

# LaRouche: What foreigners should understand about the United States

*On Dec. 22, Democratic Presidential pre-candidate Lyndon H. LaRouche, Jr. conducted an international press conference via Internet webcast with journalists from around the world. Three journalists and commentators from Malaysia submitted written questions for that webcast, only two of which could be answered at the time. LaRouche subsequently answered three sets of questions submitted by Tan Sri Ramon Navaratnam, author, commentator, and prominent retired civil servant and corporate figure; Hardev Kaur, Editor-at-Large for Malaysia's leading English-language press conglomerate, New Straits Times Publications, Inc.; and Long Shih Rome, correspondent for Smart Investor, which has a circulation of 20,000 in Malaysia and Singapore. Long Shih Rome explained LaRouche's "typical collapse function" in the Aug. 23-Sept. 6, 1999 issue of Smart Investor. Here is LaRouche's written response to these journalists' questions, which he submitted on Dec. 31, 1999.*

**Ramon Navaratnam:** Why do the American people allow top U.S. officials to give such a bad image of Americans as being heartless and arrogant, when in fact, the American people are mostly decent human beings?

**LaRouche:** There are three interconnected reasons for the sundry real and merely apparent difficulties of this sort. These matters are contrary to what are the currently popular official and related popular mythologies world-wide. Nonetheless, no competent assessment of the U.S.A. and its role in world affairs can be reached without a wrenching break with those popular mythologies. Indeed, most of the self-destructive blunders which nations of Europe, the Americas, and Asia commit, in reacting to the U.S.A.'s role, are the result of mistaking false, but internationally popular mythologies about the U.S.A. for the facts of the matter.

In making this reply to the first of the series of questions, I have included essential elements of historical background required to situate my replies to the subsequent questions of this series.

First, from the beginning of its existence, the political-philosophical composition of the U.S. population was divided between patriots and what were then termed "American Tories." The latter have been typified, to the present day, by a powerful combination of pro-British monarchy Wall Street interests, and the fanatically pro-British slave-holder faction

associated with the treasonous Confederacy and its continuing tradition of today. These rabidly pro-British monarchy, Wall Street-centered elements, aided by British Commonwealth press syndicates (such as those of the Hollinger Corporation and Rupert Murdoch), control directly the leading mass media of today's U.S.A., and dominate the thinking of that upper 20% of U.S. family households which share half of the personal income of the U.S.A. as a whole.

The remaining 80% of family households, typified by African-Americans, Hispanic-Americans, Asian-Americans, labor generally, most senior citizens, and science and related types of professionals, have a different perception of national interests than most among the current upper 20% of the family-income brackets. Unfortunately, since the middle to late 1980s, until now, U.S. politics is dominated by 30% of the eligible voters, most of these dominated by the upper 20% of family-income brackets. This is referred by some as the "suburban" vote, on which the so-called "Third Way" dogma is premised. The fact that the man who is, after me, most hated by the Wall Street crowd, President Bill Clinton, should have massive popular support from the general population, but be the victim of a Wall Street-dominated Congress, reflects the impact of the current division of power between the upper 20% and lower 80% of U.S. family-income brackets.

From its late 1820s founding, by Wall Street banker Martin Van Buren, until the first inauguration of President Franklin Roosevelt, in March 1933, the national Democratic Party was predominantly Wall Street-controlled, pro-slavery, and often outrightly treasonous, as under Presidents Polk, Pierce, and Buchanan. That legacy was continued by Democratic Presidents Grover Cleveland and the pro-Ku Klux Klan scoundrel Woodrow Wilson. From the election of President Abraham Lincoln, in 1860, the patriotic tradition of U.S. leaders such as Benjamin Franklin, and Presidents such as George Washington, James Monroe, and John Quincy Adams, was continued by those elements of the Republican Party which were opposed to the Wall Street cabal of later Republican Party Presidents Theodore Roosevelt and Calvin Coolidge.

With the assassination of President William McKinley, in 1901, the Republican Party was virtually taken over by its Wall Street faction, then headed by President Theodore Roosevelt, the nephew and intellectual creation of his political mentor, the leading Confederate traitor and spy, James

Bulloch. Excepting the case of President Warren Harding, whose “mysterious death” brought the scoundrel Calvin Coolidge into the U.S. Presidency, the Wall Street-dominated Republican Party became the controlled asset of a rabidly pro-British cabal of Wall Street financial institutions and law firms. The Democratic Party’s 1912 and 1916 candidate, President Woodrow Wilson, the backer of the relaunching of the racist Ku Klux Klan, was brought into the Presidency by Republican Theodore Roosevelt.

