

## LAROUCHE WEBCAST

# Down with The British Empire!

*Lyndon H. LaRouche, Jr. gave this webcast address in Washington on Sept. 8, 2009. The forum was moderated by his national spokeswoman, Debra Freeman. The video is archived at [www.larouchepac.com](http://www.larouchepac.com).*

**Freeman:** ...I should begin by mentioning that, certainly in the West, the tradition when someone celebrates a birthday, is that they receive gifts. But Lyndon LaRouche has never been someone who necessarily goes along with the norm. So that, today, which is his birthday, Mr. LaRouche has marked that day by giving a gift to all of us, not only with today's presentation, but also with the release of a new paper, which you will find both on the LaRouche PAC website and on the *EIR* website, and it is a document which, without any question, if we are fortunate, will determine the direction of human history for the next several generations.

Obviously, this is a very critical moment. It was months ago that LaRouche declared war, on Barack Obama's so-called "health-care reform," denouncing it as, in fact, a Nazi policy. At that time, nobody thought that there would really be much of a fight around health-care reform, and obviously today, we have a very different view of that, thanks to what was catalyzed by Mr. LaRouche on that fateful day, at a seminar very much like this one. But it was much longer ago than that, actually more now than two years ago, that Mr. LaRouche

made clear that what we were facing in the United States, and what we were facing globally, was a general breakdown crisis of unprecedented proportions. And today, we are seeing the immediate manifestations of that breakdown.

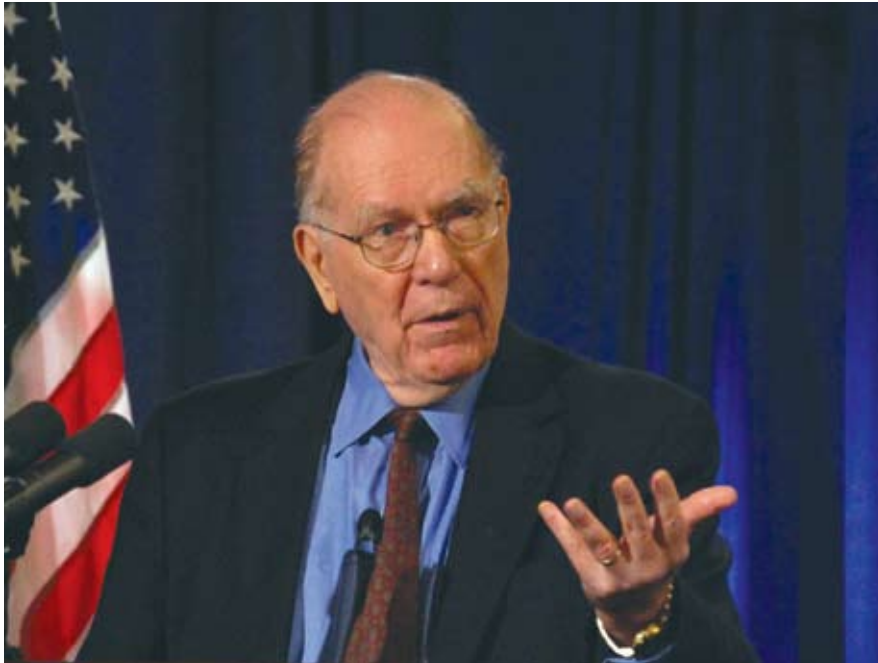
But no matter how bad people believe things are at this moment, one of the things that LaRouche has said over the course of the last several broadcasts, is that, really, the eye of the storm has yet to move over land, and that, in fact, we would see the worst of what is to come in late September/early October, and that we must come together, to discuss what we will do, and we must do it now. The hour is already very late. And it is that, which makes up the content of this paper that Mr. LaRouche has just released, which as I said, is a gift that he has given to all of us.

So, without any further introduction, I'm going to ask you to join me in welcoming Mr. LaRouche, and also in wishing him a happy birthday.

**LaRouche:** Thank you.

Well, I can promise you a lot of bad news—which I'm sure you wish to hear. You would also like to hear what the bad news actually is, how many varieties there are running loose today, in the jungle out there, and what the chances are for changing this.

We are now at the end of things. Tomorrow, the President of the United States, so-called, is going to,



EIRNS/Stuart Lewis

*Lyndon LaRouche delivered a blunt message to President Obama in his Sept. 8 webcast: “Junk your present program. It’s idiotic, it’s completely stupid, and it’s criminal; stop it! Mr. President, for the first time in your life, be a mensch!”*

presumably, make an address to a Joint Session of the Congress, and a joint session may mean a marijuana fest, as far as I understand, because it’s going to have that kind of effect. There’s no competence in this President. There never has been and there never was intended to be. This President is a joker, who was played upon the American people, with a lot of drug money behind it, and it was never intended that he would be competent. He’s totally incompetent. He’s not a man of intellect; he’s a man who’s trained to babble, and he’s been taught the recipes to babble. He has no comprehension of what he’s talking about.

However, he is the elected President of the United States, and you can not have coups at this time, because the danger is already—there are too many threats of coups d’état already out there. And the system is set up for overthrow of governments, including the United States government.

### **The British, War, and Fascism**

For example, you may recall when certain interests in London and the United States set up what became known as 9/11, as a Saudi-British operation, with cooperation of certain people inside the United States—and that’s documented. That’s a fact. This thing was funded

by a British-Saudi operation, in which the Ambassador of Saudi Arabia to the United States was a key figure in preparing what became known as 9/11.

At the time, there were many indications of what that was, but this was quickly hushed up. And the investigations, even as far as they went, were blocked; certain facts were blocked out. But the evidence was always there, and all you had to do, was to look in the right place. *And it’s there.* It came from an alliance between Saudi Arabia and London, which financed and planned the entire operation, and the Saudi Ambassador to the United States at that time, was a key figure in setting up the operation.

Now, this information was accessible to the incumbent government of the United States, at that time. But it was hushed up. And

something else which had been intended, was done, instead. The intention was to destroy this government—how? From the inside. And you had an idiot, who was an unreconstructed drug addict, a cocaine freak, who had avoided military service in Vietnam by being co-opted into the Texas Air National Guard. The Texas Air National Guard didn’t want him, but the Bush family forced him upon the Texas Air National Guard. This fellow continued his habit, which included cocaine, a serious cocaine habit, and the head of the Texas Air National Guard and company shipped this guy out to another state, where he was supervised by a couple of military officials to go through drug treatment, for cocaine addiction. And he went through a year of training and cure for cocaine addiction, which didn’t work.

So, we had a coke addict who entered the White House as President of the United States, an unreconstructed coke addict, who could just not drink alcohol, except near-beer. And he was nothing. A mean character—a mean, little jerk, no brains to speak of. The father was not too bright, either. The brains in the family had been used up by the grandfather, who had been a key man in putting Hitler into power in Germany. And you’re dealing with this kind of process, Anglo-American process, all the way through, still to the present day.



White House photo

*Remember them? The Cheney/Bush Administration used 9/11 to try to impose a unitary executive dictatorship—a policy Barack Obama campaigned against, but is gradually implementing today.*

So now, we have, after two terms of this idiot, under Cheney, we have an Obama Administration. And despite the fact that Obama, when he was running as a candidate for President, campaigned against the Unitary Executive, nonetheless, he, when he became President, became very quickly an advocate of the Unitary Executive. Which is fascism, minus a burning of the Reichstag.

In other words, this schnook is put in as President. He fumbled around for a period of time. Then a crisis came, he kissed the British butt—the people who really owned him—and that’s how we got to this Unitary Executive. We now have *signing statements*, from the President of the United States! We have a Unitary Executive, which was set up as a reaction to the bombing in New York, especially, 9/11. We’re set up into a dictatorship, in which the Congress no longer has the legislative power to control the Presidency! Our system of government has gone to a *unitary* government, under which the Congress is allowed to vote—as long as they don’t contradict the President. If they do contradict the President, he’ll make a signing statement, and say, “Yes, you in the Congress, you voted this way. But I, as President of the United States, think differently, and *I’m going to act differently!*”

And we have a dictatorship in the United States, which is in the direction of a Nazi dictatorship, under a President who doesn’t have much conscience, because he doesn’t have any brains. He’s trained to talk like a trained monkey, or something out of a mechanical zoo, and is stumbling along. But he’s still the President.

Now, we in the United States are smart enough to know we don’t make coups d’état. We don’t assassinate our Presidents as a way of changing government, though we have some imported people who do that for us, from time to time, as in the case of William McKinley, which was a very crucial assassination, or the assassination of Abraham Lincoln, or the assassination of John F. Kennedy. John F. Kennedy, of course, is a watershed for this matter. They killed him, why?

Kennedy had two points on which he was hated, by the Wall Street crowd and the London crowd. Number one, on the question of the conflict over the steel industry: to defend American industrial power. And he made it stick, and he was

going to continue to make it stick. Secondly, he opposed the insistence of the Wall Street crowd, on going into a war in Indo-China. while he was President. And for that, he died. Imported assassins, directed from Europe, by way of Spain, and by way of Mexico, did the job. And scooted, while somebody came up with a funny story, to distract attention from everything.

But why was he killed? The reason became obvious in the next period, after his death, when President Johnson, as Johnson later admitted, had been so terrified by the fact that these three riflemen who killed the President Kennedy, were going to aim at his neck, too, as he said at the end of his term in office. And therefore, when the issue came up of what Kennedy had done—under the advice and counsel of former General MacArthur and the support of General Eisenhower—that he had objected to, and opposed, any launching of U.S. troops into Indo-China. And the policy of MacArthur and Eisenhower, and the policy adopted by Kennedy, was “no U.S. land war involvement in Asia!” That U.S. troops can not handle warfare in Asia! Because Asian culture is not like European culture, and you’re going to run into a different kind of problem, and it’s not the way to deal with it in the first place. Because, what you were doing, you were going on the side of British-controlled colonialism, imperialism, against the people of Asia. And if you have a country which is associated with the European standpoint, like the United States, culturally, that goes into a war against Asians, what are you going to get in Asia? You’re going to get a reflex. And that’s what we got.



National Archives

*The British have repeatedly sought to destroy the United States by pushing it to participate in a land war in Asia, such as the Vietnam slaughter. Here, soldiers carry a wounded comrade through a swamp in 1969. Over 58,000 Americans died.*

And the British have always handled us nicely by getting us into wars in places like Asia! This is the way the British run the world. The British Empire runs the world, through warfare! The same way they got imperial power, by inducing the silly nation-states of Europe to go to war against each other in the so-called Seven Years' War. And the leading nations of Europe went to war against each other for seven years, while the British stood on the sidelines and encouraged the process, and laughed.

And then, in February in 1763, in the Peace of Paris, the British Empire was declared, as the empire of a private company, called the British East India Company. And the British East India Company took over and became the United Kingdom, and has run it from that time, to its equivalent in the present day. The British East India Company, of course, went into bankruptcy at a later period; there were changes made, as under Victoria, and so forth. But the principle remains the same: The British East India Company represented a special kind of empire, which is the only kind of empire we've known in the whole history of European civilization.

### **The Principle of Empire**

The empires of European civilization were based on the destruction of Greece, through *self-destruction* in the Peloponnesian War, where the monetary interests centered on Athens, went into war against the monetary

interests centered on the city of Corinth—the Peloponnesian War; and then, later, when not satisfied with Sparta's self-destruction, the combined forces of Greece went to war against Syracuse, the third maritime power of the Greek-speaking Mediterranean. And thus, a power from Asia, from the Asian tradition, called the Cult of Delphi, went through a process of organizing an empire under its control. Which later became, by special agreement, so arranged, the Roman Empire of Octavian, otherwise known as Caesar Augustus.

Now, in all this process, what has run the world, as an empire, since these developments, is a maritime power. That is, we had had empires in Asia before; the idea of empire comes from Asia, it does not come from Europe; but it was introduced to Europe by this process, by the Peloponnesian War, that vehicle. And since that time, we have had an empire, of a maritime characteristic, that is, originally based on the maritime power of the Mediterranean Sea, and later spread to the Atlantic Ocean—a maritime power, which had created a control over the use of money.

And the basis of this power was money, the control of money, as a form of imperialism. All European imperialism, including British imperialism today, is not based on a landed territory; it's based on an international organization of the control of money. Now, this money is actually controlled by private interests, by individuals who form concerts of private interests, who set up the control of money, its creation and management. And nation-states are subsidiary to this international control of money.

The British Empire, which evolved out of this process, is nothing but that. It is not an empire of the people of the United Kingdom. It is an empire of an international consortium, of these types of interests, whose control over money is used to control nations.

### **The U.S. Exception**

The one case in which this was not successful, was the formation of the United States, and the United States was actually created, especially, from the course of the 17th Century on, it was created initially by a colonization in New England, by the Plymouth Colony, and then by the Massachusetts Bay Colony. This was the keystone, the kernel of creating what became the United States.

These people who came on the *Mayflower*, or came to the Massachusetts Bay Colony—and they came from various parts of Europe, not just English-speaking—but came into this area, came here because they saw Europe as a hopeless cause; that the corruption in Europe was so bad, that they could not solve the problems of Europe there. They had to go across the sea—as had been recommended by a great person, Cardinal Nicholas of Cusa, earlier—to continents across the oceans, to carry the best of civilization across the oceans, into new territories, to meet new people, and to set up a civilization which would be free of the colonialist or imperialist evils of Europe.

And that started in Massachusetts, in that form. And we had the beginning of a different, alternative system of finance, called a credit system, which was established in the middle of the 17th Century, in Massachusetts, by a system of scrip. Which was later referred to as a paper-money system by Benjamin Franklin, and is the characteristic of the U.S. Federal Constitution. The U.S. Federal Constitution *does not condone a monetary system*, of the type that we've had, particularly, under the Federal Reserve System, which was an act of treason against the United States in the first place, because it destroyed us as a credit system, and made us the subject of an international *monetary* system, rather than a credit system.

Our Constitution specifies, to this day—and this is crucial for us, here today, to take into account—our Constitution specifies that *we are not a monetary system*, and *we are not the subject of a monetary system*: We are a *credit* system, as our Constitution defines it, and as the history behind that Constitution defines it. The only authorization for the circulation of money, inside the United States, or any other respectable nation, is an act of the state, not the going of the state to some international private monetary complex, to which the state goes into debt! And this issue of debt is crucial. Our debt is by our will, and it's our debt to ourselves, or by treaty agreements with other countries, in nation-to-nation agreements. And that is the principle we must apply, if we're going to save civilization now.

