

# LaRouche PAC Role in Winning Back Our Country After the Nov. 2 Election

*Here is Lyndon LaRouche's opening statement by videoconference at a town meeting in Columbus, Ohio, Oct. 26, 2004.*

At the time that a new currency was established in Europe, called the euro, the general tendency at that time was for the value of the U.S. dollar to be equal to the value of the euro, and vice versa. Today, the value of the euro is \$1.29. And it is about to go much higher.

We are facing a financial crash beyond belief. Exactly when this thing will run out of control, in terms of months, is uncertain. But after the election, the lid will be off. And by January and February, we'll be in a terrible situation worldwide, in terms of monetary-financial, and economic conditions.

At the present time, the world is dominated—and the financial markets are dominated—by a kind of cartel among four powers: one, the United States itself; secondly, Western Europe and Central Europe, including the United Kingdom with its Commonwealth appendages; third, Russia; and fourth, China. At present, Russia and Western Europe are in a kind of alliance, or cooperation, resisting the United States, that is resisting the Bush Administration's insanity. But, at the same time, Russia, which is afraid of certain forces in the Democratic Party, such as Richard Holbrooke and Madeleine Albright, fears that the Democratic Party might bring Holbrooke into power, or people like Madeleine Albright. In that case, Russia so far, under Putin, has thought that Bush was less unfavorable for the future of the planet, than the Democratic Party. So therefore, we have to make sure that the Democratic Party does not bring in the Madeleine Albright or the Holbrooke crowd into power, because then we're going to have a problem.

Now the relationship is this: Among the United States, Western Europe, Central Europe, and Russia, we have control of the majority of the world's mineral resources, including petroleum. This is controlled, directly or indirectly, through marketing and financial arrangements. China's role is not that of a repository of vast mineral resources, but, on the contrary, is the biggest bidder on the international market, for raw materials.

Now, you know the price of petroleum is rising. Right now, it's about \$55 per barrel. It will rise higher. It will probably rise to \$75, and could rise to \$100 a barrel. After about two months, this price will come down the line, and you'll

see it at the gas pump, and over the Winter, you'll see it, also, in the cost of heating oil and things like that.

This is about to hit.

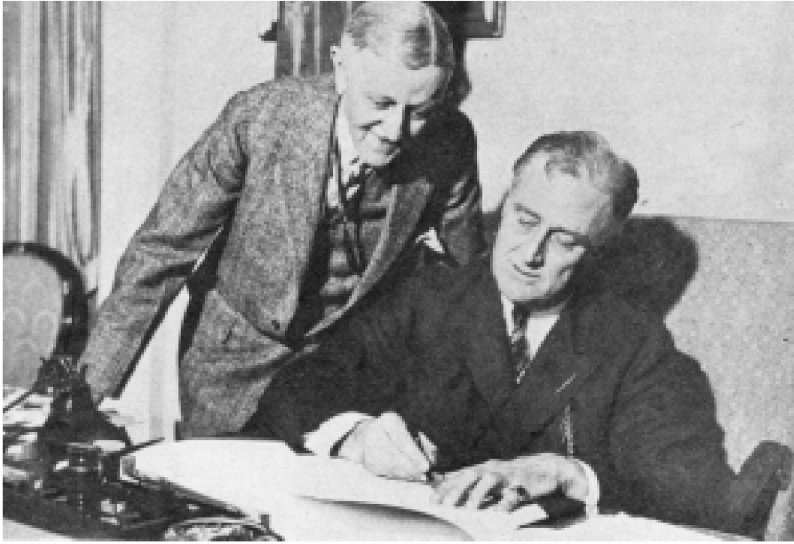
What has happened is that the majority of the world's financial speculation has moved into betting on this cartel. They're moving into bets on oil price per barrel. They're using the profits they make on betting on the oil price, like side-bets, and they're pouring that back into covering up the losses of other parts of the U.S.-European economy. The reason that the United States system has not collapsed right now, financial system, is because of this speculation. *But*, come later this year, or the first of the year, the United States is going to be hit by a collapse of the housing market, and many other things. We are looking at a very dangerous period, with cruel effects for most Americans.

Obviously, those of us who are better-informed in these matters, will be hopeful that a Kerry election, a Kerry-Edwards ticket success, will mean that a new combination on economic policy and foreign policy will come into Washington. And not only, as Kerry proposes, to establish closer collaboration with European nations, and others, but that we will collaborate in facing a reality, which very few people, including economists, including advisors to the Kerry Administration presently, are willing to face.