It was the consolidation of Wall Street’s power, under the U.S. Presidencies of Theodore Roosevelt (1901-1909) and Wilson (1913-1921), which consolidated Wall Street’s power in and over the permanent bureaucracy of the U.S. government. The establishment of the Federal Reserve System, at the direction of King Edward VII’s personal agent, Jacob Schiff, and the establishment of the Federal Bureau of Investigation (as the National Bureau of Investigation) by Theodore Roosevelt’s Attorney General Charles Bonaparte (of the Bonaparte family), typify this. Notably, the assassination of McKinley resulted in an immediate reversal of not only the domestic, but also the foreign policies of the U.S.A. The Wall Street-dominated U.S.A. of Theodore Roosevelt Republicans and racist Democrats behind Woodrow Wilson, made the U.S.A. a de facto ally of British King Edward VII’s formation of the Anglo-French *Entente Cordiale*, for a war intended to destroy both Germany and Russia, the war which would have never occurred in 1914, but for the U.S. support for the British monarchy supplied by Wall Street’s sons of the treasonous Confederacy, Theodore Roosevelt and Woodrow Wilson. U.S. policy against Asia, and the worst U.S. practices against the nations of South and Central America, date from the introduction of such policies by the Wall Street bankers and lawyers behind Presidents Theodore Roosevelt and Woodrow Wilson.

This special arrangement between Wall Street and the British monarchy became known, during the periods of World War I and II, and the period following, as the “BAC” (the British-American-Canadian) cabal. It was this cabal which, typified by Britain’s Montagu Norman and Norman’s business associate Prescott Bush, the chief executive officer of the Brown-Brothers-Harriman firm, who, in January 1933, joined forces in bringing Adolf Hitler into power in Germany. (Prescott Bush was the father of later U.S. President George Bush and grandfather of current Republican Party pre-candidate George W. Bush.) Recently, “BAC” signifies the supranational, “globalizing” power of the “British-American-Commonwealth” cabal. This is to be recognized currently, as the combination of Anglo-American financiers and lawyers behind the current drive for de facto “world government” through “globalization.”

Typically, U.S. foreign policy today is associated with Secretary of State Madeleine Albright, she a Zbigniew Brzezinski associate and the daughter of the Joseph Korbel who

shaped the career of George W. Bush foreign-policy advisor Condoleezza Rice. Notably, Joseph Korbel was formerly an official of the Eduard Benes government of Czechoslovakia, that Benes the father of the wife of Zbigniew Brzezinski, the latter from the lower end of the Polish nobility, and a long-standing asset of the same Averell Harriman whose firm cofunded the bringing of Hitler into power in Germany. Such is the nature of life among the princes and lackeys of the Wall Street-centered cabals of the BAC; among such cabals, pedigree is considered very important; often, these are family trees which have few, if any branches.

Franklin Roosevelt’s (FDR’s) 1932 election established his reformed Democratic Party as the bearer of the patriotic tradition of Franklin, Washington, and Lincoln.

This brings us to the second key fact to be understood about the United States and its foreign and domestic policies of today.

To appreciate this more adequately, one should focus attention on the key issue marking all of FDR’s continuing battles against both Wall Street and the then-incumbent majority of the U.S. Supreme Court. The issue was FDR’s defense of a fundamental principle of law embedded in the Preamble of the U.S. Federal Constitution: the fundamental constitutional law of the U.S.A. premises the definitions and authorities of government upon the unique competence and inalienable responsibility of the sovereign nation-state republic, *to promote the general welfare*, that for both all of the living and of their posterity. That has always been the crucial issue of the conflict between the British monarchy and the North American patriots, from the accession of that bloody tyrant William of Orange, in 1689, and of Orange’s ally, King George I, to the present day.

This feature of U.S. natural and constitutional law overlaps that definition of U.S. strategic interest which the U.S. Secretary of State John Quincy Adams set forth in advising President James Monroe to reject British Foreign Minister Canning’s proposal of a U.S. alliance with the British monarchy. Adams stressed that the United States shared no “community of principle” with the British monarchy.

That argument by Adams points to the nature of the fundamental and uncompromisable difference in species-nature between the U.S.A. as a sovereign republic, and the anti-republican, oligarchical composition of the British monarchy’s ruling financier aristocracy, the latter as typified by the interests expressed by the Bank of England. The post-1714 British monarchy, contrary to the English monarchy of Henry VII, for example, is a form of state, in which the mass of the population are merely subjects of those who own the authority of the permanent state apparatus. Under the U.S. Constitution, as under the notion of natural law adopted by France’s King Louis XI and England’s Henry VII, the authority and responsibility of the state are defined by the obligation of the government to promote the general welfare of all the people and of

their posterity, in perpetuity. With any people which governs itself according to that notion of sovereignty, the U.S.A. of Adams shared, and shares, a “true community of principle.”