## Our Conflict with Monetarism

We've come to a point that the monetary system, or the *monetarist* system, which is based on international financier interests, not nation-states—international financier interests, which are called “free trade”—. What does free trade mean? It means “free” of government

supervision. It means free of all government supervision: It means a world, planet government, by private financier interests, operating as a consortium of monetarist interests.

So, always, the issue has been that. It was the issue on the death of Roosevelt: On the 12th of April, 1945, the United States was operating under a credit system. As of April 12, 1945, the United States postwar policy under Roosevelt, was to set up a worldwide *credit system*—not a monetary system: The United States would organize, in cooperation with other nations, treaty agreements, would set up an international credit system, using the power which we had mobilized for military purpose of production; to use the power of the United States to produce the goods which would then be the engineer for *freeing* people from colonialism, freeing them from subjugation, and reorganizing Europe on the basis of an international *credit system*, which has the intent, the explicit intent, of Franklin Roosevelt at the famous Bretton Woods conference. Where he had *rejected* Keynes, attacked Keynes and rejected him! Knowing that this was the British imperial system, of Keynes. And the United States and the people of the world must be *freed*, once and forever, from monetary systems, and have the power of a system of *sovereign nation-states*, which would have partnership, with their respective credit systems of cooperation. That was Roosevelt's intention.

On the day that Roosevelt died, and his successor—Harry S Truman (no middle name: S; he was an “S-man”) took over, he kissed Churchill's butt, and we did everything pretty much wrong, since that point on.

We've had patriots who have lurched, sometimes, in the direction of trying to reestablish the influence of the United States, *despite* the fact of the international monetarist system. Because the international monetarist system places the United States, among other nations, as the victim of *international private interests*—not governments—and the control over the idea of money, by international *private banking interests*, not governments; whereas, under the American System, only a sovereign nation-state, and a partnership among sovereign nation-states, should be allowed to have such power. And that's the crux of the problem now.

## This Breakdown Was Unnecessary

For example, in the Summer of 2007, on the 25th of July, in premises akin to these today, I set forth a policy to deal with the crisis which was immediately oncoming. I said that we were on the brink of a breakdown of



EIRNS/Brian McAndrews

*Rather than taking up LaRouche's Homeowners and Bank Protection Act of 2007, which was supported by many institutions throughout the country, the Obama Administration rewarded the looters, through bailout. Shown, organizing in Philadelphia in September 2008.*

the world system, specifically, the U.S. system, and that we had to take certain measures; that our banks were bankrupt, and we had to go through a process of reorganization in bankruptcy, by using the power of the Federal government, to *declare* bankruptcy, especially in respect to mortgages. That is, to *freeze all mortgages*, pertaining to people who occupied the residence which was mortgaged. And to protect the banks, which, in many cases, were already bankrupt: to protect those banks by a Glass-Steagall standard.

We put this forth, in the form of a motion, a proposal, which circulated widely, with wide support throughout the United States: the Homeowners and Bank Protection Act of 2007. If that act had been actually introduced [in Congress]—it was introduced on many levels, and supported by many parts of the population and institutions of the United States, including

states—if that had been done, we wouldn't be in a mess today. Well, what happened?

During the course of September 2007, Rep. Barney Frank, who is not the nicest person on the planet, and Sen. Chris Dodd, otherwise known as a Dodderer, came to agreement to block the Homeowners and Bank Protection Act, despite the large support it had throughout the United States, among popular parts of the state organizations and so forth. Had that act been carried through, we would not be in this mess today.

But what happened? Why did Christopher the Dodderer, and Barney Frank—and he's frankly something special—why did these guys get the support and become the instruments in the Congress to destroy the United States by blocking this, and what did they do? What they did, which became clear in the following year, 2008—what became clear was a process leading to bailout. The whole of Wall Street and similar kinds of international financier operations, around the world, were at that point bankrupt. That was the key problem here. Instead of putting these things through bankruptcy reorganization, *we bailed out* the bankers of the world, at the expense of the American population.

Now, today, because of the *trillions of dollars of theft*, by the Bush Administration and the present Obama Administration, we have a lack of the means to meet the needs of our own population, and we've engaged in a shutdown, over these months since September of 2007; we've engaged in a process of destroying the employment and conditions of life and security of the people of the United States, all for the purpose of the looting of those people, the taking away of their employment, in the service of honoring the artificial debt of a bunch of crooked swindlers, associated with Wall Street, with the firm of Goldman Sucks; this is the type of thing we deal with.

## Dictatorial Powers

So, what we now have, is a particular crisis of this President: This President is a butt-kisser for the financial interests, internationally. Why is he a butt-kisser? Because the British Queen told him to be. He has no mind of his own; he's educated to memorize speeches, whose content he does not understand, the implications of whose content he has no understanding of whatsoever. And he's simply the hired fool, who occupies the White House, and was selected because he *was* a fool, and *is* a fool, has *remained* a fool! What comes out of his mouth makes no sense. This man is not intelligent,

he's a trained zoo animal, who says things, and has great ambition. And lacking brain power, he has delusions of grandeur, and assumes that he's the Emperor.

This man has adopted, under encouragement, dictatorial powers of the type associated with what was attempted through 9/11, in the so-called "signing statements," and what happened in the course of the Iraq War, and since. We're now implicitly under a dictatorship. Politically, we're at the last stage, before the equivalent of a *Reichstagsbrand*. We're on the verge of a dictatorship in the United States, being pushed very soon, and "soon" is determined by the fact that at the end of this month, and beginning of October, the fiscal year of the United States comes to a close, and these accounts have to be reconciled. And there's no money to reconcile these accounts. There is no source of income to keep the states—48 to 49 of the states are already officially in bankruptcy—and there's no money, from any source, to take these states out of bankruptcy.

The payments that are not being made, will never be paid, under Barack Obama. There will never be any improvement of the conditions of life under Barack Obama. Because Barack Obama's Administration is under British direction, to maintain the interests of the *international financier interests*, the monetarist interests, the monetary interests—not the United States. And therefore, Obama comes up with a British proposal, for Hitler's—actually a carbon copy, of the genocide policy of Adolf Hitler! And it *is*; and no matter how much the Obama people deny it, they are *lying*!

The policy of Barack Obama, is genocide against the people of the United States! That's a *fact*! And anybody who denies that fact, is either kidding themselves, or lying. If they're official, they're lying. That is the policy! And the people of the United States, over 60% of them, have smelled that. And picked up on that, as the leading reason for their opposition to the Obama Administration. They know the guy is a Nazi. And pasting a toothbrush mustache on the upper lip of Obama, like that of Adolf Hitler, makes it very clear to Americans, *what this guy is!* He's a puppet, who is assigned to play the part of an Adolf Hitler, in health care.

Because they can not continue to bail out the thieves, who looted this country, and robbed it, and also care for health care. They can't even apply ordinary employment, *without* health care. We have one-third, approximately, of the population that is actually unemployed. About one-third of which, of course, is not receiving anything, in terms of compensation for unemployment,

and others are running out of 52 weeks of unemployment compensation. So about 30% of the population is in destitute conditions, who used to work for a living, and have no hope. Many of them have given up hope!

And, as this October approaches, we're entering a period where a catastrophe, a social catastrophe, is about to occur. *Why?* Because President Obama is determined to bail out the system, even if it means killing Americans by his health-care program! A health-care program which is a copy of what Adolf Hitler introduced into Germany in 1939, in September-October of '39. *There's not a single iota of difference* between what Hitler did in 1939-1940, and what Obama is dictating today! Not one bit of difference!

Obviously, one minimal condition, which ought to be imposed, is that every creep that's part of that Obama health-care cabal, should be thrown out of office immediately. Any government official who says I'm wrong is a liar! He should also be thrown out of government.

Because, look: We've got a situation—if we care, as a nation, which represents a people, our population, we can not have the destruction of the great majority of our people into a hopeless condition. And we're not going to do this, to bail out some foreign predator. And the foreign predator is just going to have to "do a li'l bit without!"

Because the great crisis today, which Obama's not talking about, and will not talk about tomorrow, unless I scare him into doing it today, is that we've got to deal with the effects of this mass unemployment! And it's not just mass unemployment: Why are people unemployed? Because they're not producing! They have no opportunity to produce. Our industries have been shut down! Our agriculture is in a state of collapse! It's worse than that: It is something tantamount to treason. The name of this tantamount to treason, is called "globalization."

## **Globalization Strikes**

Do you know what happened to this planet after 1968, after the Spring and Summer of 1968? It's called globalization. It came in the form of a fascist movement on the campuses, the most privileged campuses of the United States. And they rose up, they tore off their shirts, waved their sexual organs, took dope, and marched out to "live freedom forever." I saw this thing, I saw it at Columbia. It was in the universities in the United States, and partly in Europe, at the upper class, so-called, universities, in which there were these con-

centrations of people who were literal copies of the ancient Cult of Dionysius, which is the model for fascism.

Mark Rudd and company, like the Weathermen, and so forth, were actually a fascist organization, bred on the campuses of the most privileged students of the United States, whose incentive for this great uproar was not some good for humanity, but the fact that they were being denied what they thought was their exemption from military service in Vietnam. So it was on those universities where the greatest number of exemptions from draft service, in Vietnam, were provided. When the war got hot, and they needed more troops, they began to dip into these areas. So, if the guy was not serious in the class, and didn't keep up the highest grades, he was likely to be snapped up in the draft, and shipped across, and trained for what to do in Vietnam.

This was the issue which provoked this fascist movement in the United States, which was typified by the Weathermen organization. And this Weathermen phenomenon then spread, during the course of the early 1970s and beyond, to become the movement which has taken over the policy-shaping, top down, of many of our leading institutions in the United States, today.

### Green Fascism

So now, we have the Green revolution—not the part of producing agriculture, because that also has gone under, but the Green revolution of being against industry, against production.

You have a human race which depends upon the increase of what's called “energy flux-density of power sources.” We've gone from sunlight, to burning shrubs, to burning coal, to burning coke, and so forth, up the scale to nuclear power, and approaching thermonuclear fusion. The existence of the human race depends upon going to consistently higher energy flux-densities, that is, higher concentrations of power. Today, we've reached the point, that without nuclear fusion—nuclear fission and thermonuclear fusion—we can not continue to sustain a world population of the present magnitude, let alone an increased magnitude.

We can not maintain the standard of living. Because what we're doing, on the one hand—which is not bad,



EIRNS/James Rea

*The Green movement, which took off in the wake of the uprisings of 1968, was actually a fascist movement, and it now controls many of the leading institutions of the United States and the world. Here, an anti-nuclear rally in Berlin, Germany in September 2009.*

in a sense—we are looting, or using up, those resources on which we depend, which are the most richly concentrated. These are largely resources which are sort of laid down by dead bodies of animals and plants over many millennia. So now, we go to the area where the dead bodies of these creatures repose, where minerals of them were concentrated by biological processes, which concentrated these minerals, and we extract the minerals there, where they're most richly concentrated, because of a biological process. Our industry is based on richer levels of resources.

Now, as we draw down those resources, there's still plenty of resources on the planet, but you have to get them. They're not lying at your doorstep; you have to go out and get them. This requires more work; this requires more power. And therefore, you constantly have to go to higher levels of power.

So, mankind's progress went, essentially, from burning of simple objects—and the distinction of man from apes, as far as archeology is concerned—is generally a fireplace. You find something that looks humanoid in remains, and you wonder if it's human or not; if you can find the sign of a fireplace, where something was burned, as in cooking, or a fire spot in that area, you say, “This thing was human.” Because only human beings use fire. So mankind's use of fire, has defined the nature of man's economy, or the ability to produce, or the ability to rise above the level of baboons, has de-



pendent upon this principle of using fire.

But, as we use up some resources—we still have plenty of the same resources, but we have to get it! And to get it, requires more power. Not to lose productivity in getting these resources, we have to increase the power which we apply. So, in that way, we have to increase our concentration of power.

Now, what has happened? These fascists, like the Weathermen type—and there are similar depraved people around the world—have said, “No, we’re going back to *green*! We’re going back to sunlight! Going back to wind power!” (I mean, they should really not eat those beans.) Instead of realizing that we have to face the reality, that mankind is changing the world we live in, and should be changing the Solar System fairly soon, too—we’re changing that. And this requires going to more advanced scientific capabilities, for mastering these forces, learning to control these higher energy flux-density sources of power, and applying them. And by this means, we can improve the standard of living of our people. We can also more than overcome the apparent shortages we incur by sticking to a stagnant form of production.

But we’ve gone away from that! We don’t teach science in universities any more, really. Oh, they teach something called science, but there’s no devotion to a mission!

### **FDR’s Intention Was Betrayed**

Take World War II: We had a devotion to a mission! And therefore, the resources of scientific capability and engineering capability were drawn into a concentrated effort, to enable us to produce the weapons by which we could win that war, and supply the logistical support to conduct that war successfully. At the end of the war, by this means, we had achieved the greatest concentration of productive power the planet had ever seen! And Roosevelt’s intention was that we would use that accumulation of power, which we had used for *military* requirements; we simply would convert it to its natural occupation, for civilian requirements: for advancement of technology, not waste it on war, but use it for these purposes.

Roosevelt’s intention was to free the people who had been in the colonized part of the world, and help them to develop self-sufficiency and eliminate the British Empire, and all other empires from this planet, in



National Archives

*President Truman’s immediate capitulation to Winston Churchill (right) on economic and strategic policy, was the crucial trigger for the decades of brutal financial imperialism which followed. Here, the two talk on the President’s yacht during Churchill’s visit to the U.S. in 1952.*

order to build up a planetary system of relatively sovereign, nation-state governments of people. And to hope to establish world peace among republics, by finding a common interest among the people of these various republics, for cooperation.

That was Roosevelt’s intention for the United Nations: to convert a colonized, imperialistic world, into a world of sovereign nation-states, American-style, to give them the option for an American-style sovereign nation-state. And to build a bond among these nations, of cooperation, and not get suckered for the British game, of controlling the planet by getting people to kill each other, in wars which somebody made up for them to fight. That was the point.

And this is what has been destroyed. It was taken away from us, from Truman on. Truman kissed the butt of Churchill, and that’s where the whole process started.