## U.S. Needs a New Franklin Roosevelt

We are at a point, as Kerry himself said, in a Wilkes-Barre address [see *EIR*, Oct. 29], we're at a point, where we need a new Franklin Roosevelt. At that time, remember, the world was going fascist. Germany was about to go fascist, and had gone fascist by the time that Roosevelt was inaugurated. And the rise of fascism in Europe was posing a long-term threat to the world. World War II was inevitable, probably during February of 1933, and certainly by August of 1934, when Hitler succeeded Hindenburg and became an absolute dictator.

The whole world would have gone into Hell—except for one thing: that Franklin Roosevelt acted, in order to defeat the threat of fascism. Roosevelt rebuilt the U.S. economy, which was bankrupt. He built it over the objection of bankers—like wealthy bankers today—who were sympathetic to Hitler at that time, bankers who planned a coup against his government, his elected government, in 1934; bankers who went over to the war against Hitler, only because they thought



*“We need a Presidency which is prepared to act Immediately. . . . Is Kerry prepared yet, or is he sufficiently well informed, to understand that we face an immediate collapse of the world monetary-financial system?” Here, President Franklin D. Roosevelt, in 1933, signs the bill empowering him to reform the nation’s banking system—his first important act as President.*

their interest lay, and greater advantage, in sticking with the Anglo-American alliance, rather than trying to make a deal with Hitler.

We have a similar situation today. We have the rise of a fascist movement in Europe: in Spain, in Italy, in France, and now, in Germany. We have the same kind of threat we had back in the 1930s, with the same people, or the descendants of the same people. The organization behind this fascist movement, in Europe, in the United States, in Mexico, in Argentina, in Brazil, and so forth, this fascist movement, is the same crowd, the descendants of the same crowd, which were behind the fascist movement which the Nazi Party developed in Mexico in 1935, whom they intended to use for an invasion of the United States in cooperation with Japan; which they developed in Argentina at the end of the war, with the so-called “rat line,” where a lot of the Nazis ran through certain Church circles and were stuck down in Argentina.

These people are still around, their descendants. They’re still organized. And they’re ready to move in, as they were ready to move in years ago.

So, we again, not that we’re the best nation on the planet right now—not under George Bush and Cheney—but we still have a tradition. A tradition of the founding of our Republic, a tradition of defense of the General Welfare, a tradition of sovereignty, a tradition of commitment to posterity: that, whenever we have a President who is supported, who follows those policies in a crisis, as President Roosevelt did, we come out, not only alive, but we come out as a leader among nations, to bring other nations to their senses, or to act as a rallying point for other nations to save the world from catastrophe. That is the challenge before us. That is implicitly what Kerry

said, in his Wilkes-Barre address. We need to go back to the Franklin Roosevelt approach to the present world crisis, to the way we deal with other nations around the world.

### **Is Kerry Ready to Deal With the Financial Crisis?**

That’s good, so far. The question is, is Kerry prepared yet, or is he sufficiently well informed, to understand that we face an immediate collapse of the world monetary-financial system? That we have to protect, not only the people of the United States against the worst depression imaginable, but we have to also cooperate with other nations, to save the world from that kind of catastrophe? Do we have a President, who is willing to bite the bullet, as Franklin Roosevelt did on the day he walked into office, when there was not even a pencil left on his desk by the departing Herbert Hoover, to start to govern the country? And he acted, with measures like the bank holiday and others, to bring bankrupt banks—of

which we have an abundance in the United States—to bring them under government protection, to reorganize them, and to get the economy moving again.

The challenge, the chief challenge, before the President of the United States now, presuming that Kerry’s going to be the President, is to take the same kind of action that Franklin Roosevelt took, in dealing with the banking crisis.

The financiers of the world shall not control the destiny, the lives of people, the life of our nation. The nation comes first; the people come first; the financier interests come second, or third.

It’s perfectly possible for us, with what I know, to reorganize this system, as Franklin Roosevelt did—the same principles, but there’s new complexities to be dealt with, but the same Constitutional principles—to get the United States safely out of the crisis into which the Bush Administration has currently plunged us. We’re at the end of our rope. Maybe there’s a couple of inches left on the rope—but two more inches or three more inches down, and we drop off, and *that’s it*.

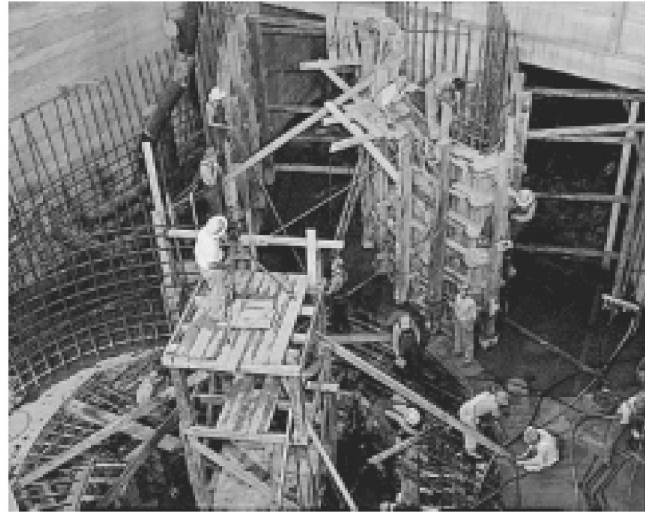
So, we need a Presidency which is prepared to act immediately.