There is a single axiomatic principle underlying all of those conflicts which define those among today’s more or less global political and related issues affecting relations among states generally. These conflicts are to be seen as expressions of the same continuing historical conflict which has placed the forces of oligarchy against the Creator himself, for as far back as history informs us. The political form of that issue is the lack of any possible honorable compromise between those who deny the fact that, since all men and women are set apart from and above the beasts, because they are made equally in the image of the Creator of the universe, there can be no legitimate government but one which derives the entirety of its duties and authority from an efficient commitment to promote the general welfare of all persons, and their posterity, in a manner consistent with mankind’s nature as a being made

in the image of the Creator. This commitment is otherwise known as the notion of a state self-governed by what is known in English-language usage as the principle of “the general welfare,” or the notion of a “commonwealth.” This absolute division of rule by emperors and oligarchies from the principles of natural law on which the sovereign republic is based, defines both the meaning of “community of principle,” and of its adversaries.

The global issue facing policy-making today, is just that. Every other issue is, relatively speaking, only a form of petty foolishness by comparison.

My third point is, that one should look at all among the leading issues of the domestic and foreign policy of the U.S.A. today in terms of that definition of republican “community of principle.”

From such an historical perspective, we must say, that the U.S.A. today is temporarily dominated by a political class, the BAC oligarchy and its lackeys. Those lackeys are drawn,

## Dr. Mahathir warns against globalization

In a televised address to the nation on New Year’s Eve, Prime Minister Dr. Mahathir bin Mohamad called on Malaysians to close ranks and set aside differences to face the new millennium with resilience and strength, so that “our beloved nation will continue to be free, independent, and successful.” We must be vigilant, he said: “Malaysians should greet the new century and millennium with joy. But we cannot accept wholeheartedly the globalization which will accompany it.” According to a summary in the *New Straits Times* on Jan. 3, Dr. Mahathir recalled the many failed Western ideologies like feudalism, absolute monarchy, dictatorship, communism, and socialism, and said that globalization would not last, but that many people would be sacrificed before it would be rejected.

It would appear that Malaysians had forgotten the lessons of history, he said, referring specifically to the country’s long periods of colonization. Drawing two lessons from Portugal’s conquest of Malacca in 1511, Dr. Mahathir said that one of them was the importance of unity, organization, a responsible leadership, discipline and order, clear direction, training, and strategy. The other lesson was that traitors could bring about the downfall of a country. “Those who collaborate with enemies are worse than the enemies. Because of self-interest, they are willing to sell their country and race,” he said.

Looking at these lessons, he said it was clear that Ma-

laysians were not yet ready to face the challenge of the new millennium. The old ways and culture which had brought four and a half centuries of colonization continue to be prevalent, especially among the Malays. He said the people did not see the need for unity, according to the *Times* report, because the government had always protected them, brought development, and deflected foreign pressure. “But the seeds of discord have been sown and are growing. Foreign propaganda has been accepted by some people and is being spread by them. It does not matter that there is no basis to the accusations by the foreigners. What is important is that the accusations are easily believed and can be used for their fight,” he said.

Dr. Mahathir said while the government was concentrating on defending the country from outside forces, those forces found it the best time to strike from behind. He urged Malaysians to set aside the differences which divided them in order to face challenges with resilience, and to remember the lessons of history. He said that the Malay race had lost their self-confidence and became marginalized after the British came in. But when the British tried to form the Malayan Union, the Malays realized that they would lose their homeland, and found the courage to oppose them. Their weapon was unity.

“We may think that Malaysia will be independent forever, the Malays will be in power, and the country will be rich,” Dr. Mahathir said. “But the former colonialists have already planned to re-colonize us.” He said that their method is “globalization and a world without borders,” which has been interpreted to mean free movement of capital (theirs) and freedom to buy up all businesses and banks.

chiefly, from among the upper 20% of family-income brackets. The latter class of lackeys is, currently, generally speaking, as clinically insane as the devotees of the Netherlands' Seventeenth-Century "tulip craze" and those early Eighteenth-Century John Law-style bubbles which bankrupted a similar social stratum in England and France. One should also be reminded of those middle-class speculators of Weimar Germany whose shirts turned from white to brown, when the Weimar hyper-inflationary bubble of 1923 wiped out their financial holdings.