And now, the world is playing the same silly game! We are now going to new wars, in various parts of the world, on schedule, killing people, for some cooked-up reason, and all for the benefit of propagation of the British Empire. Why did we go into Iraq—twice? There was no need to go in there. Why did we go into Vietnam? There was no need for us to go there.

When I was in military service, in Burma, at that time—I was operating out of Myitkyina—we were actu-

ally supporting Ho Chi Minh in Indo-China against the Japanese! And when the Japanese surrendered to U.S. forces, they took over. The U.S. government had joined with Ho Chi Minh, in the liberation of Indo-China from colonialism. What did Truman do? Truman gave the British the backing of the United States, to take the Japanese troops out of the camps, and *reconquer* Indo-China, until the French could get there to take over. And a British agent operating with Truman's backing, did that.

So we reversed our policy, for which we'd fought war, and we did it all over the world. We *recolonized* Africa! We recolonized, or partially recolonized, other parts of the world! We did not use our potential, our industrial power, to enable these countries, through machine tools and other things, to begin to develop their own independence, true independence and self-sufficiency.

And so what we did: We engaged in organizing, British-style, perpetual local warfare, between so-called "traditional rivals." And the British, as they had done in the case of the Seven Years' War, back in the 18th Century, *played* this situation so the United States, like a damned fool, would go off to fight one more war, and bleed its own people to death and waste our material, all for the greater glory of the British Empire!

And we're still doing that today! In Afghanistan! What a piece of idiocy that is, it's *inconceivable* idiocy! *Blessed by Obama!* It's insanity. And the error is McChrystal clear. This is insanity. So, we get into this kind of situation.

## America's Special Role

Today, obviously, we have to realize that we have been betrayed, in a very profound way. That is, with Franklin Roosevelt's success, as President, and his leadership in World War II, we had opened the gates for a new world, free of imperialism, free of these kinds of evils we suffer today, with the death of Roosevelt on April 12th of 1945, and the inauguration of Truman, who was no good from the beginning, and was a stooge for Winston Churchill, the British Empire and their friends inside the United States, their allies—the same ones who had backed Hitler, earlier. Remember, the whole Wall Street crowd had been backers of Adolf Hitler, *until* Pearl Harbor. And Truman was one of them, one of that pack.

And so, when Roosevelt died, who was the representative of the great achievement of his administrations, Truman moved the British back in, and Wall

Street back in, to play their games.

Now, we have a very special role in world history, as a nation. We were established as a European culture. We were established on the initiative of a great figure, from the 15th Century, Cardinal Nicholas of Cusa, who recognized, at that time, that the situation in Europe was becoming hopeless, culturally: that the great intentions of the Council of Florence were being sabotaged, and were in danger. And he came to the conclusion that people in Europe had to think about going out across the oceans, to make contact with other parts of the world, and take the best features of European civilization with them, to contribute to these continents. And thus, by defending the advances of European civilization in these other continents, would feed back into Europe, and tilt the balance so that Europe itself could achieve its own proper intention.

There were various efforts in this direction. Christopher Columbus was actually inspired, specifically, by the program of Nicholas of Cusa, in about 1480 A.D., which he was actually able to carry out in his first voyage in 1492. But the Habsburg control of Spain and Portugal, meant that the attempt to develop civilization in Central and South America was jeopardized by this influence. And so it was not until the 17th Century, in the colonization in Massachusetts, in particular, that the initiative occurred, for the development of the United States.

Our distinction in the world is precisely that, the heritage of that period. Our distinction is, we formed on this continent, a republic which contained the best representatives of European civilization, people who came here from various parts of Europe, in the leading part, not to flee from Europe, but to carry European culture into a new continent, and develop here, a kind of nation-state, which would be an example for the restoration for some kind of decency to Europe.

And thus, we have this distinction between our British cousins, so-called, and ourselves: that, for many of us, we are part of the same cultural origin as they are, but their system of government is fundamentally different than ours, and the difference is largely not in language, though there is some distance in the use of language—in who we call what, and whatnot. But the difference is essentially this ingredient: that we do not accept the oligarchical conception of society, which is characteristic of Europe. We demand *our* kind of society, which is based on the nature of the individual. And we represent, in large degree, the *best* of European cul-



U.S. Army Corps of Engineers

*The United States must immediately create millions of productive jobs, like those being carried out by these construction workers at Lake Shelbyville Dam in Illinois. This would combat demoralization, and start the country on the road to a real recovery.*

ture, brought here, but freed of the habit of oligarchism—you know, of kissing the butt of Sir This and Sir That, and Baron This and so forth, that sort of thing. We don't believe in this idea of oligarchical social class. And that is the fundamental distinction.

So, we as a nation, an English-speaking nation, by and large, are absolutely unique on the planet, and we are the greatest danger, because we represent the alternative to the use of European culture, in Europe, as a way of destroying humanity. *That's* why they want to destroy us.

### **'Hey, Mr. President, Where Are the Jobs?'**

Now, this comes to the practical question: What're we supposed to do now? The whole debate by Obama—Obama's a liar. I would call him a liar, really, if he were not an idiot. And how can you call an idiot a liar? I mean, that's really a problem, huh?

But, his thing about “my program or nothing”—the guy's a complete fraud! I don't think he thought up the fraud himself, because he doesn't think very well. But I think somebody told him that, and he's repeating it, being whipped into place. He's saying, we have to kill people, kill our citizens, because our economy can't afford to feed them.

I say: Well, Mr. President, you're kinda stupid, aren't you? That's not the problem. The reason we can't

feed our population, is the fact that they aren't employed! You took away their employment, you took away their industries, you took away their agriculture. Why don't you give them back their jobs? Why don't you give them back their industries? Why don't you give them back their farms? Why don't you support their industry? Why don't you support their investment in their industry? Why don't you support investment in their farms? Why don't you educate them, for the new kinds of employment which are required today, which we could do?

Why do you have them out in the streets, with no education, whatsoever? Why do you have Blab School education, instead of real education? These young guys coming out of school don't know anything! Why? Because they've been educated, to be know-nothings.

Why don't we go to the mission of—where are the jobs?

Hey, Mr. President! Where are the jobs? Hey, Mr. President, where are the skills, for those jobs? Hey, Mr. President, where are the industries to employ these people? Hey, Mr. President, where are the farmers, the prosperous farmers we used to have, to employ these people? Where is the basic economic infrastructure, to change the power of mankind, to increase the power of mankind in this universe, Mr. President? We've got these people out there! The citizens! You want to kill them! You want to increase the death rate among them! You say there're too many! You say, we want slaves, not educated people!

Why? Mr. President! Why are you such an idiot? Why do you insist, that if we don't listen to you, we're not going to make it? If we listen to you, we *surely* will not make it, Mr. President!

Now, Mr. President: I'm willing to keep you in the Presidency, for one reason: because you were elected. I may regret that deeply, but that's the fact of the matter. I regret the fact that you're President, because you're too stupid to be President! But, Mr. President, I have a solution for you. I'll take care of this problem for you. You sit in the Oval Office with a group of advisors—get rid of this bunch of clowns that you've got, that's pushing this genocide. You've got some perfectly fine, qual-

ified people in your administration. Just get rid of the bums... and I'm afraid, Rahm has to go.

Rahm and his brother should go out, and try to find what happened to the toilet lid from the King David Hotel, when their father blew up that hotel. And there was a British colonel, exposed, naked to the world, because the structure had crumbled around him, because of this lousy bombing job, done by the Emanuel family. And there he is, the plumbing is holding up this bathtub; the colonel is naked in the bathtub, exposed to all kinds of ridicule, because of the British proportions and characteristics—but where is the toilet lid? What happened to the toilet lid? I think, Rahm, you and your brother, ought to go out and find that toilet lid. Or, at least give us a decent report of what happened to it.

We don't need the Emanuel family in our government. We don't need Orszag, we don't need a lot of others. But particularly, we don't need anybody who's associated with this health-care policy of this President! They must go! And they must go, suddenly!

Now, your problem, Mr. President, is, now, to pay attention to what I can do, and what some other people can do, to advise your government. You will sit, safely protected, in the Oval Office, because I don't want anybody to harm you in any way. We're going to protect you against your former British friends, who will want to kill you over this issue. We're going to protect you: The full resources of the United States are going to protect your person, as President. You will sit safely in the Oval Office, by every means we can use to accomplish that. Don't worry about that.

We'll treat you in a very friendly, kindly, respectful way. We will not have you announce any policy that you have not been presented with. You don't have to understand the policy, you can simply say, "I accept the guidance of my friends, here." On that basis, we have people, in the wings of government, outside government, who, to my knowledge, are willing to step forward, replace that bunch of clowns associated with the Obama health-care policy and similar kinds of things, and put together a program. By doing what?



USACE/Norm Atkins

*The U.S. recovery program should focus on large-scale infrastructure projects, such as repairing the nation's major river system. Here, the John T. Myers Lock and Dam on the Ohio River.*

## The Road to Recovery

The first thing we have to do, is we've got an immediate situation, coming up in the month of October, November, and beyond: an absolutely desperate situation, for people who are running out of—in vast numbers—the last shred of unemployment insurance. The last shred of support for the means of existence, facing an epidemic disease, which is highly dangerous, when the Obama Administration is trying to destroy all the very means we require, to deal with epidemic disease. We're dealing with a demoralization of the U.S. population, which is losing confidence in itself, and confidence in the future. *This is what we have to concentrate on.*

*We have to create real employment.* Not employment in make-work, but real employment in some kind of productive work, the way Roosevelt did, in the Depression years, in the beginning. We have to put people back to work. We don't have the work for them? Yes, we have to provide unemployment compensation, to keep them alive and keep them in condition. And keep their dignity, above all. We've got to save communities, which are no longer productive, put them back into productivity. We're going to concentrate largely on basic economic infrastructure, physical infrastructure of the type that's necessary for the foundation of industry.

Now, when you build large-scale infrastructure programs, you also create a lot of private employment. Because, when you have a major contract, a government

contract, for building a piece of infrastructure, what do you do? You call in private firms as bidders on contracts, to service the completion of this work. In that way, wherever you put in a transportation project, for example, or some other project which is a government project, you immediately stimulate employment, of this type, in the vicinity. People who have skills, who have small businesses or something, or that kind of skill, who can bid on the job, or do that job—we've got to do that, fast.

The first thing we have to do, is to do enough of it, to convince the people out there, that that's what we intend to do. Think back to the experience, as I saw it, and others saw it, back in the 1930s. The first thing to do: You've got to rebuild the confidence of those people out there, who are feeling desperate, in themselves. You've got to rebuild confidence in those communities which are affected by the desolation which is being caused now.

You've got to create *productive employment*, Mr. President! Not green employment! Productive employment! You have to fix up the Ohio River, which is no longer functioning, because of neglect. You've got to fix up the Mississippi River; you've got to build up the Missouri River! You've got to build up the Ogallala Aquifer, in the West, if you want agriculture for the future. There are many things to do: Get cracking at it! Pick a few of these projects, get them started! Correlate the way you start these projects, with the way you locate revitalization of employment in industries and local communities. As we used to do.

Look at a map of the United States: Go state by state, cooperate with the state officials, map the problem. Decide where you need the social effect of employment. And find the form of employment that fits the program, and make sure they get a share of it there. We want to have an increase, by about 20%, of employment of the people of the United States, over the immediate period ahead. We want them to feel that that is a Christmas present, and a New Year's greeting, for a change in the way things are going! The American people are trusting, and if you show respect for them, and respect for their needs, and a sense of justice, they will trust you for a certain period of time.

And they're now in a mood—we're in a mass strike mood, in this country, Mr. President, and the country doesn't like you, Mr. President! As a matter of fact, they're coming to *hate you*, Mr. President! They're not going to do violence to you, but they hate you, nonethe-

less. You are a symbol of the suffering you've imposed upon them, and you've got to prove that you're a better man than that. And we'll help you succeed, if you consent to do that.

We'll keep you in the White House; you'll stay there. You'll be protected. You will be consulted on every question that comes up that you should be consulted on. But you're going to listen to your advisors. And the advisors are going to be a lot more competent than you are. And you're going to learn a lot! For the first time in your life, you're going to really learn a lot that you need to know. And you will walk out of that job, with the pride, that while you were President—whether you were qualified to be President, or not—that under your Presidency, the job was done. And you can take pride in that.

That's what I can give you—it's the best I can give you.

Junk your present program. It's idiotic, it's completely stupid, and it's criminal; stop it! Mr. President! For the first time in your life, be a *mensch!*

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## Dialogue with LaRouche

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**Freeman:** ...Well! We have greetings that have come in, for Lyn, wishing him a happy birthday, from all over the world. I really can't even begin to read all of them, but just indicate that among the places are: China, Russia, Argentina, Australia; Mexico, Peru, Bolivia, Venezuela, Panama, etc., and certainly from various people here in the U.S. So, happy birthday from everybody, Lyn.

We also have satellite meetings going on all over the world. I don't have time to read all of them. I understand that for the first time, we have a group participating from Mauritius, and I'd like to welcome them, certainly.

But now, I really think we do have to get to the large number of questions that have come in. The bulk of the questions come from various institutions inside the United States, which are working on precisely the questions that Mr. LaRouche has addressed in the body of his remarks. In some cases, the questioner knows the answer, but I think they simply want Mr. LaRouche on record. ... But first, there are a few questions that have come in from international institutions, and I'd like to ask those questions first.

## China's Economic Dilemma

The first question comes from China, from a major think tank that has been following Lyn very closely. The question is prefaced by a request to forward to Lyn good wishes on his 88th [sic] birthday, and to wish him many happy returns of the day. The questioner notes that the number 8, in China, symbolizes luck—and we are sure going to need it.

His question: “Mr. LaRouche, as you know, China holds more than \$2 trillion in foreign currency. This has led to a great debate about the dollar as a reserve currency, etc., but really, what I wish to ask you is, if you think that such a practice, of holding such a large sum of money in foreign currency, is a safe practice. And if not, what you would indicate as a more reliable option for nations?”

**LaRouche:** The greatest asset we should seek, at this moment of world history, is the establishment of a relationship among a group of sovereign nation-states, which can be considered keystone sovereign nation-states, which represent sufficient power to force the world as a whole to come to its senses. Now, what I've indicated, is, there are four nations which are the most obvious candidates for that: Our own United States, presumably, under a President Obama who has accepted my proposals, today. Otherwise, we've got a problem.

