

LaRouche Warns: ‘A World Conflagration Is Coming’

Gente magazine of Lima, Peru interviewed Lyndon LaRouche by telephone on June 24. The following is the full interview.

Q: Good day, Mr. LaRouche. My first question is the following: What is the objective of the international forum which is being held on Sunday in Warsaw, Poland?

LaRouche: This is the one that starts on the 25th through the 27th [of June, see *International* lead article]. There are actually two conferences which are overlapping, for a common purpose. One is the public side, in which the U.S. government is involved, where the government is acting openly through the State Department of [Secretary of State Madeleine] Mrs. Albright. Now, the second group is an even nastier group than Mrs. Albright herself. This is what we discussed last week [see *EIR*, June 30, p. 40].

During the course of the past decades, there have developed in the United States and in Europe special mechanisms which were intended to take over and control the organized labor movement. These organizations were brought into government by the British and U.S. governments, through Wall Street’s crowd during World War II. This involved the Office of War Information; it also involved the Office of Strategic Services.

One of the dirtiest and most significant personalities in this operation was a man who had been a Soviet agent, Jay Lovestone. Now, Jay Lovestone was head of the Communist Party of the United States for a brief period of time, and claimed to be a Soviet agent up until about 1938. Now, he went over to become a key part of the Wall Street-controlled section of U.S. intelligence at that time, officially. He became the leading figure in the postwar control over international labor organizations. He was also an agent of the Federal Bureau of Investigation, that is, of J. Edgar Hoover personally. His base of operations was in New York City, in the industrial engineering division of the garment trade, of the International Ladies Garment Workers Union.

Now, this group around Jay Lovestone and the FBI—and the important thing about this is, remember, the FBI was the organization which took over secret intelligence against the nations of the Americas, which was run in cooperation with the United Kingdom. The three key countries which were the principal targets of this operation during World War II, were Mexico (in which Jacques Soustelle was the key man); then you had Jacques Soustelle’s teacher, who was a key man

in the operations in Peru; then you had a man of Russian extraction, John de Menil, who financed Castro going into Cuba. During that period, he controlled this branch of the operation out of the Caracas office. This organization in 1982 produced what is called Project Democracy, which is otherwise known as the National Endowment for Democracy.

Now, since that time, there have been laws passed in the U.S. Congress, under which both the leadership of the Republican and Democratic parties operated internationally, under the cover of Project Democracy. The party organization at the top is controlled by this same group. Carl Gershman is a key product of this. Freedom House in New York City is a key part of this.

I have a lot of personal experience in dealing with these characters. These are the dirtiest thugs in the intelligence business. Their use of “democracy” has about the same meaning as the use of the word “democracy” by those Greeks who murdered Socrates.

The purpose of this operation is twofold: one, is that the ideologues behind this, think of setting up an Anglo-American world power run by a gang of five countries. The five countries are: first, the United Kingdom; then Canada, Australia, New Zealand, and the United States. And this is the same structure of organization that was set up during World War II, as an intelligence organization, both private and public, which was run by what was then called the British-American-Canadian (BAC) operation.

Now, four of the countries are officially run, from the top down, by the Queen of England, personally. That is, the Queen is not only a figurehead, but she is the absolute, authoritative, functional head of state for these countries. In other words, she personally runs the military and intelligence services of these countries.

The group in New York which is part of this is largely Wall Street. And if you look at the number of people who have received knighthoods from the Queen—like George Bush, Caspar Weinberger, Henry Kissinger, and so forth—they appear to think that they are actually subjects of the Queen of England.

Now, what they are up to, is two things: In the Americas, they intend to liquidate the sovereignty of every nation-state as rapidly as possible. They may moderate in some sense, but only for tactical reasons, not their intentions. They plan to seize all material assets. For example, it’s become plain that



Canadian Foreign Minister Lloyd Axworthy (left) and U.S. Secretary of State Madeleine Albright. "There will be an escalating strategic conflict, as a result of this mad woman," warns LaRouche.

they intend to steal the Pemex oil industry of Mexico. Secondly, they intend to destroy the sovereignty of every nation in every other part of the world as well, to set up a modern kind of Roman world empire. They are also planning a war against Russia and China, in Central Asia. Poland is considered one of the border countries to prepare for the war against Russia.