It is important to remember, that these lackeys, these "mad cows" of present U.S. suburban life, are the principal constituency for such lunatic causes as "globalization." These madmen are the social base for the spread of the so-called "Third Way" of current British Prime Minister Tony Blair in the U.S.A. as in Europe. These are the wild-eyed fanatics behind such causes as "free trade," and "shareholder value." These are the wide-eyed madmen of the twenty-four-hour-a-day "financial derivatives" trade. They are to be understood by considering them as "virtual fascists." That is to signify by "virtual fascists," that when the inevitable global debacle of the present world financial system occurs, there will be but a relatively short period of time between the occurrence of either a general deflationary or hyper-inflationary collapse, during which effective, Franklin Roosevelt-like measures of reconstruction must be introduced, and the point at which failure to take such measures will unleash these present white-collar madmen as desperate, outrightly fascist fanatics on their march to national and world power.

Once Germany's then-Chancellor Kurt von Schleicher had been replaced by Hitler, in January 1933, through the negligence of the top Reichswehr strata, and when, in the Summer of 1934, the same Reichswehr leaders stood by complicity in allowing Hitler to assassinate von Schleicher, World War II became inevitable. And, ten years later, Hitler slaughtered the same military leadership whose negligence had allowed Hitler's accession to, and consolidation of power during 1933-34. Now, as then, in times of systemic crises, the consequence of delay in taking timely and appropriate actions for change will usually result in the worst result, as Shakespeare foretells the doom of the character Hamlet in the famous Third Act soliloquy of that tragedy. That is the type of danger the world has most to fear from the situation in the U.S.A. today. Failure to make the needed radical and sudden replacement of the present IMF system, would be the most likely cause for a rapid disintegration of civilization worldwide during the relatively short- to medium-term period immediately ahead.

This means that the future of the U.S.A., and therefore of the world, depends upon a radical shift back toward pro-FDR policies forced upon government by a reactivated majority of the citizenry of the U.S.A. Thus, the appearance and success of the corresponding quality of political leadership is crucial for the survival of the U.S.A. and also the general well-being

of humanity globally. Thus, there is no sane politics within the U.S.A., or concerning its relationship to other nations, which does not proceed from considering the power of the U.S.A. in light of the historic role it must now play in bringing into being the kind of community of principle among sovereign republics to which I have referred summarily here.

At the point that leading patriots of sundry nations look at the U.S.A., its history, and its proper function in the world, in those terms of reference, all important misunderstandings concerning the U.S.A. must tend to evaporate.

**Ramon Navaratnam:** What can be done by Americans to reduce the powerful influence of oligarchists who shape U.S. foreign policy for their own selfish interests, at the expense of the poor? The American press is "controlled" by the rich and the powerful who distort information to suit the interests of their rich owners.

**LaRouche:** One should look at such miserable states of affairs through the eyes of the greatest Classical tragedians of European civilization, such as the Greeks Aeschylus and Sophocles, Shakespeare, and Friedrich Schiller. The tragic doom of nations and their people, which we see unfolding on the Classical stage, reflects two closely interrelated classes of problems: the role of leadership of peoples, and the kinds of immorality of those peoples themselves which tend to doom them. The function of the true political and other leader in society, including the greatest of the Classical artists, is to uplift the people, to cause the people to recognize the potentially fatal immorality which has guided most peoples, in most periods of history, to bring doom upon themselves. It is when the available leaders succumb to such popular traditions, rather than inducing the people to change themselves for the better, that great empires, entire cultures doom themselves as cultures which are self-doomed, because they have lost the moral fitness to survive.

President Franklin Roosevelt, whatever we might otherwise view his faults to have been, typifies the kind of leader who, in real-life history, were likely to be found available to address the ominous situation now menacing world civilization in its entirety. There is a principle to be recognized from study of Roosevelt's special role in the history of this passing century. It is a principle which should be familiar to us from comprehension of the greatest works of Classical tragedy, a principle which is also demonstrated in real-life history. Indeed, all great Classical tragedy is the product of the artist's insight into those principles of real-life history which politicians had overlooked, the proverbial "usually electable politicians" cast in the mold of the general run of leading, and predominantly foolish political figures today.

The point is, that the possibility of inducing a morally corrupt popular opinion to recognize its folly, is presented to us only in those times when the people are faced with the kinds of menacing situations in which they, belatedly, recognize that they are fools, and their most popular opinions are



*“President Franklin Roosevelt, whatever we might otherwise view his faults to have been,” LaRouche writes, “typifies the kind of leader who, in real-life history, were likely to be found available to address the ominous situation now menacing world civilization in its entirety.” Left to right: British Prime Minister Sir Winston Churchill, President Roosevelt, and Canadian Prime Minister MacKenzie King, at the Quebec conference in September 1944.*

worse than foolish ones. Only in such circumstances, are populations prone to hear the voice of the leader who might lead them to save themselves from their own habituated follies. So, the rise of FDR to the U.S. Presidency must be viewed; so, in contrast, the 1933-1934 failures of Germany’s military leadership must be viewed. Such are my chances today, perhaps the only chance the U.S. population will be offered, to save itself.