Secondly, Russia, which is not only a major Eurasian state, but which has the keystone in technology—not just in territory, but in technology, an historically developed technology—to develop the mineral resources of the tundra and related areas of Siberia and northern Russia. Because these resources are the richest resources now available (apart from what's in the ocean; the ocean is a basic source of all mineral resources, of mankind, today), but this is key, particularly in respect to China's proximity to Asia. Because South Asia, and Central Asia, such as China, require a very large increase of the powers of productivity of its population.

The problem of China, today, with this sudden collapse of the U.S. and other markets which has occurred, is that there's a large part of the Chinese population and territory which has not been sufficiently developed, to have any sort of autonomy, in terms of its position in the world economy. And therefore, that has to be fixed.

Despite the changes in government in Japan, the interest of Japan clearly remains: the technology of Japan



Chinese Embassy to the United States

*The problem of China today is that it is totally dependent upon exporting to the West—into a market that no longer exists. What it requires is international credit for economic development. Here, workers in a factory in Huaibei, eastern China, in 2005.*

and its participation in a role in respect to cooperation with China, in cooperation with Russia, and in that region. Because the development of Siberia, particularly of the Pacific section of Siberia, is very crucial for this entire area.

So therefore, then, you have to have the next-largest nation in the world, India. China and India, and the United States and Russia: These four nations, not excluding others, represent a crucial combination of nation-states, which, if in cooperation, with this kind of intention that I've indicated, is the basis for a change in the world system. I think, without such cooperation, the possibility of saving the world from a new dark age, is highly questionable. The role of these nations is crucial, their cooperation.

We have to understand, of course, that there are differences in policy and culture among these nations; but that is not important. Because this is a part of the problem: We do not need a homogenized world. One of the great problems today, which I did not reference, but I think I should reference here, is globalization.

The reason for the danger we face today, is a process which was actually launched in 1968, but especially over the period '68-'73, the process leading to globalization. We destroyed the functioning concept of the sovereign nation-state. Today, we shipped production

from nations which had high technology, into nations which did not have high technology, and used cheap labor, as the offset for the difference in productivity in those nations.

Thus, we destroyed the technological capability, the higher level of technological capability, in the United States, Germany, and so forth, and shipped production into other parts of the world. The effect has been, that the idea of national economic security no longer exists on this planet, at this time. Nations do not have any degree of self-sufficiency. We used to have a degree of self-sufficiency in basic food supplies, in basic industrial requirements, and so forth. We no longer have that, as a result of globalization.

Worse! The policy of the international system, today, has been to shift production from nations which do not consume that production, to nations which will not produce that, but will consume it. So therefore, the international monetarist money-men are able to control both nations, because they control the food supply of one and the industrial production of the other. That sort of thing.

You no longer have sovereign nation-states in the economic sense. Therefore, for this reason, the collapse of the United States, or the internal collapse of China, because of this loss of employment which has recently occurred, will be sufficient to blow the whole planet up into a dark age, as a chain-reaction effect. There are *no nations*, which could survive a collapse of the U.S. economy, today. The collapse of the U.S. economy would mean *a total collapse of the world as a whole*, in a chain-reaction effect, in a very short period of time. And China is the leading target for this, right now. If the United States goes down, China goes down. If China goes down, Russia goes down. Europe goes down. South and Central America become a joke, but a bad joke.

So therefore, if we do *not* end globalization, if we do not enter into a system of cooperation among sovereign nation-states, *to end globalization*, by reversing this process, then there's *no chance of civilization on this planet, for generations still to come*.

The question of the \$2 trillion debt to China is exemplary of this. China has no external markets to make up for that! And if the credit of the United States is no good, then China has to eat those \$2 trillion! And lose everything that goes with it. That sets off quite a time-bomb, inside the United States itself, as well as China, and the world as a whole.

So therefore, we can no longer stand for globalization. Monsanto will give up this fake patent right it has! No one will be allowed to patent a food. They didn't invent it, they can't patent it. Let Monsanto—get 'em out of there: "Okay, Mr. Monsanto, you can have all the inorganic ingredients you want! You can not have any living thing in there. And I want you to show that you can take these inorganic elements, and combine them in such a way, that suddenly, you have produced grain: viable, living grain, that can hatch, and produce more grain; if you can't do that Mr. Monsanto, I think we have to consider your patent rights *a fraud—and they're cancelled.*"

This is the kind of problem we face.

Now, what we have to do, to deal with this: We really have to have some competent economics. We need a 50-year contract, essentially, among the leading nations of the world, which will be a credit system, shared among the nations of the world. Each will have their own credit system, but we'll have them in a fixed-exchange-rate relationship. We will then make agreements between governments, which allow for investment in long-term cooperation.

Now, take the case of China, which is the specific question here. China can not put its entire population on the world market for export, today. It won't work! The market isn't there. The market has been destroyed—it was artificial anyway. What China requires, is long-term capital development, of its own internal technology. That means, capital investments over a period of about 50 years—50 years, mean.

So therefore, you have to have an international system, a fixed-exchange-rate system, based on long-term credit for these kinds of projects, which will enable China, for example, to develop its capabilities, to enter in with full partnership, and full equality on the world market, for its entire population—which is going to increase. And to maintain an increasing population on this planet, today, requires a very rapid, and very aggressive bit of scientific and technological progress. So China must have a participation in that part of scientific and technological progress, which enables it to catch up, so to speak—for its whole population to catch up—to international standards. And within 50 years, that's about two generations, we can do that.

So China requires a system of international credit, at reasonable rates—we're talking about 1.5 to 1% internationally, under agreements between sovereign nation-states, which have the purpose of ensuring that every

nation-state is going to come to a point, 50 years from now, where the system is more or less in balance, as nation-states. And we have to eliminate globalization to do that. *No more globalization: Cancel it!* Go back to the sovereign nation-state.

And China has to be a key part, *precisely* because China has this problem! And because China, at the same time, is a very important part of any international combination of change. Therefore, the rights of China, the interests of China must be served, in any such agreement. Without such an agreement, there's no chance for the world as a whole: China, India, Russia, the United States.

Because Europe, presently, has no function on the world scale, because the British have gobbled up Europe, with the euro. There is no sovereign nation between the Atlantic Ocean and the Russian border, to speak of. Doesn't exist. They've all been gobbled up by the euro! And therefore, we have to restore the sovereignty of nation-states in Europe, in order to qualify them, *to be free* to participate fully in this type of reorganization.

In the meantime, in my view, the United States, Russia, China, and India: These are four nations which have differences in cultural outlook, differences in perspective, but have a *common interest*, to unite around the common interest as a sovereign nation-state, and to create a nucleus, to overpower the British Empire in the world.

### **The Dollar System: Eliminate Monetarism!**

**Freeman:** ...This question comes from a Russian diplomat in New York, and relates to the UN Conference on Trade and Development [UNCTAD], which, over the last few days, has released a report, in which they say that system of currencies and capital rules that currently binds the international financial system, is not working properly, and, according to them, is what was largely responsible for the current financial and economic crises that we face globally. The UN report adds, that the present system, under which the dollar acts as the world's reserve currency, should be subjected to wholesale reconsideration.



UN Photo/Paulo Filgueiras

*The recent proposal from a United Nations agency to replace the dollar with a global reserve currency, is primarily a reflection of the monetarist incompetence which has characterized thinking about economics since President Franklin Roosevelt's death. Here, the UN General Assembly discusses economics in June 2009.*

The questioner says, that although leading economists in a number of countries, including China and Russia, at various points, have suggested replacing the dollar as the world's currency, the UN report is the first time, to his knowledge, that a major multinational institution has posed this kind of suggestion. He says that, "in essence, what the report calls for, is a New Bretton Woods-style system of managed, international exchange rates, meaning that central banks would be forced to intervene, and either support or push down their currencies, depending on how the rest of the world economy is behaving.

"The UN proposal also implies that surplus nations, such as China and Germany, should stimulate their economies further, in order to cut their own imbalances, rather than, as in the present system, deficit nations, such as the U.K. and U.S. having to take the main burden of readjustment."

He quotes one of the authors of the report, who says, "Replacing the dollar with an artificial currency, would solve some of the problems related to the potential of countries running large deficits, and would help stability. But you will also need a system of managed exchange rates. Countries should keep real exchange rates, adjusted for inflation, stable. Central banks would have to intervene, and if not, they would have to be told to do so, by some multilateral institution, such as the IMF."



He says, “Mr. LaRouche, these proposals, to me, amount to a threat to national sovereignty and perhaps the most radical suggestions for redesign of the global monetary system that I have seen to date. Although many economists have pointed out that the economic crises that we currently face, owe more to the malfunctioning of the post-Bretton Woods system, it still seems to me that this proposal is not a very good alternative.

“I ask you the question, however, because I know that this will come up as a major discussion as an alternative, at the G20 meeting, and also because I know that this has been a source of massive debate, often very hostile debate, in my own country.”

**LaRouche:** Well, the point is, the whole issue is totally incompetent.

The problem is, we have been going—the world as a whole, beginning with the United States in 1966, ’65—the United States went to zero growth, net zero economic growth, in basic economic infrastructure. Since about 1968-1973, the United States has been in a process of *negative growth*. Since the same period, 1967-1973, Europe has been in a state of negative growth, and real decadence.

This negative growth has been a result of policies adopted by governments, and adopted and encouraged by leading economists, working inside those countries, or for those governments. So, I think it’s fair to say, that the thinking of the UN, as described by the questioner, the thinking of the UN is a reflection of that habit of incompetence, which has led to the present world crisis. And I don’t think we need more of that incompetence, as a stimulus for remedies. We don’t need more injections with the disease which has caused the problem. And the problem has been caused by the incompetence of the economic policies of virtually every leading government of the world, in one way or the other.

China, for example: Take a look at China; China has progressed. *But!* China progressed on the assumption of being an exporter for other countries. That export market for China has disappeared!

Or take Russia: Russia’s policy was a stupid one, in a sense, despite what was accomplished by President Putin, and then by President Medvedev. It’s been foolish—why? Because it based Russia’s future on the gamble that the raw-materials sale from Russia to other countries would be the source of income for Russian growth. And now that market has collapsed, and Russia’s in a crisis, because it had the wrong policy, of assuming certain things about the rest of the world’s poli-

cies, which are *wrong*.

I can take the case and prove it, and I have proven it, I think, repeatedly: that the policies of every part of the world have been aggregately insane, in terms of their long-term effects over the past 40 years. We’re in a mess today because of 40 years of wrong thinking, and any of the economists who come up and say: “Well, we’re the experts, we’re going to fix this for you. We’re going to tell you how to fix it.” And you say, “Please, I had cancer once, don’t give it to me again. I don’t need that anymore.” And that’s what our problem is.

Now, there’s only one thing, first of all, you’ve got to do: You *must eliminate monetarism*. You must use the United States as the proven standard, under certain Presidents, under its original intention, under certain Presidents, such as Lincoln, such as Franklin Roosevelt, and use those experiences to show that the American System is the best system which was ever developed for economy on this planet. Except, we had a problem—we had too much British influence inside Wall Street. And it was British influence and British traitors inside the United States, who loved the British Queen more than they loved their own country, which are the cause of our problems. Aside from the fact that Britain was an empire, we had trouble fighting against it for some period.

But, we defeated the British Empire under Lincoln. Palmerston went down like a rocket. But what happened is, that Lincoln was shot, by the British. It was the British that killed him; this is an open fact, no question about that. Just like McKinley was assassinated, for example. McKinley was a patriot, a seasoned patriot and a competent President of the United States. But they got into trouble, and he put a *bum* in as Vice President—Teddy Roosevelt. Teddy Roosevelt was the nephew of the chief Confederate spy working for the British Empire in the Civil War. The guy, Roosevelt, Teddy Roosevelt, was essentially a traitor to the United States.

Now, at that point, under McKinley, the policy of the United States, in terms of Europe, was to try to make peace with France—which was a difficult problem at that time—and to rely upon the tradition of Bismarck’s role in Germany, and to try to have relations with Russia which were based on Bismarck’s agreements with the Russian Czar. That was our policy of war avoidance. We were going to cooperate with Germany and Russia, and hopefully France, against the British Empire. That was our policy.

The assassination of McKinley, by a British agent,

sent in from Europe to do the job, with cooperation of the circles of Theodore Roosevelt in New York City, who was then the Vice President of the United States, brought President Theodore Roosevelt into power, and a fundamental change in policy. It was Theodore Roosevelt's inauguration as President, in cooperation with what became the Woodrow Wilson Administration, which installed the Federal Reserve System, which is the enemy of the U.S. Constitution.

It was these arrangements which put the United States into its role in World War I. And despite the British—Franklin Roosevelt changed it; it was supposed to go the other way. Franklin Roosevelt was supposed to be on the side of the British in this thing, and he wasn't. He was on the side of the United States.

Then, when Roosevelt was out of office, they used Truman, who was a pig, to put us back in the same direction again. And over the entire period, the leading economists, with some exceptions in the United States, were traitors to the United States, in terms of their way of thinking. Either traitors or incompetent.

Most of the economists I know—I know some economists who are competent in varying degrees; some of them are competent in specialties, some are competent in history, some are competent in certain aspects of national policymaking. There are some of these people who I would obviously say should be called in as key advisors of the present U.S. government, because they have the kind of knowledge which is needed to provide the government with a well-crafted policy—foreign policy, economic policy, domestic policy. They exist.

But, in general, the leading theme of what is accepted on Wall Street and by the national press, the national news media, as economic policy, has been clinically insane, and even criminal. And it's those insane or variously criminal policies, and misguidance, which have led the nations of the world into this process, this mess. And, especially, the mess of the past 40-odd years. And we need no more from *them on their way of thinking*.

We have to eliminate monetarism. We have to destroy it, through bankruptcy reorganization, like an international Glass-Steagall Act. We have to purge the world of everything that smells of monetarism, and rely only on sovereign nation-states' lawful currency. We must bring about agreement to a global, fixed exchange-rate system. The way to do that is the dollar. Because the dollar has no longer, since about 1973, has no longer been a *controlling* factor in international monetary af-

fairs. The British Empire has been the controlling factor in international affairs. Eliminate the British Empire, and you suddenly find a different world. All the filth in the world, all the evil, comes from the British Empire, which as I said today, is not an empire of the people of the United Kingdom. It's an empire of an international monetarist interest. This monetarist interest is, by its nature, private, not public. The International Monetary Fund is essentially a cabal of private interests, not nation interests.