So, what will happen in these three days, is that Mrs. Albright and her apparatus, will feature this [defeated Peruvian Presidential candidate] Alejandro Toledo, which gives you a pretty good idea of what they're up to. And then, under the cover of this official operation, they will then run the really dirty operation under Project Democracy.

What this involves, is that this is an operation which goes back to the Presidency of Jimmy Carter in the United States. Jimmy Carter was actually a puppet of a group in New York City: not just David Rockefeller, but it was a group based in the New York Council on Foreign Relations, which at that time was headed up by Cyrus Vance and Zbigniew Brzezinski. The person who was working immediately under Brzezinski in these dirty operations, was Samuel P. Huntington. When Brzezinski took over the National Security function of the U.S. under Carter, Huntington was his chief assistant.

Now, Huntington and Brzezinski are noted today for three particular policies. The first one, is the so-called "Crisis of Democracy" policy. This is the campaign which led to the establishment in 1982 of Project Democracy. The second one, was to get a war going between Islamic and non-Islamic countries, especially in Eurasia. The third one, was to get a war

going in Central Asia, over the seizure of raw materials assets, between an expanded NATO, and Russia and China, on the other side. This concept, the Samuel Huntington concept, has now been restated in the form of a "Democracy International."

To understand this more clearly, look directly at a comparison between the election now ongoing in Zimbabwe, and the mobilization to destroy targets — Peru, Brazil, and Mexico — in the Western Hemisphere. And there you see the role of poor, silly old Jimmy Carter in all of these operations. Jimmy Carter is a mean fellow, but I don't think he's very intelligent. At least, he's never shown any real intelligence. He is only a side-show act, a diversionary act. If you look closely, as I do, at the similarity in the operation against Peru and against Zimbabwe, you see the mind behind the "Gang of Five," that is, the five countries I referred to.

Of course, we must recognize that this is not necessarily the opinion of the people and the nation of the United States. This is the opinion of a very powerful minority in the U.S. Congress, in the Executive branch, in both leading political parties, and in other institutions in the United States. These are the policies of both a George Bush candidacy, and an Al Gore candidacy. You must understand that the United States is like Germany in 1932-33, in which the fight for freedom in Germany was against the "Project Democracy" of that time, otherwise known as the Nazi movement.

If you look at the New York and London bankers, who directed the coup d'état that put Hitler into power in January of 1933, which included Prescott Bush, the father of ex-U.S. President George Bush, you see the essential similarity behind the mask of words, between Project Democracy today and those who were backing Mussolini and Hitler in the 1920s and 1930s in Europe.

I don't want to create pessimism, but I also think there's a certain need for realism. We're up against an enemy who is not really very intelligent, but powerful and also very desperate, because its financial system is about to disintegrate. And it will disintegrate this year. So, that's the danger we face, and that's why they're pushing these kinds of projects, like the Warsaw conference, the way they are.

Q: Mr. LaRouche, it appears from everything you're saying, that what we are facing is a world conflagration.

LaRouche: Absolutely. Remember, go back in history — and I'm sure you've studied this matter and recognize what

I'm saying.

Throughout the entire history of Europe, even before the modern era, since Charlemagne, you've had a constant struggle, in different forms, to, on the one side, create a form of society which is consistent with a Christian conception of the nature of man. This has not always been a consistent design, but the intention has been consistent. And you have, on the other hand, in European civilization, a powerful oligarchy. At one time, it was essentially a feudal oligarchy, which was a world empire, a globalized system. Later, it became a financier system, a financier oligarchy.

Look back at, say, the 13th century, when the threat was that this new form of society would be developed, and the old oligarchy moved to sink Europe into a period of war that lasted 100 years. They tried to keep this going with what was called the Hundred Years War, between France and England. When France succeeded in reconstituting France, in England they unleashed the War of the Roses. When the financial system was threatened, they instigated religious wars in the 16th century, and then the Thirty Years War in the 17th century. Then, the War of the Spanish Succession, in the beginning of the 18th century. After the independence of the United States, they prepared and unleashed war on a world scale. They unleashed World War I, and the Balkan Wars before World War I. They set into motion World War II.