Look at the U.S. election campaign now. We have two nominally leading candidates for the U.S. Presidency, Texas Governor George W. Bush, and U.S. Vice-President Al Gore, both of which are incurably disqualified, intellectually and morally, to assume the position of U.S. President, especially under presently developed national and global circumstances. Of my two Democratic rivals, Gore and former Senator Bill Bradley, Bradley, unlike Gore, is intelligent and compassionate, but has so far failed to grasp the crucial issue facing the U.S. Presidency at this time. Generally, by that standard, taking all putative candidates, from all parties, I am running against a mixed bag of both leading dummies, Bush and Gore, and, otherwise, persons totally unqualified for occupying the Presidency under the kinds of crisis conditions existing as of January 2001. The common difference between their campaigns and mine, is that while others are appealing to those very prejudices in the population, by means of which the nation and more might be self-destroyed, my mission is to induce the people to abandon those prejudices, to seek the truth instead.

By his God-given nature, man is essentially good. The goodness lies within; but it must often be redeemed, and often yet again. Too often, there is no redemption. All in all, that innate goodness, if it can be called forth, presents us now a chance to succeed in overcoming the global crisis before us. It is a poor chance in a narrow interval of time, but it is the only chance we have. We must find a just optimism in the historical fact, that it is only under conditions of systemic crises, that a nation’s people and institutions are likely to be induced to abandon those customs by means of which they have reached the state of a culture which has lost the moral fitness to survive.

Such are the prospects before us. I am optimistic, but I bring no illusions to that optimism.

**Ramon Navaratnam:** What can be done to ensure that the American public gets honest and professional reports about the rest of the world—like the *EIR* gives?

**LaRouche:** I am going my best, and the clearly perilous nature of the present state of crisis in, and among most nations, has lately brought more voices of sanity to the fore. Morally, the advanced state of the present crisis is reshaping the currents of near-term history into a state of preparation for changes that will be, for better or for worse, fundamental, and profound.

**Ramon Navaratnam:** Why has the U.S. government been dragging its feet in initiating concrete action for reforming

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the “international financial architecture”?

**LaRouche:** You may recall that, during early September 1998, President Clinton delivered an address in New York City, in which he spoke of restructuring the international monetary system. Then, after the public announcement of the Long Term Capital Management crisis, Clinton backed away from the issue of restructuring the system, and capitulated to the arrangements made at the October 1998 Washington, D.C. monetary conference, instead. Then, shortly after the Democratic partial victory in the November 1998 U.S. Congressional elections, the Republicans launched their impeachment drive against the President. That, for the time being, ended all initiatives for financial reorganization.

The President had, in effect, threatened to do something which frightened the BAC bankers and lawyers. He then backed down from that threat, and when he failed to secure a majority in the November 1998 Congressional elections, the BAC gang used its assets in the Congress and the corrupt Federal Court system to threaten all kinds of horrors against the President and also the members of his family. President Clinton had made the mistake of backing off from what he threatened to do. His threat enraged them in the extreme, as subsequent events showed; but, his failure to carry through on that threat, encouraged them to attempt to destroy him. Do not tease man-eating jungle predators; flank them preemptively, and promptly.

Now, I believe, that only the shock-effect of an actual financial blow-out in the U.S. financial system itself, will produce the conditions under which President Clinton might take the political risk of acting as he should have acted in September 1998. That being the situation thus far, the only rational strategy is to build up support for my role in this matter, thus rallying the degree of support needed to prompt Clinton to respond appropriately at the proverbial last moment of opportunity for addressing a U.S. collapse which had then already broken out in more or less full force.

**Ramon Navaratnam:** Why did the United States allow the World Trade Organization [WTO] meeting in Seattle to fail?

**LaRouche:** I see no sign that President Clinton was unhappy with that result. The WTO agenda should be viewed as essentially a project of the political factions aligned with Clinton’s

opponents, such as Prime Minister Tony Blair, Vice-President Al Gore, and Secretary Albright. The crucial development came from western continental Europe, not the developing nations. When Germany’s Chancellor Gerhard Schröder, backed by France’s Prime Minister Lionel Jospin, acted jointly against the British faction in the Mannesmann and related developments of the days immediately preceding the Seattle meeting, the correlation of forces within the G-7 had shifted sufficiently to bring about the defeat of the WTO faction. One should not overlook the fact, that Clinton, the AFL-CIO, and other relevant forces expressed sighs of great relief once the final results of that debacle were registered.