But the nations have been corrupted by monetarism. We must eliminate monetarism from this planet! All the agreements on reform of the international system have been failures from the outset, by design, because they assume that you are going to have agreements among *monetary* systems, like those of John Maynard Keynes. And don't forget that, in 1936, when John Maynard Keynes published his *General Theory*, he published it first in Germany, and he selected Germany as the place of its publication, because he thought the then-present policies of Germany were more suitable to his policies, than those of any other part of the world. In other words, Keynes was really a fascist. And the world has been influenced largely, in the postwar world, by the influence of John Maynard Keynes. And Keynesianism is one of the worst diseases on this planet.

*Eliminate monetarism!* Go back to credit systems, fixed-exchange-rate credit systems of each nation of the world. And start with four nations which have to get rid of that pestilence right away—the United States, Russia, China, and India. And other countries will happily join that alliance.

But the UN is largely a bad institution for that, because it is polluted by this kind of monetarist and similar kinds of liberal thinking. The very kind of thinking that brought us to this crisis, since the day that Roosevelt died. And, especially, since 1968, when fascism ran amok in the streets of the United States in the name of the Weathermen, which was a cultural change which became the Baby-Boomer movement, which destroyed the United States from the inside.

And that's the way you have to look at these things.

### **What About Regional Monetary Authorities?**

**Freeman:** Lyn, this is a question, along a similar vein, which came from the Stanford group discussing a report that came out of a conference that was held in June, in Paris, by a number of economists—most of them American, but some of them representing other

countries as well, which included the American economist Jamie Galbraith. This is the Economists for Peace and Security, as well as the Initiative for Rethinking the Economy. And the question is, as follows:

“Mr. LaRouche, without question, the growing assessment of all of us, but also of economists all over the world, is that the IMF is essentially beyond repair. The organization exists outside the framework of law, and it routinely violates its own charter with impunity, particularly in denying to member states the right to impose control over capital flows. As I think you know, under the charter of the IMF, members do have the right to demand reduction in terms of repayment. Yet, the IMF and the World Bank routinely seek to set themselves apart as creditors preferred above anyone else. Conditionality and austerity are imposed on the most vulnerable member countries, with the objective of undermining the most basic human economic rights, under conditions that preclude any possibility of effective economic recovery. I think we can all agree that adding funds and power to this organization is an exercise in self-defeat. In fact, the very concept of a reformed IMF, is an oxymoron.

“There really is no question that, in an ideal world, what you’ve called a Four-Power Agreement, to replace the currently dysfunctional international monetary institutions, would certainly be the most preferable option. However, there does not really seem to be an immediate appetite for this. One proposal that has been put before us, as an alternative to a single-reserve-asset world, is something that we wanted your opinion on, because there is some lack of clarity among us, and certainly this is different than the market-basket of currencies that has been proposed elsewhere, but we are not sure this is workable.

“What we have been handed is an alternative to a single-reserve-asset system that would pursue the development of regional monetary authorities, which could, among other things, make dollar-reserve assets earned by countries that are successful net exporters, available to neighbors who are not. Such authorities would have distinct advantages over a global system, because 1) the regional fund has a direct stake in the



*The global monetarist system, which has dominated the planet since the Peloponnesian War, relies on the suppression of national sovereignty, on which competent economics depends. The method used was perfected by the Venetians, who ran the system for centuries, before handing it over to the City of London, which is its capital today. Here, a painting of “The Doge’s Fisherman,” by Paris Bordone, 1534.*

success of the other member countries under its authority; and 2) a structured system like this, would give small countries some of the advantages and margin for maneuver that are now enjoyed by large countries, in both the developed and developing world; and 3) regional power can be deployed effectively over regional financial institutions.

“The drawback of this, is I think clear; but is there anything salvageable, as far as you can see, in this proposal, especially as an interim measure to be taken?”

**LaRouche:** What you have to look at is, the Glass-Steagall Act by President Franklin Roosevelt, which Larry Summers—from inside the Clinton Administration, when Clinton was in trouble—managed to screw up.

The first step in dealing with any monetary question today, or any question of currency, is, you must put every system of the planet through internal bankruptcy reorganization. This planet has been polluted. All the financial transactions included by this process which began, really, was unleashed in 1987, with the 1987 crash, under which, in effect, Greenspan unleashed Hell on Earth in the form of financial derivatives. It's a swindle. Now, most of the debt, and most of the list of assets that are under discussion in most parts of the world today, are completely fraudulent.

If you apply a Glass-Steagall standard—which you must apply, because it's the one existing standard which is reliable for all countries; every country of the world can apply that standard the same way—you apply the Glass-Steagall standard, and you take this pile of so-called monetary assets, financial assets over here, put a big pile here. Now, you put a test. It's like, "Are you going to Heaven or are you going to Hell?" And at the gates, you've got St. Peter, and he's watching at the gate. Somebody comes up and says, "We have this financial asset." And he says, "Downstairs, please!" And by the time you've gone through the process, there are very few safe Christians, or anybody else, left up there!

So, you have a much smaller number of claims, financial claims, on the system as a whole. You have eliminated the waste material. You've had the great ExLax event of the century. And therefore, we should not talk about the existing so-called national monetary assets, because they're polluted. We have to cancel most of them. You know, I think about \$25-30 trillion of the debt listed as the assets in claims in the United States ought to be just *psst*—gone!

Now, we've got to go back to a hard-credit dollar. We have to transform the U.S. dollar from a monetarist dollar to a hard-credit dollar, which means that, suddenly, agriculture and industry and other things become the means, no longer financial speculation. Financial speculation is a crime! I think we ought to make that part of our criminal law. The practice of monetarism should be outlawed as a crime against humanity. Certainly, monetarism has killed more people on this planet than any known disease. Shouldn't we outlaw it? Its only rival is drug trafficking. Shouldn't we outlaw it?

So therefore, when we talk about relations between national currencies, we mean the currency of a national credit system, in which a sovereign government declares, "This is our money. It's not somebody else's

money; it's not some international cartel." Governments don't borrow money from international financial institutions. It's a matter of their relationship with an institution; their sovereign relationship to any private institution. It's not a matter of international institutions.

What has killed the world since the time of ancient Greece, since the Peloponnesian War? What is the problem? Was it an economic problem? No, it wasn't. It was a monetary problem. The question was, after the defeat of the Persian Empire's attempt to take over the Eastern Mediterranean, after the great battle where this occurred, you had three foci of what we call today Greek, Greek-speaking culture, in the Mediterranean, which had a certain relationship with Egypt, which unfortunately at that time was under Persian occupation. So, Egypt was an essential part of the culture. The relationship of Greece, the historic relationship of Greece to the culture, the Greek culture and the Etruscan culture for example, were a key part, from the 7th Century B.C. onward. So, suddenly, the Persian Empire had attempted to take over the area of the Eastern Mediterranean and beyond, using its alliance with Tyre as a key part of this process.

This whole period, through the triumph of Alexander the Great, is of this particular type of nature, where Egypt came back into the situation as an independent power, Tyre was destroyed, and the Persian Empire was gobbled up by Alexander, who tried to assimilate it into a new kind of international system. He was poisoned, probably by Aristotle, who had tried to poison him before, but this time, probably successfully. So, this is the period.

So what had happened is, in this period, before Alexander, you had these Greek influences which were, apart from being political influences, were actually economic interests; the economic interests of *maritime power*. Greek civilization, and also, predominantly, historically, Egyptian civilization, the Etruscan civilization was essentially maritime power, not land power.

And thus, these nations, which had emerged with the melting of the glaciers, and up to the present levels of seas today, these powers had existed on the basis of trade. They produced things, and they traded. Their trade was based on the existence of *monetary systems*. The monetary system of reference for the Greek-speaking people of that period was the Cult of Delphi, which was an Asian intrusion into European civilization. And the priests of the Cult of Delphi, playing their magic tricks and so

forth, got these three parts—one centered on Athens, another centered on Corinth, which is Sparta, that area, and the other centered on Syracuse. And they started out with a war between the two Greek-speaking areas, which were *rivals in trade*, on the basis of *monetary* rivalry, of who was going to be the monetary power.

So, they got into a war! The beginning of the Peloponnesian War, the first phase, which is Athens against Corinth. The Athenians, the Ionians against the—in this Peloponnesian War. Then, not satisfied with that piece of folly, which had almost destroyed the joint, they went through a war with Syracuse, and did the same thing—another great power in the Mediterranean. Syracuse was a center of intellectual and monetary financial power, and economic power in that region. *Boom!* They destroyed themselves for the sake of another power.

So, you had the systems of monetarism, in which private ownership of money, or the equivalent of money, determines power. And the wars of the world, particularly of European civilization, since that time to the present day, have been a struggle for imperial power above nation-states.

That's what the meaning of empire is. The British Empire is not an empire because the British control the world. If you know the British people, they're not capable of controlling the world; they can't even control themselves. (But they can control some stupid Americans.) But the power lies in the power of a private interest, a private monetary interest, a money interest, which, by controlling money, and credit based on the idea of money, controls nations, as from above. This is what imperialism, is in the European experience. It's monetarism, like that of John Maynard Keynes. It's monetarism. And that's where the problem lies.

When we get rid of monetarism, as our American Founders understood, from the time of Massachusetts Bay Colony: Get rid of monetarism! Get rid of the international imperial power of private monetary interests over nation-states. Establish the superiority of the sovereignty of the nation-state over all other power, and define world relations on the relations among sovereign nation-states, like the U.S. Constitution prescribes. This is the unique genius of our system, the Hamiltonian feature of the U.S. Constitution.

And thus, if you want to have a reform, the first thing you do is, you take the monetarists out and you melt them down, because they're not real. Because that's what you've got to do. So, don't talk about relations, about state-to-state relations, or system-to-system rela-

tions. You've got to get rid of syphilis first! Get rid of the syphilis before you try sex!

## The Meaning of a Mass Strike

**Freeman:** The next question comes from the Stanford group. They say: "Mr. LaRouche, in trying to analyze why certain proposals that we put forward, which we thought were obvious, were rejected, we started to take a closer look at how our policy here in the U.S. is, in fact, structured. And, among the things that we learned, was that, essentially, over the course of, especially, the last 30 years, there has been a complete dismantling of effective taxing power over those who sit at the top of the system. The effective corporate tax rate for the top 20 firms in the U.S. is currently under 2%. There is more that could be said about this, but the bottom line is, that the effect has been to create a trained professional class of retainers, who devote themselves to preserving the existing system.

"Furthermore, there were massive frauds in the origination of mortgages and the rating processes that led to securitization, and in the credit default swaps that were supposed to insure against loss. In the policy approach so far, there has been a consistent failure to address, analyze, remedy, and above all, prosecute these frauds. And our insistence that our government would not see any restoration of public trust until this occurred, has fallen on deaf ears in Washington.

"The bottom line is that fundamental reform and any kind of bottom-up recovery strategy of the sorts that we've proposed, is blocked from the outset. Obama has his equivalent of Louis Douglas, the conservative budget director under FDR, but there is nobody in Washington at least, who is prepared to play the roles of Harry Hopkins, Harold Ickes, and Francis Perkins, who were the architects of the New Deal employment policy, of public works and improved labor conditions.

"Meanwhile, major legislation, from health care to bank reform, continues to be written in consultation with lobbyists. One example, is that the legislation on credit default swaps was actually prepared by [JPMorgan Chase chairman and CEO] Jamie Dimon and his lobbyists.

"The fact, though, is that, above all else, we see as the greatest danger in being able to shape any policy under these current circumstances, that the market has come to substitute for the functions of the state. And without the state, the concept of the public interest disappears from all policy. Markets, by definition, serve



EIRNS/Don Clark

*The mass strike which broke out in the United States over the month of August, is an expression of the fact that the American people are no longer willing to sit back and accept the diktat of Wall Street, which is coming from their government. Here, a town hall meeting in Skokie, Illinois, on Aug. 31.*

private interests.

“With that said, however, banks are institutions that are chartered by public authority to serve public purpose. It is clearly understood, both in U.S. law and in practice, that banks have responsibilities as well as rights, and that the state has power over the conduct of banks, including the power and the duty to take them over and run them when they are troubled enough to threaten the public guarantee that lies behind bank deposits. Financial markets, on the other hand, especially the shadow banking system that we see today, exist to place in the domain of private market transactions, what previously existed in a clearly defined relationship to public purpose. They escape both regulation and insurance, and the result has been to vitiate the concept of public service, creating in banks privileged and power-market-oriented institutions that use and largely control the state, rather than respond to it.

“Now, all of us seem to agree that this system needs reform. Even Geithner and Summers have written articles to this effect. But the question is, what changes will actually count as fundamental? We’ve arrived at the conclusion, that there will be no fundamental change unless and until we agree on two basic things: 1) that laws were broken, and that the law-breakers must be prosecuted. If they are not prosecuted, then there is absolutely nothing that would serve as a deterrent for them to do it all over again. 2) It is our contention that it must be stated, clearly and without compromise, that banks are institutions that are chartered by public authority to serve public purpose. They have no other function in the American republic.

“We know that this is a position that is going to lead to a tremendous outcry, and we’re probably all going to be denounced as a bunch of wild-eyed radicals, but we really don’t see any other way to address this, and we’d like your comments on whether or not *you* think we’re in the right direction.”

**LaRouche:** There is a great movement in the United States today, which erupted in the month of August, which I’ve characterized scientifically as a mass strike. It’s clear that over 60% of the American public has arisen in a strike, a protest, against what it hates. First of all, in the person of the President of the United States, and secondly, in most of the members of the Congress, in both Houses. This is a phenomenon which is poorly understood by most people, but I understand it very well, because I’ve studied my history. This is a genuine mass strike. The most recent example, as a precedent for this, happened in East Germany in 1989, when the people of East Germany, especially from Saxony, rose up and said, “*Wir sind das Volk!*” “We are the people!” and the D.D.R. regime collapsed, and the whole Soviet system went into a process of disintegration.