Whenever these powers find their economic, or political-economic system, threatened, they react with *violence*. In other words, when they can't control the world by means of their financial and economic system, they use the desperate action of the fist to destroy and crush anybody who might be in their way.

We're now in such a period. We have the worst financial and monetary crisis in modern history, at least since the Thirty Years War.

It's far worse than anything faced in the 20th century. These people are desperate. They find people all over the world—in China, like the recent meeting in Korea, etc.—revolting against their tyranny. You can see the G-15 meeting in Cairo, which just concluded. You see a weak but very significant revolt against Anglo-American abuses by France and Germany, and other countries. The guys in London and New York are hysterically enraged.

My approach to this is that I think the opportunity exists to bring nation-states together to resolve the problems and end this danger. But, as long as we do not do that, then we are going to be in a period of increasing danger. There are people who are scheming; but there are also much more important forces who are not thinking, they are simply being impelled by their own emotions.

Q: Why has Alejandro Toledo been specifically designated as the person to give a keynote address to this Warsaw, Poland meeting?

LaRouche: Go back to 1971-73. At that point, the countries

of the Americas all had a certain strength, up to 1982. Under agreements like the Rio Treaty and the postwar Roosevelt period, and the Alliance for Progress under Kennedy, there were certain positive, constructive features to the relationship of the states of the Americas. There are senior figures in Peru, for example, who are intimately aware of these kinds of connections, going back to before 1971-72.

As part of the same process that went with the Nixon Administration, including the planning of what happened in August of 1971, the collapse of the Bretton Woods system, there was an intention to put in the "Chicago Boys" operation in Chile. And, of course, Alejandro Toledo is a sort of second-generation product of the people who put Pinochet into power in Chile, under Kissinger's direction. Looking at him closely, Toledo's not a very intelligent person. He's a highly unstable personality, not a good figure for a dictator—more like a Caligula than, shall we say, an Augustus. But, he's part of the same machinery that was used to put Pinochet in power. And then you had the similar operations against Peru in the same period. You had operations against Mexico, Brazil, Argentina, and other countries. So, what they're into is to pick up what you might call human rubbish. Toledo is not an important figure. He's only a flag they've chosen to design and deploy for a purpose.

Now, the problem they have today, is that many of the Ibero-American countries are not willing to swallow what Madeleine Albright tried to shove on Peru. The cause of Peru has many sympathizers around the world. Also, there are people in the United States who think that Madeleine Albright is crazy. She should forget it; she should leave this Peru thing alone.

But, who is *she* controlled by? She's controlled by Brzezinski and these people. So their "play tough" reaction, is to take Alejandro Toledo—from a qualitative standpoint, he's a fool, a complete fool—and they decide to wave him like a flag, in Warsaw. He is not the problem; he's only the symptom of the problem.

Q: We also understand that Mr. Toledo will be sharing the speakers' platform in Warsaw with Mr. George Soros. What is the significance of having Soros at this meeting?

LaRouche: Soros has gained a new position in the course of the 1997-98 period. The big thing that is occurring in Southeast Asia and in East Asia, is that the Prime Minister of Malaysia, Mahathir bin Mohamad, has become a hero of economics. He defied Al Gore, he defied Madeleine Albright—personally, nose-to-nose in Asia—on the issue of George Soros. And Madeleine Albright and Al Gore came to the enraged defense of George Soros.

In the period between October 1998 and the Brazil crisis of February 1999, George Soros was used as a key adviser on how to generate an avalanche of fraudulent money, which was used in particular to try to deal with the Brazil debt crisis. So, George Soros has gone from being a figure of what he

was earlier, to using his experience and connections for a somewhat different operation. He's a key part of what is actually being generated, a global hyperinflation like that of Weimar 1923.

The thing that must always be remembered is that the United States, as a national economy, is presently hopelessly bankrupt. For example, the United States, at the current rate, has a national current account deficit rate of approximately a half-trillion dollars a year. Well, that's the mark of a bankrupt business. It has no hope of ever earning the income to pay that deficit. We don't know how much money is being put in to try to keep the United States from collapsing. Official figures from central bankers and others show at least \$1 trillion a year. My estimate is that, in addition to that, there is an additional trillion dollars a year or more, which is now going into over-the-counter derivatives.

