

## LaRouche: more signs that the bubble is collapsing

*Democratic Presidential candidate Lyndon LaRouche issued the following statement on Dec. 28.*

Remember economist Paul Samuelson, perhaps the most famous of the authors of “Economics 101”? Paul, who taught 1960s university students of the Baby-Boomer years that “built-in stabilizers” would prevent an August 1971 dollar collapse from happening, has a son, Robert J. Samuelson, who regularly writes economics columns for the *Washington Post*. Robert Samuelson has now [Dec. 28] warned *Washington Post* readers and other people: “People are acting as if economic risk is declining, when it may be rising.”

Samuelson is only one of a growing number of leading senior economic writers, economists, and bankers who are now warning the world against signs of an early collapse

in a world-wide financial bubble. Many among these are saying that the current financial boom is nothing but a new tulip craze, a bubble ready to pop.

Some in print, and many more bankers, economists, and statesmen privately, are warning that the world is faced with something far more serious than a stock-market crash. The world’s financial system is doomed to a systemic collapse, from which only a radical return to earlier pro-nation-state policies could rescue humanity.

On the darker side, while most people in the upper 20% of U.S. family-income brackets are fanatically deluded enthusiasts for investing in money-management schemes, the insiders in the really top brackets, are getting out of these markets, buying up the kinds of assets which they believe would represent a continuing income-stream even after the total collapse of the existing financial system.

Does this mean that any politician talking about the smart ways to balance the budget is living in a dream-world? Absolutely. What kinds of people are foolish enough, still today, to vote for those kinds of political candidates?

est, and it apparently is one of Al Gore’s special constituents.

The problem here is, that you’ve got to change the framework of economic policy, in order to address the Caribbean region effectively.

First of all, we have to protect the sovereign nation-state. We have to have a protectionist model, that these nations can not function without the right to a protectionist model. The present trade policies deny them that. They need credit for viable projects of infrastructure development. For example, Central America. The place is a hell-hole. There’s no adequate infrastructural development there. Whole areas are a no-man’s-land, virtually, as far as the central government is concerned. And then, of course, in the islands, you have a similar kind of situation.

But in the Caribbean region, we have to take a positive, pro-active policy, of the type that Franklin Roosevelt promised with his “Good Neighbor Policy,” and that Jack Kennedy also promised.

If we change the framework of international economic policy, trade, and credit, then the United States can play a key role, with others, in ensuring that these nations have the means by which they can reconstruct.

I’ll give you one of the worst cases: Haiti. Haiti is a nation which has no possibility, because it’s a totally depleted territory, of rebuilding itself with its own resources. My view is the United States should actually take a pro-active initiative to provide the people of Haiti with the possibility, the means, of starting to rebuild their country.

**Q:** [From Houston.] What would be your politics against Cuba? Would you change something about the way the government is working now with Cuba? Would you work with Castro to change openly Cuba to something better, maybe?

**LaRouche:** I think the policy of the United States in general, the foreign policy, has to be: Stop looking for geopolitical games. Our policy has to be to start from “Go”—at least, if I’m President, my policy will be start from “Go,” apply the principles of the Treaty of Westphalia to address all diplomatic and related problems. Set up a standard of justice, negotiate an agreement on standards of justice, and say, “Okay. If you agree to that, we start from ‘Go’ as if there had been no conflict before.”

**Q:** Nelson Thall, medianews.com and CFRB Radio, Toronto. Mr. LaRouche, just to get down to some specifics, because I enjoy hearing your ideas about hard-nosed economic issues. You talked about the free trade agreement. What’s your feeling about the auto pact between Canada and the United States?

**LaRouche:** Well, of course, that’s an old story. It was a two-price level, which was convenient for some people in Canada, and convenient for some people in the United States. I think we ought to go back to a strictly protectionist policy, and plus cooperation.

That is, we must eliminate all these free trade agreements, and go back to—we set up a protectionist policy, and then we agree to cooperate after we set up a protectionist policy.