We had a similar event throughout the cities of the United States, during the month of August, a true mass strike. Not a protest movement, a mass strike. The characteristic of these things, as I saw the videotapes of them: The people said “Shut up! Listen to what we say! We don’t want to hear what you have to say. We’re telling you!” And they’re still saying it! Over 60% of the U.S. citizenry despises the current President, but treats him with respect, despite despising him, because they want to achieve the dignity of asserting their rights as citizens. And the health-care issue is the number one issue.

So now, you look at all the other issues. When the

American citizen arises on his hind legs and says, “We are the people, you...” [mutters expletive], which I think a great number of them said, in effect—what I saw in the television shots of this thing—then you have the exertion of the ultimate power of government, under a republic, a true republic.

The power does not lie with the majority of the vote. The majority of the vote is not worth anything. You can buy it. At least, that’s the way most of our people got into Congress, they bought the vote. There’s no moral expression in this, although there were some hints of this and that. But the vote was bought! With money! And the politicians went to people with money and said, “Buy us! Buy us! We’ll be yours. Give us the money. Buy us. We’re for sale!” And that’s how this kind of problem arises.

But then, suddenly, everything is under control! “We fixed the election. We got this bum in. This bum is now following these policies, which we hate. What are we going to do? How do we protest? Do we go to our representatives and ask them to represent us? This prostitute is going to teach us sex life?” No! We say, “We are the American people, and you have just made it very plain to us, that you are not one of us. You don’t represent us.”

See, this is what the American Revolution was.

You know, the problem is, people don’t understand Classical culture at all. They think Classical culture is something you study in the university—which they *should* study in the university, but they really don’t. They do the same thing in the university that they do in election campaigns. “Vote for us!” I mean, it’s mostly fakery.

But the essential thing is that there is a phenomenon, where a people—and this occurs repeatedly in history, as in the case of the American Revolution—where a people recognizes a sense of common interest as human beings, as human beings of a certain culture, a certain political culture, or a group of cultures. Recognize that we are human beings. What’s the interest of a human being? What are the rights of a human being, as opposed to some kind of slave or hired servant or something? And where they suddenly get a sense of: “What is it that we really want? What is the principle, the dynamic, that unites us in a common sense of what we really want and should have, as a right?” The assertion of the *natural rights* of a people.

This comes in the form described by Shelley. I’ve often referred to Shelley, but he’s not the only one, just

the best known in the English language, his *A Defence of Poetry*, the concluding part of that. There are periods in history, in which the people are seized, in large numbers, by a certain sense of a common interest, a common moral interest, a common conceptual interest. And at such times, the people find themselves capable of being united in a common purpose by a force, which they don’t fully understand, but whose validity they recognize. And this comes out in the expression of “our rights,” “our mission,” “our purpose.” “We’re no longer going to be in a slum. We’re going to decide to move upward. We’ve decided it’s our right and obligation to do this.” And they say, “Well, if this is the moral principle which should govern us, it is this moral principle that must govern us in suitable form, suitable expressions.” And that’s how you get these great movements.

There is, in the United States today, despite the folly of that silly egotist, the President, there is a power that is far greater than anything he and his crowd represent, in the United States today. The people of the United States have said, “You are a bum! We don’t like you. We’re going to rip that mustache off from under your nose, because you have threatened to kill us, set the dogs upon us, to kill us, by taking away our health care, and murdering us, in order to save *your money*, to save the money of the people who bought you, Mr. President.” And they decide that they paid too high a price for the purchase of this worthless object.

So, that’s the way things are going now, and therefore, the only way in which you correct this kind of problem, is when a people are aroused, as the people of the United States, in large numbers, manifested this in their turnout in the month of August. They’re aroused to a sense of a purpose, a higher purpose, to a higher morality, and then they *insist*—the way that the people of Saxony, for example, brought down the D.D.R. regime, where the “Land of Milk and Honey” was no longer milk and honey, and brought the regime down.

You’re now in a period where the American people are desperate. You have seen in the month of August, a representation of a sample of 60% or more of the population that despises this present administration, and the members of the Congress have been frightened by this scarecrow, and have come back into office, trembling: “What are we going to do now? Tomorrow, a Joint Session of Congress! What am I going to do? He’s looking at me! He’s looking at me! What are we going to do?”

They’re going to find that the American people are still of that disposition, and that damned fool better

learn real quick what the reality is. The American people are not going to tolerate this. And *that* is the government. That's the day on which politicians, who are bought and paid for by Wall Street—most of them are bought and paid for by Wall Street. What did they pay for Barney Frank? Whatever it was, it was far too much. His services are not particularly desirable.

So, that's the reality of this, and what you have to do, and what I have to do, is, we have to be governed by that. We have to be governed by our own conscience, but our own conscience is informed by, "We are a part of a people. I'm a part of a people. If I'm going to act, and act to try to change things, I have to do it with the consent of the people." And therefore, the people are speaking! And some people in Washington are not listening! The press is telling them it's not true, but it is true.

We are headed for a crisis like humanity has not seen in its memory, about to break out on a global scale. We're about to go into a dark age beyond belief, if you try to continue this system. The people say "no," they don't want to go on with this system. They want *out* of this system! And they are a power which is greater than any combination of elected representatives. And you try to defy them and you will find that they will speak, because their very lives, the meaning of their lives—more than their lives itself, it's the meaning of their lives—that is being disgraced. You're taking our American people out there, you're taking their lives; you're destroying the very meaning of their life. They will lay down their life for the meaning of their life; but they will not lay down the meaning of their life, and you're taking away the meaning of their life.

Mr. President, you're a damn fool. I know you're ignorant, but even an ignorant man like you, Mr. President, shouldn't be such a damned fool. I'll try to save your butt.

### Coverup of the Economic Crisis

**Freeman:** The next question comes from a representative from the Center on Budget and Policy Priorities, who has been working with the section of the Stanford group working on jobs policy. He says: "Mr. LaRouche, I know you're aware of the fact that unemployment climbed to 9.7% last month, and that that rep-



EIRNS/Franklin Bell

*The devastation of conditions of life for the American population—ranging from unemployment to state bankruptcies to dependence on food stamps—has been suppressed by phony statistics coming from the Federal government, and leading politicians. This home in Jefferson County, West Virginia, is exemplary of some of the hidden poverty.*

resents a 26-year high. However, I don't know if you have access to all of the information that we have access to, and I'd like to share some of that with you before I ask my question.

"Certainly, the trend is that we've lost a lot of jobs, and we're still losing them. But, the fact is, that the media have somehow tried to turn this into a good thing, saying that the trend is somehow improving. Trying to put that spin on it, is the equivalent of putting lipstick on a pig, because the bottom line is that for the job situation to be improving, it would mean that we would have to stop losing jobs!

"The fact is, that as bleak as the recent reports seem to be, the situation is really far worse, and there are a couple of things that I think have to be noted:

"Number one, the unemployment numbers of the past two months were revised upward to include another 46,000 job losses. We will probably see a lot more of that in the coming months, because of this strange thing called the 'birth/death model,' which counts theoretical business births and deaths. That model added 116,000 theoretical jobs last month, which was 26,000 more than it added the month before.

"I want to stress however, that these jobs are theoretical. *They do not exist.*

"And then there's the question of 'seasonal adjustment.' Note that the number of people no longer counted



in the labor force, thus doing their patriotic duty to hold down the unemployment rate, is something which we again have to look at, especially in terms of seasonally adjusted numbers. That rose by 143,000. The subset, however, of those still wanting a job, rose to 381,000. Now, if you look at the non-seasonally adjusted numbers, you find people no longer counted in the workforce, and that rose 1,578,000. That's an enormous number to ignore. The subset of those still wanting a job rose 516,000.

"Then, you have to look at the number of jobs lost. Our survey showed a plunge of 392,000—at least that was the government number. But that number was flattened by a surge in self-employment. Now, whether these newly minted consultants and home improvement contractors were making any money, is wholly another story; and wage and salary workers, well, they don't figure into this equation, but they happen to have plunged by 637,000. That is the largest decline since March, when the stock market was testing its new lows. The number of people not on temporary layoff, surged by 220,000 in August, and that level continues to reach new highs. In fact, that number alone is now at 8.1 million. This accounts, by the way, for about 54% of the unemployed. And it's a proxy for permanent job loss.

"To make the point: These jobs are not coming back. Now, if we think about that for a moment, then, we have to consider some other things as well.

"Today, there are 223,000 fewer jobs in America than there were ten years ago. But, the country has 33.5 million more people. How you can call this anything but a Great Depression, is really beyond me. The unemployment rate for adult males is well over 10%, even by official numbers, and for people under the age of 25, it's over 27%, which is the highest on record. The average duration of unemployment is also at the highest level that it has ever been, since we started keeping records. The precondition for job gains, which is longer hours for part-timers and taking on additional temporary employees, was not met last month.

"Now, despite all these depressing numbers, there are two numbers that make it even worse. The first number is 1.3 million. That's the number of people whose unemployment benefits are going to run out by the end of the year. Five hundred thousand of them will exhaust their benefits before this month is over. These people are going to lose yet one more strand of what has become a very thin safety net. Right now, more than 50% of the people who collect unemployment will ex-

haust their benefits, and they will do it very quickly.

"Now, workers aren't the only ones who are running out of unemployment money; the states are too. Eighteen states have simply run out of money to pay the benefits, and they've been forced to borrow from Washington. In fact, in the last two months, they've borrowed more than \$8 billion. That number is going to grow, as more states reach the brink. Now, if they are not able to pay that amount back before 2011—and most of them will not be able to do so—they're facing paying hundreds of millions of dollars in interest. Many have been maintaining close to zero reserves for years, even before the economy ostensibly headed south. California got into trouble by raising benefits without increasing taxes. Other states, like Michigan, lowered taxes to levels that were unsustainable for them to run their budgets. Now, in the midst of the worst crisis our nation has ever faced, these states are going to be forced to either raise taxes or cut benefits in the midst of a depression, just when those changes will do the most economic damage.

"The second depressing number is 40%, and that's the percentage of people collecting food stamps, *who are employed*. That's up from 25% just two years ago. These are people who have watched their hours being cut, to the point that they can no longer make ends meet without government assistance, and given the fact that the threshold for collecting food stamps is really quite high, their situation is dire. Yet, they are listed as being employed. On top of that, 35% of all workers in the United States have less than one week's salary in savings.

"The job situation in the United States is going to continue to get worse, unless the reasons for these job losses are addressed. And despite what President Obama seems to think, the economy did not break down because the American consumer bought too few cars and not enough houses. So, the fact is that tax credits to encourage people to buy more cars and houses, are not going to solve this problem. The question is, what will it take to solve the problem?

"And that is really where my question comes in. Not to ask you what it will take, because I believe you have outlined that, both in broad terms and, in private communications, more specific terms.

"My question is this: If I were the President, and I were going to go to the American people to ask for their support for a broad recovery program, I would not wish to cover up these numbers. I would want people to know just how bad things were, and just how many people in

our nation were suffering. The fact that we continually cover this up, and minimize the plight of these unemployed; the fact that there are no media in the U.S. that shine a spotlight on this, leads me to believe, and it leads many others to believe, that the government itself has no intention whatsoever of asking for support for policies that would address this. Obviously, this is a very stark contrast to the way FDR approached the problem, but then, FDR intended to do something about it. Am I being cynical or is that in fact what the problem is?"

## We're Running Under a Dictatorship

**LaRouche:** Well, that's a characteristic of our problem. Cheney lied, in his part in getting the United States into the war in Iraq. Cheney lied in many other ways: his orchestrated lying about 9/11. The story of 9/11 was known! The facts were known. 9/11 was organized by the British government, through a certain branch of its government, in cooperation with Saudi Arabia, and several of the terrorists who were actually involved in terminating themselves in this process, were actually paid through funding through the Saudi Ambassador to the United States. The Saudi Ambassador was very close to the Bush Administration. As a matter of fact, the immediate event after the 9/11 event—you had a plane of people who had been in Texas, of the [bin Laden] family, and they were moved by plane, the only plane to leave the United States' territory in that period, was that family. It's no secret. There were indications of that in the hearings, but—*whoosh!*—under the table.

Now, what happened? Here was something done by the friends of the President of the United States, the friends of his family, with the aid of the Ambassador to the United States of Saudi Arabia, and funded through an organization which is a branch of British cooperation with the Saudi interests. Why was this covered up? What was the reason?

Why was McKinley assassinated? Why was Lincoln assassinated? Why were some of these things done?

It's not just the statistical business that's the problem. This is typical of history: The people are *fooled*. They're panicked. They're herded like sheep. Fear this and fear that, move them into this and move them into that. They become superstitious, and believe that it was some mysterious force that did 9/11. It was not a mysterious force; it was a covert operation, but it was not a mysterious force. The evidence is there to this day! It's on the record!

The Ambassador of Saudi Arabia to the United States was involved in funding and protecting two of the participants in 9/11. The operation was *done*. We know. *Why* was it done? Because you had a jerk who couldn't qualify as a soda jerk, as President of the United States, who was not going to be able to govern very well. Look at his popularity at the time he got in. He ran against Al Gore! I mean, that's a set-up. There's no one that that President could have beaten *except* Al Gore. By throwing that patsy Gore in there, that really helped the whole process.

But anyway, the point is, it's ungovernable.

So what happened is, after a discreet interval of panic, they put in new laws, which became the present system—the present system by which the Presidency is governed. And that's how Obama got in, that's what Obama represents. Signing statements, unitary government. This is dictatorship! It's essentially of the same category as the Hitler dictatorship, established when Hitler was stuck in, by what? By the British government. Hitler was appointed to become the dictator of Germany by the British Foreign Office—well, actually, by the Bank of England. And through the Bank for International Settlements, which had been established in Switzerland as a part of this process, when [Hjalmar] Schacht, who was an asset of the Bank of England, was transferred to operate out of the Bank for International Settlements. The Bank for International Settlements was the vehicle through which Schacht was brought into Germany for the economic policy.

In this same period, somebody set fire to the Reichstag. And the *Reichstagsbrand*—which is what I said was expected, something like a *Reichstagsbrand*. When I looked at this President, Bush, after he was elected, even before he was actually inaugurated, I said, "This President is going to bring the United States something like a Reichstag Fire, in order to bring a dictatorship here."

The Reichstag Fire proved to be 9/11, which instituted a reign of terror, which later resulted in these signing statements, and the idea of the integral government, this kind of sovereignty, this shared sovereignty, which was denounced by Obama when he was running for President, but is now *his* policy.