In other words, the United States, as an economy, is presently like a hopelessly bankrupt firm, which is borrowing ever vaster amounts of credit by the day, to keep from closing the door. By every objective standard, the U.S. economy and the U.S. dollar are the most bankrupt nation in the world. And, it's a time bomb that can set off the biggest financial collapse in all history, a collapse that will sink the entire world economy.

So, the significance of Soros, is that these fellows are trying to keep alive, keep the bankruptcy from the door, long enough to establish their kind of world government, or one-world government, system.

If you think about the implications of running this thing in Warsaw, now, this is going to set off alarms around the world. Under normal conditions, no one would dare to pull off an operation like this, at this time. There will be an escalating strategic conflict, as a result of this madwoman, Madeleine Albright, launching this thing in Warsaw at this time. It's the stupidest thing you could do, under any normal conditions. It can only happen when the President of the United States is absolutely desperate.

Q: Last Thursday, a group of U.S. Senators issued a statement calling for Peru to be sanctioned. What can you tell us about this?

LaRouche: Well, these people are mad, quite mad. One has to understand how crazy they are. What they intend to do is horrible. This is an order for conducting full-scale war, short of an actual shooting war, against Peru. It's absolutely lunatic, but nobody in the United States official apparatus has so far moved to stop this madness. Perhaps an early collapse of the financial system might put an end to it.

Let me just interpolate that some people think that the worst that could happen would be a collapse of the financial system. Thinking and speaking strategically, I would say that the worst that could happen would be postponing the collapse of the world financial system. I mean, if I were a Peruvian, I would be hoping that the United States financial system would

collapse immediately, so that Peru could mind its own business.

I think that those in Brazil would think similarly. I think that you see, from the President of Brazil, a reflection of this same kind of concern, although otherwise, he's not been a friend of my policies, or I of his. But he's not a stupid person. His recent reactions have shown that he's somewhat aware of the need for sanity.

I should think that the way to assess this, is: These guys are out of control, and for those of us who may be targeted by these people, we should keep our heads, not panic, and find friends around the world who are willing to cooperate in planning to build a new just economic order when this thing collapses.

I must say that you would be very encouraged if you had been with me in Rome, this past week. I was there for three days for some official and other discussions [see *Feature*], and I can say that that is not untypical of what is happening in Europe and other parts of the world right now. Peru and countries in South and Central America will find that they have natural allies in parts of the world. We want to save our nations, we want to survive, we want to resolve this crisis, and I hope that we can get together to establish a new system, under which we can survive.

So my essential assessment is, that when the crisis actually hits the United States hard, we will at least have the opportunity to change U.S. policies for the better. In the meantime, we must not be desperate, but we must be alert and cautious and strong.

Q: Next week, the high-level OAS [Organization of American States] mission will be arriving in Peru. What is your view of this mission?

LaRouche: It's going to be complicated, because you've got people inside the OAS who are not going to be happy with the kind of pressure which is going to be coming from the United States and Britain, and Canada most specifically. Remember, Canada is nothing but a branch of the British Empire. [Canadian Foreign Minister Lloyd] Axworthy coming to Peru is the same thing as a British SAS team going into Zimbabwe.

I think that a strong, firm position, of the type that President [Alberto] Fujimori has shown himself capable of taking—very discreet, but very firm—will produce the optimal result. It's not possible to completely control what is going on in the United States, or what the OAS will do, but it's possible for nations who are friendly to work together, and patriots of nations who may have differences, to unite and work together to defend the security of their own nations and that of their friends.

These are dangerous, difficult times, but it's necessary to be calm, without being naive about the danger. The worst thing is to show panic, because that will create the very kind of confusion that the enemy would like to exploit. I very much admire the way President Fujimori handled that terrorist

occupation of the Japanese ambassador's residence. And of course, the support that he rallied from the people of Peru, and its institutions, in that operation.