This was a small, but much-needed victory for the cause of the sovereign nation-state; hopefully, the victory will not be a Pyrrhic one. Again, never tease predatory jungle beasts, such as those “globalizers” behind the drive to eliminate the institution of the sovereign nation-state.

**Hardev Kaur:** How can the United States set conditions that its agriculture subsidy should not be questioned at the WTO, and yet it wants to raise the European Union agriculture policy issues? Why the double standards?

**LaRouche:** The debate over so-called “agricultural subsidies” was shaped by a general lack of competence on the related economic issues, on all sides speaking publicly on that occasion. The idea, that U.S. farmers should continue to be bankrupted, as they have been since about 1977, by having world prices for foodstuffs set at slave-labor wage-levels associated with the agriculture of poorer nations, is not an acceptable policy for any person who understands the economic issues involved.

U.S. food prices should be based on what would be termed an approximately U.S. ninety-percent of parity-price set for payments to U.S. farmers. Prices for food on the world market should also rise, in order to channel capital formation into agriculture in developing and other nations, thus making possible a rise in the productivity and standard of living of the farm sector in those parts of the world.

The so-called “developing sector” did itself no service by arguing against price protection for U.S. farm-producers. What was needed was the same degree of protection for the farmers of the developing sector’s nations. What is killing

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the world now, is too much enthusiasm for the rapacious economic dogmas of François Quesnay and Adam Smith, and not enough attention to the principles employed by all successful modern economies, the principles of Alexander Hamilton, the Careys, and Friedrich List. In the end, the choice is between “free trade” and national sovereignty; that was the issue at Seattle’s WTO conference. Happily, the WTO and U.S. Secretary of State Madeleine Albright lost that round. Happily, at least some participants in that conference recognized, that one can not have both “free trade” and national sovereignty for long.

What is needed is a scrapping of all schemes of “globalization,” and a restoration of the kinds of “protectionist” measures enjoyed under the pre-1958 phase of the post-World War II Bretton Woods agreements. That includes: 1) End the floating-exchange-rate monetary system: fix parities of currencies within a gold-reserve system akin to that of the pre-1958 period, with the goal of ensuring rates on long-term development loans of about 1% on five- to thirty-year loans for capital improvements; 2) Capital and exchange controls, and internal financial controls, under the authority of sovereign governments; 3) Agreements on tariffs and trade which protect agricultural and industrial development within nations, and promote mutually beneficial trade-cooperation among nations.

Finally, the agricultural policies of those behind the project of WTO “globalization,” are the policies of an Anglo-American food cartel, which has consistently pursued its rapine policies against the farmers of both the G-7 and developing nations since the middle to late 1970s period of the U.S. Carter Administration. These same controllers of that international food cartel, are, like U.S. Vice-President Al Gore, also backers of policies of population-reduction, especially the populations of so-called developing-sector nations. Never accuse them or Gore, or Madeleine Albright, of being “unfair”; rather, recognize them as intrinsically evil.

**Hardev Kaur:** The ministerial meeting in Singapore had agreed that labor issues would be left to the ILO. Yet now the United States wants to “sneak in” the labor issues into the WTO by the “back door” it seems. How and why should any sovereign country have any confidence that their issues will be taken into account in future negotiations?

**LaRouche:** The concerns you express are fully justified. As long as the IMF and World Bank exist in their present form, under the present policy-making trends, and as long as a powerful concert of nations supports those institutions and their policies, there is no possibility of justice for any nation under the thumb of such institutions. The ILO’s record over the period of its existence, has always been consistent with the then-current dictates of the world’s dominant group of central bankers. The presently hegemonic institutions wish to spread virtual and actual slave-labor practices, and so on. Dinner should not debate with a hungry crocodile confronting it. Unless the institutional changes I have indicated are soon made, that under emergency conditions, the likelihood of justice—for almost anyone—will vanish into the mists of a planetary “new dark age.” The question is, therefore: who has the courage, wisdom, and power to force the needed axiomatic changes?

**Hardev Kaur:** The United States is already beginning to say that no Asian is “qualified” to take over the helm of the IMF. The informal agreement that a European should head the IMF and an American head the World Bank was made in 1946. At that time there were not as many member countries and they obviously did not have a say in this “agreement.” Now with the world that is so changed, should not views of other members be taken into account? Why should a country like the United States continue to dictate the policies and who should head a multilateral organization such as the IMF?