So, we're running under a dictatorship, in which the powers of the Congress are limited by the imposition of this signing statement procedure of this integrated government. That's how these things are done. Don't look for whose hand was in the pocket as such; look for who



*Behind the official lying by the Federal government, is a serious threat (and intent) of the imposition of a Hitler-like dictatorship. If this happens in the United States, it will be a disaster for the entire world.*

benefitted. What was the result? And that's our situation today.

We are under a high degree of fakery in government, and if we are fools enough to accept that, then, I tell you, humanity—Well, just put it this way: What's going to happen to humanity if we don't change this? What happens if things go the way Obama says? Well, you can kiss the country good-bye; it'll be gone soon. Matter of fact, every country in the world will be gone soon, because if the United States goes down, if the United States dollar collapses, I can assure you that every government, every nation in the world, will go through a collapse in rapid-fire sequence, as a result. That you will have, probably for a couple of generations or more, a vast collapse of population, until finally the present policy of the British monarchy to reduce the world population to less than 2 billion people from the present 6.7 will be achieved. Most languages will have disappeared; most cultures will have disappeared, but they'll get what they want in the end. They'll get a system of oligarchy that they want—if we're fools enough to let them.

And the problem here is, that we tend to be, on two levels, fools; and, as the questioner put it, on the one level, we allow ourselves to be fooled by this kind of thing, which is the more immediate thing. But we don't ask ourselves the deeper question: Why is this done? To what end is this foolery done? Just to fool us? Well, let's look at what's happening tomorrow.

What the *hell* is going on, when a brainless President of the United States can order an appearance of the

Congress before both sessions, to hear him give orders?! What do you think that means? What has happened to our separation of powers? What's happened to checks and balances? This is a step toward tyranny! And the only thing in the way, is a few voices like me, but more important, a mass strike movement of over 60% of the U.S. population.

And be careful that you don't overlook what I say, because I don't have any contract with those people out there, that 60% that wants this Presidency changed, but I know how to read their intentions. And I'm telling you—I'm not the Prophet Isaiah, but I'm telling you, I'm telling you: "You do, on this—you, people out there—you do what you have to do, as I've said today, or you're not going to have a country. And worse, you're not going to have a civilization, because I know exactly what this is leading toward."

It's up to those of us in the United States, who have the knowledge and guts to tell this President, "You get in your office, and we'll tell you what to do. You're going to stop this nonsense, and you're going to fire these characters. You're going to drop this health-care nonsense, and you will announce that you have changed your policy. You're now going for a mass increase in productive employment policy."

## A Constitutional Crisis Ahead?

**Freeman:** Lyn, I'm going to veer slightly away from some of the questions on economy to address a question that was submitted by a well-known historian and author from the East Coast, but I'm going to kind of make it a composite question, because we have gotten so many questions in on this particular issue.

He says: "Mr. LaRouche, one of the things that I fear most in the immediate weeks ahead, is the social ramifications, or the Constitutional ramifications if you will, of the course that I see this President taking.

"First, on the question of health care, it seems increasingly to be the consensus, that this administration—aside from the fact that they've proposed a monstrous policy that nobody really seems able to support—that they are determined to get it through. And they have talked openly of the use of the parliamentary technique of reconciliation to force a 'yes' vote on their health-care reform package. If they do this, the likely result will be an explosion, both in the Congress and among the American people.

"Secondarily, President Obama has made clear, and has stated explicitly, that he need not obey laws, as writ-

ten—this is the echo of the Bush signing statements—he has identified many areas where he need not comply with the law as written, but one of the key areas of this, is the question of putting troops under UN command.

“There is a simmering situation in the U.S. around the question of the increase of troops in Afghanistan. People read these headlines with dread, and this has only been overshadowed by the debate on health care. But the fact is, that we have never had *any* debate on what U.S. policy toward Afghanistan would be. Yet even so, it does indeed appear, that this President is going to commit more troops, and that this President is going to broaden the war effort in Afghanistan. Again, I fear that if he does this—and I believe that he will—this will lead to a complete explosion, both among liberals and progressives, but also among certain layers of the Republican Party.

“Now, you are forewarning of a crisis of unprecedented proportions, as we enter the final phase of the breakdown of this financial system. Under these conditions, to have a President who takes steps like these, steps that do not gain the confidence and trust of the American people, but, in fact, undermine it, really does worry me. This is no time for us to have a Constitutional crisis, yet every sign would tend to indicate that this the way we are proceeding.

“My question to you may be somewhat rhetorical, but this President seems to be somewhat obsessed with his standing and with his popularity. Isn’t there some way that this can be leveraged, so that he will cut out this kind of insane behavior? He is undermining his ability to govern in a crisis, and that crisis is clearly at our doorstep. Would you please comment?”

**LaRouche:** Well, if it becomes a test between the survival of the United States and the incumbency of this President, guess which way I vote? It’s that simple.

We’re in real history now. People have studied anecdotal history for so long that they don’t know real history, because they don’t understand it. They think of it in statistical terms, or narrative terms. They don’t understand the pulsations which underlie the surface of the behavior of humanity. They don’t understand human



EIRNS/Tiffany Wamsley

*The behavior of the President, and much of the Congress, has undermined the citizenry’s faith in government, to the point that about 60% of the people want this President and their Congressman out. Here, Congressman John Dingell faces angry citizens in Romulus, Michigan, Aug. 6.*

beings; they don’t understand human culture, really. And this has become worse, because it has come at a time when Classical culture has disappeared: It was outlawed at the end of World War II by Truman and company, by Churchill and company.

You know, the point which I make extensively in this latest publication which I’ve completed, is, the essential thing that differentiates a human being from an animal, is not mathematics. I think we could train an ape to do most of the kinds of mathematics that I’ve run into these days. The distinction of a human being is the creative powers of a human being, which lie in Classical artistic composition. This is particularly true when you look at the case of Classical musical composition, Classical poetry, and scientific creativity.

I often use the case of Albert Einstein, and the relationship of his violin to his creativity in mathematical physics. The essence of creativity lies in a quality which is called inspiration, not mathematics. A mathematician is a stupid person, as long as they remain a mathematician. It’s only when they take the organization of the material before their consideration, and are inspired to see something beyond that, as being an efficient force, an efficient characteristic of this, that you get what we call creativity, the effect of creativity, including scientific creativity.

And the problem here is, that we lose sight of that, and we lose sight of the role of creativity, or the moves

which are associated with creativity, in a population. This is the way dynamics works. It is what Shelley is describing in his *A Defence of Poetry*, that there's a power that is specifically human, specific to human beings, a power of dynamics, of the superiority of dynamics, in the character of the human being. And the human being operates on the basis of the imagination, but does not trust the imagination as such, but tests the imagination against what is feasible in reality: That's creativity. And from that, we discuss the principles which underlie, like the principle of the distinction between non-living beings and living ones; the qualitative distinction between human beings and animals, or other forms of life. And these are three principles—the non-living; the living; and the human, the cognitive—three universal principles that we know.

And within that framework, we challenge our own powers of imagination, as Einstein did, with long sessions with his violin. He was a gifted amateur violinist. And when he was struck by the imagination, with a concept to say, "Is this feasible?" *then* he went back to the laboratory to think it out, and work it out. And from the experience of testing the powers of the imagination against reality, is where creativity occurs.

This occurs in all good people who think that way, but it occurs especially in a people at large, when they are sufficiently challenged. And they say: "Isn't there something better than this? Isn't this wrong?" And then, in their imagination, they try to imagine the alternative, to see what's wrong, to imagine what could cause this. "Why could I behave so stupidly? Why did I make that stupid mistake? Why does so-and-so make that stupid mistake? Why did we re-elect that *jerk*?" And it's in those kinds of inspiration, by the powers of the imagination, as disciplined and tested against experimental reality, that we get out of these kinds of messes.

We're at a point now where the American people, those who are the over 60% who have certified that they want this President and this Congress *out*—I would say that about 80% of the members of Congress today are ready for the chop, in the next available election, as it stands today—they want no part of them; they've made it very clear, and they terrified the Congress out there in the month of August, by just this fact. They don't want these guys anymore. They stink! They're traitors; they can't be trusted. You vote for them, and they go out and they vote against you. They betray you every time, and say, "We had to kiss the butt of the President," or something like that, which is a terrible idea.

That's where the problem lies, and the solution lies.

We are going to have to do what we have to do. *But*, what we're going to do, is what we're going to do in the imagination first, and we're going to test the fruits of the imagination against the reality. And we're going to look at our neighbors and friends, and we're going to say, "This was my imagination. Am I crazy, or am I right?" And the friends, if they say yes, they're going to go to the next guy. "Is this just us, or are we right?" And so on. And that process radiates through the population very rapidly, and out of this, very sudden changes—and sweeping changes have occurred often in human history. Sometimes not often enough.

But, it's not for me to decide. My authority is extended to what I know is the present state of affairs, and of that I'm fairly confident, particularly as the competition is rather poor these days. On the other hand, what I should do, is limited by my perception of what the American people, in particular, are disposed to do. And what I think, and what they think the consequences of doing that might be.

So, I don't go too far. I tell this President, "Okay, you bum, get in your office, and take a few lessons from me. And we'll work something out for you, so you stay in office, and we don't have to put the nation through an impeachment process. However, if you don't go along with this, I can say that we're going to head toward the inevitability of a very nasty impeachment process, and very soon. Mr. President, you have a few days to decide, because I think that when the month of October is reached, and when all the bankrupt states of the 50 states of the nation are arranged, and there's no means to pay, and the nation-states are collapsing in their economies, the national credit is collapsing, and the chain-reaction collapse is extended throughout the planet, and the planet is going to chaos as a Christmas gift—*then*, I think something will happen. And I think the disposition will be "Get that guy out of here! And take about 80% of the Congress with him."

## Swine Flu and Vaccinations

**Freeman:** We have been deluged with questions, both institutional questions and questions from individuals, on the current swine flu situation. I'm going to read two brief questions, because I think they both capture the essence of what all these people are asking.

One is from an ordinary citizen, who says, "Mr. LaRouche, my wife has just received a letter from her employer, Columbia Memorial Hospital in Hudson, New



EIRNS/Stuart Lewis

*The swine flu pandemic is real and spreading, and the best approach is to get the vaccine as it becomes available. LaRouche suspects that the rumors against the vaccine, are actually being generated in order to spread the disease.*

York. It says that all hospital employees must submit to a flu vaccination, and if they do not, they will not be permitted to work after Nov. 30, 2009. It says that they are just following orders from the Department of Health, although they do not say whose Department of Health—Federal, state, county, city. They also begin vaccination on Sept. 9, but the swine flu vaccinations are not being sent out until October, so we wonder what they are injecting us with. Should she refuse to take this vaccine?”

Before I read this next question, let me just make clear that while it’s true that the swine flu vaccine is not going to be available until October, most health departments are, I think properly, instructing people to be vaccinated now with a seasonal flu vaccine to provide them with some protection, and then later on, to get swine flu vaccines when they become available.

There is a growing movement, particularly among African-Americans, saying that they are going to resist the vaccinations, because they believe that it’s an avenue of genocide. I will say, and I haven’t discussed this with Lyn, but I will say, as a public health professional, that I agree with Department of Health recommendations, that particularly, for instance in this case, where we’re talking about a public health worker, that people who have not been vaccinated should not be permitted to work in these fields, and that is just a very basic public health measure.

The next question, along the same lines, has come

from three different journalists, two of them outside the United States, one of them from inside the United States, and the one from inside the United States is from a major African-American newspaper. And they say: “Mr. LaRouche, have you considered the possibility, as many analysts and whistle-blowers seem to believe, that the so-called swine flu pandemic could have originated from a private or government lab, and could be part of an agenda of population control, under the World Health Organization and other global organizations’ umbrella, coinciding precisely with the expected financial collapse at the middle of October?”

**LaRouche:** Well, that’s too simplistic. Of course such things are possible, but what do you do in such a case? Is there anything different in the way that you would do it before or after, one way or the other? If the thing is being spread, do you take the antidote? If you don’t think the thing is being spread willfully, but is just occurring, do you take the antidote?

So, do you see what’s happening? The public is being played by this kind of thing, to induce it into a state of paranoia, saying, “Should I take it? Is it really they’re trying to poison me? Or should I take it, maybe they’re trying to frighten me into not taking it, so I will die? What are they trying to do to me?” Well, how do you judge a question like that? First of all, you say, “Wait a minute, buddy, who’s ‘they’? Who’s ‘them’?” Is it the U.S. government? Well, you should expect the worst, at least these days.

Don’t get into this kind of thing. In this kind of situation, you have to operate on the best option you have, and the assumption that if the disease is out there—and the disease is known to be out there; there is no question about that, that is very clearly established—then you’d better find the antidote real quick, and don’t fool around about it; don’t worry about it.

I think the rumor was spread, that this was done as a synthetic operation, and it’s done in order to actually spread the disease. If people don’t take the vaccine, what will happen? The disease will spread, and more people will die, including those who refused to take the vaccine, especially. So, that’s the kind of question you have. So, in a case like this, don’t let your paranoia rule. You’ve got enough paranoia in the President himself; he’s got enough paranoia for all of us, we don’t need any more. Forget it.

## Emergency Federal Aid to the States?

**Freeman:** Lyn, this question comes from someone who serves as the economist for the National Governors Association. And he says: “Mr. LaRouche, as I’m sure you know, most state constitutions require balanced budgets. So, in a depression, or a recession if you prefer, when revenues fall, states are compelled to behave perversely. They cut program outlays just when public needs increase the most. They lay off workers, they defer projects, they raise taxes, and they resort to budget gimmicks that are a bad policy in their own right. This has led to a situation where governors who are facing election campaigns in the next election cycle—be they Democrats or Republicans—are being faced with defeat at the polls, because of policies that they are being forced to implement.

“What we are calling for—and I am asking you if you would support this—is an emergency Federal intervention in the form of aid to the states. Some would argue that the idea is radical, that it would add to the Federal deficit; but my argument is that the idea is about as radical as Richard Nixon was. Because he was the first person who proposed general revenue sharing, back in 1970. This approach requires no advance planning; it simply will prevent deeper cuts.