Now, my function in this process, because of my position as the most successful long-range forecaster, in the past 40-odd years, is to provide the advice, for the Democratic Party and for others, on how to deal with this crisis. It’s very good, when people say they’re going “the Roosevelt way.” But, do they understand what that means? Particularly after the past 40 years of degeneration of the U.S. economy? We have to show them what the answer is.

So, my job now is to do everything I can to get Kerry



*The function of LaRouche PAC will be to provide “guidelines for rebuilding the U.S. economy.” On the Ohio River there are lock systems which are “in danger of breaking up.” McAlpine Lock, on the Ohio River near Louisville, Kentucky, shown here, was closed this Summer for emergency repairs, which closed the Ohio River to barge traffic for two weeks. The outdated lock is in the process of being replaced by the U.S. Army Corps of Engineers.*



*The immediate thrust of putting 10 million people back to work “will be in things like . . . locks and dams. . . . My intention is that the Corps of Engineers shall take over these jobs, and rebuild these dams and locks.” Here, the generating unit of the Wilson Dam in Alabama is shown under construction, as part of the TVA project during the Franklin Roosevelt Administration.*

elected. My job, at that point, is also to make sure that the Kerry Administration, then, has the kind of economic advice it needs *desperately*, to deal with the crisis for which it is not, intellectually, yet prepared.

### **Rebuilding the U.S. Economy**

Now, during the coming period, the coming weeks, our function in this PAC, will be to provide you, and provide others, with guidelines for rebuilding the U.S. economy. First, as you will see tomorrow in the webcast, which we’re doing between Washington and Cleveland, Ohio: You will see a beginning of some of the kinds of illustrations we’re using to educate American people in the ABCs of how an economy works.

Let me give you an example: If you go down from Columbus to the Ohio River, and you go down toward Louisville, you will find a lock system, which is now in danger of breaking up. The reason for that is that the major water systems of the United States, like the river systems of the Ohio, Mississippi, Missouri, and so forth, these water systems have about a 40-year capital life. That is, we make improvements which build these things up to functioning, like locks and dams and things like that. And remember, you can’t move coal from the mines down the Mississippi River, without these locks and dams. Once these locks and dams shut down because they’re not maintained, you’re going to have a crisis for that account alone. And you’re going to have a *power* crisis, because you can’t get the coal shipped to where it’s needed.

So therefore, we have to rebuild the locks and dams of the United States, and other water systems, such as local and municipal water systems, which are part of our environment: We have to rebuild them.

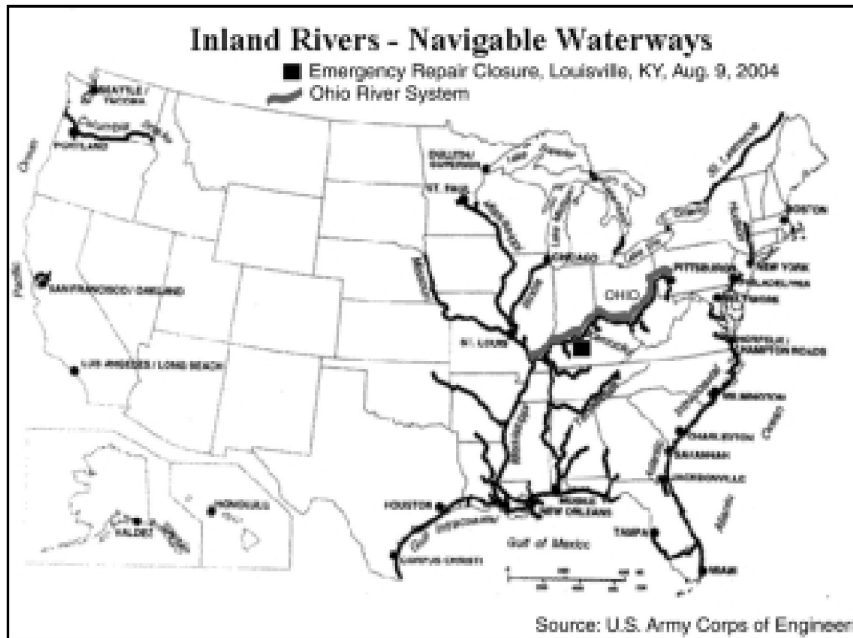
We have to, in effect, put 10 million people, who are really unemployed now and should have jobs, we have to put them back to work. The immediate thrust of that will be in things like that—for example, locks and dams. This is an area, which, in the Federal area, is largely a responsibility of the Corps of Engineers. My intention is, that the Corps of Engineers shall take over these jobs, and rebuild these dams and locks, which it is qualified technologically, in terms of leadership and tradition, to do. But, they’re going to need labor to help them in the program. Therefore, that’s one place we’re going to create jobs.