**LaRouche:** The policy-trends against which you complain are to be recognized as the fruit of the untimely death of President Franklin Roosevelt.

During the period prior to his death, Roosevelt had been in a virtual war with British Prime Minister Winston Churchill over just these issues. Roosevelt had scarcely been buried, when the administration of President Harry Truman adopted the policies of Churchill over those of Roosevelt. In fact, although the U.S. is often blamed for many things, it should be blamed for allowing the British monarchy to use its principal U.S. asset, the Wall Street bankers, for putting the U.S. government at the service of London’s Commonwealth financier aristocracy, at nearly every turn. The point I have just summarized was also stated frankly, although from an opposing standpoint, by former U.S. Secretary of State Henry

A. Kissinger, in a keynote address delivered publicly at London's Chatham House in May 1982.

After all, today, it is that London market which controls over 90% of the world's financial turnover, and is the dominant force in all of the great mega-mergers seizing control of most of the mineral and related hard assets of most of the world including the U.S.A.—today.

As Kissinger described the Roosevelt-Churchill conflict, Roosevelt's policy and my own, in 1945-1946, when I was a simple soldier in Southeast Asia, and now—is to greet the end of World War II with the immediate elimination of all relics of Portuguese, Dutch, British, and French colonialism and imperialism. Roosevelt had intended to use the factor of his relationship to the Soviet Union and China, and U.S. power, to bring in the former colonial world as fully sovereign nation-states, and to share in the administration of a new, post-free-trade, post-colonialist order.

It has been my persisting proposal, since developments of 1997, that the inevitably worsening world financial crisis be the occasion for bringing about an emergency weekend conference of the representatives of a group of representative nations of Eurasia and the Americas. The purpose of such an emergency conference of heads of state and governments, is to declare the existing world financial system to be bankrupt, to launch a new world monetary system modelled in form on the pre-1958 Bretton Woods agreements, to have the relevant governments place the relevant financial institutions into government-directed bankruptcy-reorganization, and to launch large-scale emission of state credit for long-term improvements in basic economic infrastructure and capital improvements in the technology of agriculture and manufacturing.

I have proposed that Russia, China, and India be the three corners of a new system of cooperation throughout Asia, together with other nations of East, Southeast, South, and Central Asia. This three-cornered cooperation should be wedded with cooperation from western continental Europe (notably including France, Germany, and Italy), and also the U.S.A. The purpose is to establish a new world monetary system, modelled upon the successful features of the pre-1958 Bretton Woods agreements and the Marshall Plan, but, this time, with the Asian and other former victims of colonialism as politically equal partners.

The issue is not between nations as such, but, rather, between contending principles and philosophies, principles and philosophies which bridge nations. The issue today is the same issue which prompted the American Revolution against the traditional enemy of the U.S.A., the British monarchy of George III and his successors. The issue is between the principle of rule by financier oligarchy, such as the forces behind George Soros, and the right and obligation of the sovereign nation-state republic to ensure the general welfare of all persons of existing generations and their posterity.

Today, most of the upper 20% of the family-income-

brackets in the U.S.A. are either initiators or lackeys of the madness which grips the present world financial system. The lower 80% of U.S. family-income brackets, whose aggregate income is less than half the total for the nation as a whole, are the victims of the policies currently supported by most among the upper 20%. Recently, U.S. politics is dominated, more or less consistently, by not more than 30% of the citizens as a whole. Most of that 30% represents the social and political standpoint of the upper 20% of family-income brackets.

It is the same in England, for example. Mussolini-look-alike Prime Minister Tony Blair, with his despicable "Third Way," represents, in England, the same kind of constituency which "Third Way" apostle Vice-President Al Gore, and also Texas Governor George W. Bush, represent in the U.S.A. The issue is between the financier oligarchy, and that oligarchy's lackeys, on the one side, and the people, on the other. It is not a matter of national traits.

On this issue of economic relations among nations, I shall be issuing a major policy paper soon. It will be presented under the title of the issue of a long-standing U.S. internal policy-fight under the heading of directly opposite definitions of the U.S.A.'s "Manifest Destiny." This will be the subject of an international Internet video, a live broadcast scheduled to occur on Jan. 14, 2000. I shall also issue an historical documentation of the roots of this policy, tracing the history of the issue from Fifteenth-Century Europe.

**Long Shih Rome:** After one year of inception, the euro has fallen by 16% against the U.S. dollar. What is the real reason for the weakness? Some attribute it to weak monetary policy on the part of the European Central Bank, others say that it is because City of London traders are selling it down because of the slow pace of economic reforms in Germany.