For any person who wants to analyze it, this shows that, in Peru, you have a President, and other institutions, and a people, which are capable—by reacting in the way they have shown themselves capable of reacting—to find the optimal solution available, the way the solution to the terrorist crisis was handled: with regrettable loss of life, but the sacrifice was not wasted, in terms of the national interest. It was a necessary war.

And I have confidence that the government of Peru and its leading institutions, are among the best choices of people to be able to deal with this problem.

NED Finances Chaos Around Mexican Presidential Elections

by Gretchen Small

The U.S.-based National Endowment for Democracy (NED) is at it again. This time, the target of Wall Street's favorite "democracy-or-I'll-kill-you" hit-squad, is Mexico.

Before a single vote was cast in the July 2 Mexican Presidential elections, an orchestrated international media campaign had pronounced them fraudulent and undemocratic. The stream of international stories accusing the Mexican government and ruling Institutional Revolutionary Party (PRI) of rigging the election on behalf of PRI Presidential candidate Francisco Labastida, was kicked off by a well-timed series of press conferences and interviews in June by Sergio Aguayo and other leaders of Civic Alliance, a well-heeled Mexican non-governmental organization (NGO). In media events, they denounced purported "vote-buying, coercion, and 'doling out pork'" by the PRI; these "sophisticated methods," they asserted, amounted to "mini-fraud"—although they didn't bother to explain what this term might mean.

Civic Alliance masquerades as a non-partisan, election-monitoring NGO, and the majority of the international media reports charging fraud-before-the-fact, hung their hat on the Alliance's purported "objectivity." But the reality is, that Civic Alliance is a bought and paid for front for the NED, which in turn is a de facto arm of the U.S. State Department, the primary funder of the NED. Civic Alliance is not neutral: It is the NED's leading election-rigging apparatus in Mexico, whose current assignment is to get opposition National Action Party candidate Vicente Fox into the Mexican Presidency, at all costs.

The proof of this proprietary relationship is to be found on the NED's own web site. Over the course of 1994-98, the NED pumped a cool \$1 million into Civic Alliance. One is reminded of the wise old Mexican saying: "*quien paga, manda*" ("He who pays, gives the orders").

Civic Alliance's stated policy objectives are also identical to those of Project Democracy and the NED: use the issue of "democracy" and "free elections" to drive the PRI from office, rip up the institutions of the Mexican state, and empower the Zapatista National Liberation Army (EZLN) in the southern state of Chiapas—a narco-terrorist group which Civic Alliance openly promotes and aids. If chaos ensues, and the drug trade dominates the landscape, all the better, as far as Wall Street and their minions are concerned.

As we document below, it is a matter of public record, in reports prepared by the NED itself, that international NED conferences systematically review how the "democratization" of Mexico may well lead to the country's disintegration—and the more fanatic among the participants even welcome that prospect, despite its evident security implications for the United States, which shares a long border with Mexico.

NED Poster Boys

The Civic Alliance was set up in April 1994, as an umbrella group gathering most of Mexico's pro-Zapatista NGOs into a single strike force. This included several groups which were already on the NED's payroll, such as the Citizens Movement for Democracy, the Council for Democracy, and the Convergence of Civil Organizations for Democracy. While some of those organizations continued to be fed directly through the NED's largesse, the Civic Alliance itself quickly became one of the NED's largest recipients, and a kind of clearinghouse for the other NGOs.

From its founding in 1994 through 1998, the last year for which figures are available, the NED channelled \$924,225 into the Civic Alliance. For Mexico's 1997 Congressional elections, the last nationwide elections before this year's Presidential elections, the NED pumped \$371,325 into the Civic Alliance, to finance its "election-monitoring" and quick-count programs. These figures do not include \$65,000 additional financing provided in 1995-97 from the NED's Canadian partner, the International Centre for Human Rights and Democratic Development, nor the Alliance's other sources of funding.

The only Mexican organization which received more money from the NED than the Civic Alliance during 1997-98, was the National Women's Civic Association, which received more than \$527,000 from the NED channeled through its International Republican Institute. During the same period, the Alliance received almost as much: more than \$480,000, through the National Democratic Institute.

Civic Alliance's head, Sergio Aguayo, is one of the NED's international stars. He was given an NED award in 1995, and was featured on the cover of *Time* magazine in