We have power stations. Now, power systems that generate and distribute power, have a physical capital life of about 40 to 50 years. They’re breaking down, because about 40 years ago, we stopped the process of building up infrastructure, and also maintaining it. So, now we have various kinds of capital systems, which are disintegrating.

We had, years ago, especially since 1977, a destruction of American agriculture, what we used to think was American agriculture. We have ruined whole parts of the country—including the state of Ohio, to say nothing of the Western states. We have people in their 70s, who are still farming. And when they go out of business and retire, there is no longer farming in those areas. Those farms fold up entirely!

We have industries we’ve lost, especially the high-tech industries, the closely held ones, the machine-tool shops and things like that, which are the rock bottom of the economy.

We need to have the power to be able to deal with this, as well as infrastructure development. We need to rebuild our school system—it’s a joke! I mean this “No Child Left Behind” is a joke! George Bush was left far behind, and then



*The major water systems of the United States have about a 40-year capital life. "Once these locks and dams shut down, because they're not maintained, you're going to have a crisis for that account alone. And you're going to have a power crisis, because you can't get the coal shipped to where it's needed. So therefore, we have to rebuild the locks and dams of the United States."*

became President! This is not a good program. We need a real school program, like we used to have, in which the class size is 15 to 25 at most, between 15 and 25, in which teachers are actually teaching concepts, not memory courses or rehearsals for passing examinations, in which teachers have time to do preparation, do advisory work for students. We need to produce students who graduate from secondary school and universities who are qualified for the kinds of high-technology jobs on which the future of the United States depends.

For example: Look around the world. You have China, India, other countries in Asia. These countries are very populous. India has a section which is rather high technology; China, too. But most of the population of 1.3 billion in China is poor. Much of the population of India, is similarly very poor. In Southeast Asia, other parts of the world, they're very poor. Therefore, they can not develop, effectively, to meet their needs without high technology.

Much of that is going to have to come from Europe and the United States in particular. Therefore, if we are going to compete, to exist in the world, we have to go back to becoming a high-tech export nation. This means we have to educate and develop our population; develop our communities; develop our schools in ways which lead to that kind of result.

So therefore, we must change a lot of things. We must use basic economic infrastructure as a place of employment, to repair things that need repairing in basic economic infrastructure, and as a key part of putting 10 million Americans back

to work, or to work where they should have had an opportunity before.

We will then use the market created in each state, by infrastructure employment, to generate employment opportunities and expansion of private businesses; partly as contractors to Federal, state and local governmental projects, for which government credit will be supplied, over the medium to long term, at 1 to 2% credit.

### **The LaRouche's PAC's Job**

So, what we need now, with this kind of picture I've just indicated in outline: We need a government which understands this, is prepared to act as Franklin Roosevelt was prepared to act in the same direction; use the lessons of Franklin Roosevelt's frustrations and experience to help guide us, and rebuild this nation. We can defend the dollar. We can defend our economic position internationally. We can secure the cooperation we need from other nations for this purpose. These things can be done. But we have to understand: *It has to be done.*

We have to put *content*, into the excellent statement made by Kerry, in his Wilkes-Barre address in particular. We have to go back to the model of Franklin Roosevelt's leadership in getting us out of the last Great Depression.

So therefore, during the coming period, what my PAC will be doing is providing educational materials of the kind which are not available from any other source in the world, on dealing with the technicalities of this, and educating people to understand what these technicalities are.

So that's my job. And we're going to be around, after the election. We're going to be doing that job.

Suppose that, by some mischance, this poor fellow, this lame-brain Bush were re-elected: Well, we can only hope that the Democratic Party will find enough Republicans in the House and the Senate, who will defend the country against the neo-cons, and will put checks and balances on this lunatic Bush-Cheney Administration. That's our only option.

The best option: Elect Kerry. Inform him, advise him, strengthen him, along these lines. The worst option—but we've got to take whatever we can get—if the fraud being run by the musclemen of the Republican Party in Ohio and elsewhere works, we're going to have to rely on the conscience of many elected Republican officials—on the Federal level in particular—to cooperate with us, to say, "We're not going to sell the nation down the river, just because two idiots, one thug and an idiot, were re-elected."

Okay, that's what I have to say for the moment.