**LaRouche:** Certainly, there are real weaknesses in a continental Europe dominated by the so-called Maastricht agreements; but the relative price of the euro has almost nothing to do with the reality of the respective economies. Indeed, contrary to most of the leading British press, the best thing which could happen to Germany's economy would be an elimination of the Maastricht "reforms," that as soon as possible. The worst thing which could happen to Germany's economy, would be to continue those reforms.

Review the situation in Europe briefly. Begin with the United Kingdom.

The U.K. is an economic rubbish-bin, but the British financial position is propped up by what are sometimes termed the City of London's "invisible earnings." The economies of western and central Europe depend upon the strength of Germany's real economy. Germany's real economy depends absolutely on its export sector, especially its high-tech machine-tool-grade exports and construction capabilities. The rest of western and central Europe depends upon the keystone role of the trading position of each and all with respect to Germany.



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*As long as the IMF and World Bank exist in their present form, under the present policy-making trends, and as long as a powerful concert of nations supports those institutions and their policies, there is no possibility of justice for any nation under the thumb of such institutions.*

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Continental Europe's economy as a whole suffered a catastrophe with the simultaneous, coordinated financial predators' attacks on the economies of Russia and Southeast and East Asia, over the period 1997 into Summer and early Autumn of 1998. This severely affected the export markets of western continental Europe. A simultaneous increase in the savagery with which Maastricht "reforms" and City of London financial raids looted continental Europe, especially Germany, aggravated the economic situation.

However, the worst situations, outside the worst cases in the world's so-called developing sector, are currently in Japan and the U.S.A. itself. Japan is in a desperate situation. In Japan, a hyper-inflationary explosion of the printing presses is approaching a terminal boundary condition. The United States is propped by a current accounts deficit ranging between \$300 and \$400 billions annual rate, and the inflationary pressures on commodity markets are now accelerating in the general direction of a Weimar-style crisis. The expansion of U.S. monetary emission is moving in that direction and with those characteristics now.

Otherwise, the key factor in the run against the deutsche-mark and France, is a willfully political action, rather than a market-determined trend.

**Long Shih Rome:** Now the euro is hovering close to parity. What is the prospect for the euro in 2000?

**LaRouche:** No one knows; no one could possibly know. The entire world system is in a terminal boundary layer of self-accelerating, leveraged turbulence. We have reached the point, that political decisions, rather than so-called market trends, will determine everything even during the short term.

**Long Shih Rome:** If the euro does crash next year, what are the implications for exporters in Malaysia who sell to Europe? For importers here who buy from Europe?

**LaRouche:** We are not dealing with a marketing problem, but a purely political one. The market trends are for a total collapse of the world financial system during even the short term. Unless continental Europe accelerates the defiance of London already shown recently by both France and Germany, and turns to the kinds of measures which Prime Minister Dr. Mahathir has chosen so successfully for Malaysia, we are faced with highly probable trade-collapse in these market relations.

It is encouraging that the continental Europeans are increasingly sensitive to developments in their Russia and East and South Asia long-term trading relations. Politically, their instinct will be to fight to defend the continuation and improvement of those trade relations, even against increasingly intense Anglo-American pressures to the contrary.

**Long Shih Rome:** Does the current weakness or future weakness of the euro suggest that it is undervalued, given that some European economies are recovering?

**LaRouche:** No. Every economy in Europe, except the City of London's financial traffic, is currently operating below real-economic break-even, and collapsing at a currently accelerating rate. Without a radical shift back to the kinds of "dirigist" and "statist" measures remembered from the 1950s and early 1960s Europe, there is no possibility that the present trend of deepening economic collapse could be reversed, or even halted. The collapse is not cyclical, but systemic. Only systemic measures, overturning present political arrangements, could halt the presently ongoing collapse.

**Long Shih Rome:** What is your assessment of the outlook of the European economies? Are prospects better in 2000 than in 1999 and, if so, why?

**LaRouche:** Without the kinds of radical changes I have prescribed, the worst results are inevitable.

**Long Shih Rome:** What is your answer to the growing view that the euro is set to fail because of the stringent conditions of the Maastricht Treaty? Weaker EU members will find it hard to grow as they privatize and denationalize their economies.

**LaRouche:** Maastricht dooms continental Europe. Without its repeal, the situation is a hopeless one. Renationalization of the economies, and a reversal of the swindle called "privatization," are among the leading, indispensable preconditions for a recovery.

**Long Shih Rome:** Will there be a weaker case for other regions to adopt a common currency bloc?

**LaRouche:** No. Common currency blocs should be viewed as likely included features of any workable economic recovery efforts.