between members of governments. These are differences between two organically incompatible, opposed systems of government; and these are breaking out now."

The British system is behind the IMF monetary system, which oppresses every government in the world today, including that of the United States. This system is going bust, and the British are fighting to preserve it, through terrorism and destroying the United States. "This is the kind of world we live in. We're living in a world where we're fighting for the rights of humanity, we're fighting to avoid a plunge into a Dark Age, not just a Depression, but a Dark Age."

The view from Europe

In her remarks, Helga Zepp-LaRouche reported on the perception of the financial breakdown from Europe, noting that there are an increasing number of people who agree with her husband, but most of them are stuck with the delusion that the crisis can be dealt with by "administrative" means. During her recent three-week visit in Europe with her husband, she even found some signs of the reemergence of the idea of "industrial banking," which would subordinate bankers to the needs for industrial development.

But for the most part, even those who understand the systemic nature of the crisis are not willing to act now, she said. This means that we have to take on the problem of cultural pessimism. To combat pessimism, we can point to the methods the Americans used after World War II, to rebuild Germany from a rubble field into one of the world's strongest economies. Such methods could be used to revive the devastated nations of the East and South today.

The implications of the world food crisis

The afternoon panel concentrated on one area where the cancerous activity of the financial system has consumed the

real, productive activity of the economy—food production. Marcia Merry Baker, *EIR*'s agriculture editor, and Carlos Méndez, associate editor of *EIR*'s Spanish-language affiliate *Resumen Ejecutivo*, developed a shocking picture of the collapse of the food supply as a result of decades of looting of the agricultural sector.

Baker described the way in which the much-vaunted food surplus has been eliminated, leaving the "U.S. government—for the first time since World War II—[with] no surplus food stocks of any kind. None. There is nothing now at hand for emergencies here or abroad for food relief or for 'discretionary' donation." She then showed how world food production is not meeting the basic requirements of the world population, not to mention the holocaust being deliberately created in nations like Iraq. Cuts in food rations in African countries, she noted, will lead to a population so weakened that it will be easy prey to diseases like the Ebola virus.

Baker then described the infrastructure projects that are on the drawing boards for solving the food shortages—from Africa to the western United States. She was followed by Méndez, who described the Africa-like conditions which have been created in Mexico (see p. 9).

The time is short

The evening panel, which followed the short, beautiful concert, further underscored the urgency of the requirement to replace the British IMF system with what LaRouche has specified as Chapter 11 bankruptcy measures in the tradition of the American System of economics of first U.S. Treasury Secretary Alexander Hamilton.

EIR economics correspondent John Hoefle first presented the evidence from the public domain which shows that the rate of growth of derivatives speculation is dramatically shrinking, putting on the agenda the exponential contraction of the speculative bubble. The system is near blowout, he explained, and more big bankruptcies are on the horizon, such as Lloyd's of London. There is also a recurring rumor that one major Wall Street Bank is already insolvent and simply being held together by the Federal Reserve, he said. But that can't last forever.

Hoefle was followed by *EIR* Counterintelligence Director Jeffrey Steinberg, who gave an analysis of the current assault on the Presidency through the deployment of terrorism at home and abroad. This is a short-term gambit, Steinberg stressed. The object of the British gamemasters, like Lord William Rees-Mogg, is to create a political climate similar to that before the assassination of President Kennedy, in which a "credible" pretext for knocking out President Clinton can be manufactured.

To destroy this gameplan, as to break the control of the IMF, means freeing the minds of the population from British-dominated economic ideas and other such evil. As LaRouche emphasized, in that sense the "enemy lies within us," and must there be destroyed.