Our proposal is that the Federal government simply write 50 checks—one for each state. Participating states would have to commit to maintenance of effort, i.e., maintaining their taxing and spending policies as of some particular date, say, Jan. 1, 2009, or December 2008, whatever is agreed upon. The tonic effect is almost instantaneous, since cuts and layoffs are prevented, suspended projects and programs are resumed, and laid-off workers are recalled. The fact is, that if we don’t do this, the current carnage that each state faces will worsen.

“All but two states face budget shortfalls for this fiscal year, and the shortfalls are enormous. The fact is, that the Obama stimulus package doesn’t come close to even replacing 25% of that shortfall. If what we are proposing is, in fact, implemented, some can argue that the primary benefits would be macro-economic—saving jobs, preventing program cuts, and making sure that



White House video

*The collapse of the economies of virtually all the U.S. states cannot be dealt with by technical measures like the emergency infusion of funds. The solution requires recapturing the Presidency for the nation, first and foremost. Here, President Obama at the Sept. 9 Joint Session of Congress.*

states don’t worsen consumer purchasing power by regressively raising taxes in a depression.

“But there is also a secondary benefit, in preventing a further erosion of trust in government. When state budgets go into free fall, and localities slash budgets that people both need and expect, the results are catastrophic. Schools and libraries close, government offices cut hours, community college budgets take hits, and the most creative and valued programs are, more often than not, the first to go. As public employees are laid off, government’s basic capacity to do its job is wrecked.

“Just as an example, 21 states have cut low-income health insurance, or reduced access to health care. Twenty-two states and the District of Columbia are cutting medical, rehabilitative, and home-care services for low-income people who are elderly or disabled. At least 24 states are cutting, or proposing to cut, funds for kindergarten to grade 12 schooling, early education, and child care, and 32 states have already cut support for public colleges and universities.

“Another example, in Birmingham, Alabama: The municipal government was forced to fire cafeteria workers at the local jails. They did it, they saved money, but they don’t have any idea how they’re going to feed the inmates. Secondly, it has come to our attention that the City of Birmingham no longer has the necessary funds to bury its indigent, and therefore the bodies are piling up.

“The strategy of emergency revenue-sharing, would

seem to be low-hanging fruit for the Obama Administration. It's a great bipartisan remedy. Republican governors and legislators support, it as well as Democrats. I'm even willing to take the suggestion of one Washington, D.C. journalist, that we name the bill for Richard Nixon. But I'm wondering if you would lend your support to such an effort."

**LaRouche:** No, I would not lend my support to it at all, because it's a waste of time. It's actually avoiding the issue, by going to an elaborate around-the-bend, "what if, what if, what if, what if. . . ." This is nonsense.

The thing that's going to decide, entirely, from the top down, the future of this nation, is what is done about this Presidency. Don't talk to me about these other things. You're wasting your time. You don't have a chance, unless you do something about this Presidency. That's the issue. This guy either shapes up, as I have proposed to help the poor slob, under protection, or we lose the nation. Who cares about these so-called alternatives? What if the President doesn't do something, what if the President fails, what are we going to do then? You're going to die! And therefore, you're going to do what you *have* to do, about this Presidential system *now*, because if you don't do it, there's nothing else you can do. You're doomed. Therefore, you'd better learn.

As most of the 80% of the people out there protesting against this Presidency, and against stupid Congressmen who want to go along with him, have said: "You either change this or you're finished!" We can't go any further. We're on the edge of doom. Don't talk about alternatives; there are no alternatives. You either change this Presidency and this policy, or you don't have a nation. So don't tell me and ask me what we're going to do about it, if the Presidency is not fixed. You're not going to do a damned thing about it, because the world's going into the deepest crisis you ever saw. Every other suggestion is a damned waste of time.

### Look to the Future!

**Freeman:** This question comes from a fairly well-known economist and author who also is working with the Stanford group. He says:

"Mr. LaRouche, 25 years ago, I was part of a debate on industrial policy, and it's old news that I was on the losing side. Neither Democratic Presidents nor Republican ones accepted the idea that it mattered, whether the United States had world-class industries. After all, we were told, we were becoming a service economy, and services were just as good as products. Most econo-

mists ridiculed industrial policy, on the grounds that government was not competent to pick winners, and that free markets would make the appropriate investment.

"Well, a quarter of a century later, most of those services turned out to be financial services, and a lot of that sector turned out to be a big bubble which has popped. The free market has made one blunder after another, and ever since the financial collapse began in earnest, in the Spring of 2007, government has been picking winners with taxpayers' money, except that most of them are failing banks.

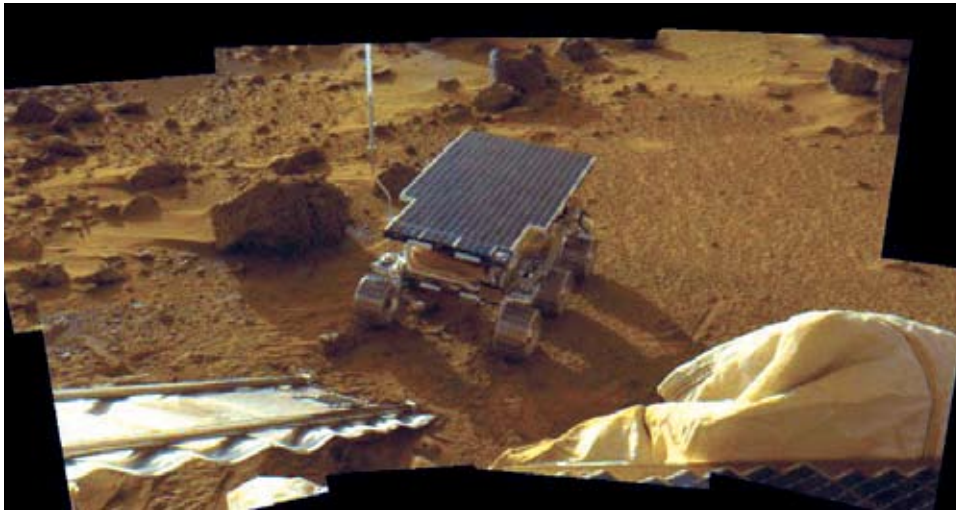
"A reading of American history reveals that the U.S. has had industrial policies all along, and it began with Alexander Hamilton's *Report on Manufactures*; it continued into World War II, and proceeded through the space program of John F. Kennedy. Government investment in biotech is another example. All of this, from Alexander Hamilton to John Kennedy, represents one big industrial policy. Go back and read books from the debate that I was part of: Blackstone and Harrison, *The Deindustrialization of America*; Steve Cohen and John Zysman, *Manufacturing Matters*. You look at them today, and they look prophetic. We all, including you, Mr. LaRouche, lost the political argument back then, but we were right all along.

"Now, with the economy facing a prolonged crisis, the fact is, that unless we address this directly, then I do not see how we can find any way out. It's not just about banking policy or financial policy. It has to be about what it is we intend to do for our nation and for the world."

**LaRouche:** Ah, this is a fun one. This is a nice question, because it prompts me to put on the table what I think. We've said a lot of things here today, we've said a lot of things earlier. This is quite to the point.

You know the last, lame effort of the United States to save its soul came when John F. Kennedy made the speech about doing something that was good to do because it was hard—the space program, the Moon landing. You see, at that point, we had a division in the economy. To the extent that the space program, as Kennedy had actually revived it from near-death—it was about to die, but he revived it by that speech. And despite the other things that intervened during the period up to the time that this crazy Nixon came in, we actually had, in the space program, the most important accomplishments in the economy, in our existence, occurred within this sector of the economy, during that period.





NASA Solarsystem Collection

*The next step beyond returning to the Moon is Mars, where man is now only deploying robots like the Sojourner Rover, shown here.*

We reached the ironical point, however, with 1967-68, with the change in the budget under those conditions, in which we were sending things into space, as to the Moon, but we were using up the technology which had brought us there. That is, we had lost many of the technologies which had been developed under the space program earlier. This was the same thing that hit the Route 128 circuit in Massachusetts about that time, where all these satellite industries around MIT and so forth were involved in various branches in the space program, and *crash*, it began to collapse. But their product went into space, leaving the thing that had produced this product behind. And you'll find there, still today, bits of technology kicking around in some private laboratory, here or there, where it was left in the dustbin from that period, and it's still around.

Now, don't talk about economy the way most people talk about economics. People who are decent economists really don't believe much in what's called economics today. They think actually in much more concrete terms, and they don't use terms like "industrial economy" in any different sense than the distinction that Alexander Hamilton made with manufactures back in that time: Infrastructure, agriculture, manufacturing—those are still the basic categories. Everything else is subsidiary.

Now, the key thing that drives, is *science*, physical science in particular. And physical science has many manifestations. It has the process of discovery, the process leading to the process of a discovery, and the spillovers of a process as the effects of the discovery come

trickling down through the process of engineering, and so forth, on down the line.

And what happens is, the main line is an increase in the energy flux-density of the sources of power employed and deployed. In other words, the transition from burning of coal, to coke, to petroleum and natural gas, then to nuclear power; the organization of electrical power, the changes in uses and form of electrical power.

For example, the development of the alternating-current motor in New York

City, at the beginning of the 20th Century, was a change in the use of electricity which made possible the smaller, independent machine, which would operate the particular process in the production line. This was a revolution in productivity in the United States, which hit about 1910, 1911, 1912.

You have various revolutions of this type, in technology, which break through and spill over into the industrial area, as in the New York area, where you had these large steam-driven factories with belt-driven machines. And now you had even the electrical machine, you had the individually powered machine, under alternating current, and this was a big revolution at that time. The whole machine-tool industry was revolutionized over this period, by the result of this type of thing.

So now, you're always looking for revolutions, scientific revolutions in technology, and sometimes these are little, like the thing with electrical alternating-current improvement, and sometimes there are much more fundamental things. But always, in every case, when mankind adopts a mission which says, "Look, we've been doing this for a long time, isn't there a better way of doing it?" And you put a science driver behind this thing: "Can anybody come up with a better way? Look at this thing! We've been doing the same thing for ten years now. Isn't it about time we came up with something new, something fresh?"

And if you have a project, which is a national mission-orientation—all the great movements in economic history come essentially from these revolutions: Agro-industrial revolutions, revolutions in technology, mobi-



NASA/Ron Evans

*The revival of our manufacturing sector today, demands the revival of the space program, going back to the Moon, and then moving on to Mars. We need an orientation for the next 100 years. Here, astronauts Gene Cernan and Jack Schmitt, during their return from the Moon in December 1972.*

lizations of people around technology. And it also goes to the question of, how far can you go with a given technology? There are limits to any technology; these are the scientific principle limits of technology.

Now we have before us a great change. The space program was part of it. We got to the Moon, and after Nixon, we could never get to the Moon again. He killed the Moon! He gave us moonshine, instead of Moon. And we killed the space program. The space program is a shattered piece of crap today, in which you have elements, scattered in various parts of industry. Some guys, they have a laboratory here, somebody's got something there. This is the kind of thing we're dealing with from the Basement<sup>1</sup> now.

We have before us, the prospect of industrialization of the Moon, which was devised, actually, in the 1970s and early 1980s, by a friend of mine, a friend of ours, at the time. And that's still valid. Now, if you want to go farther into space, you want to go to higher levels of technology *on Earth*, you have to go into space. Because you have to have the challenge of going into space to get you to drive your technology upward, and bring the benefits of driving it upward, back to Earth, and back to the benefit of mankind.

We also have the question of the exhaustion of various types of resources. It's not really the resources that are exhausted, it's the way in which they're concen-

trated. The richest resources are being drawn down. We have to use a poorer quality of resources, but we get the same effect. We do that by technological progress.

Now, the project before us is—and everybody who knows anything about science or economy knows this—we have to have a project of completing the Moon assignment, which was what the push was then, with Kennedy. It was not just going to the Moon. The purpose was to industrialize the Moon, and these would be largely automatic industries, which require automatic technologies. It would be industries controlled from Earth, with very few people, because, you know, the low electromagnetic gravitational field is not the best thing for your health, eh?

And then, what are we going to do with that? Well, we're going to go to Mars! And how do you go to Mars? Well, if you want to send somebody to Mars by inertial trajectory, you can do that, but I'd hate to send a human being out on inertial trajectory for 200-300 days, on a journey between the Moon and Mars. What's going to arrive there? Mr. Blob?

So, therefore, we have to think about accelerated flight. Well, we have on the Moon a resource we recognize as helium-3. The Sun has been depositing helium-3 as a mineral on the surface of the Moon for a long time. There are big pits of ore of helium-3. Helium-3 happens to be a very useful item for space flight, because it can be very directly applied to the propulsion process. We could, technically, with helium-3 fusion, have a 1-gravity flight, from the orbit of the Moon to the orbit of Mars, which would get you between the two planets within a few days!

Now, there are some problems to be considered in venturing that, but if we can get from the Moon to Mars in several days by 1G gravitation or something comparable to that, that place is open to us, buddy! And whatever resources it has, and whatever it means as a stepping-stone to further things in space, are now available to us. And once we adopt that policy, everything we've done in getting to Mars, or getting *toward* getting to Mars, now spills back on this planet, as a revolution in everything we do on Earth.

This is what this country needs, apart from reorganizing this economy in a sensible direction—and there are a lot of people interested in this. We've got ten nations which are committed to a Moon development project. Ten nations, so far, committed! Actively! And I'm committed to a Mars arrival project. I've been committed to this for a long time, as some people know,

1. A group of young researchers, working under LaRouche's direction, is known as the Basement team.

since I did this half-hour film on “Mission to Mars” back in 1988, the ’88 campaign. And it’s still valid today.

I don’t think I’m going to get there. I don’t think I’m in the best physical condition for that kind of travel at this time. It’s not my sight-seeing venture of the year.

But anyway, it’ll probably be in 20, 30, 40 years; we could achieve, not only the fulfillment of the Moon development, but we’ll have achieved, in some way or the other—we will deal with Mars, we will conquer Mars, we will see what’s up there, we will see what use we’ll make of it.

And we’ll change the nature of man’s conception of himself. Man will no longer think of himself as an Earth-bound landgrubber. (Not landlubber, but landgrubber.) And man will think of himself as man in the Solar System. Now this means a change in relationships of human beings to human beings. You’ve got a human being on Mars who’s working up there, and a human being on Earth. It’s a weekend’s travel to get up there and back. It’s going to change the relationships in human life. All the technologies which are now used to do this, will now be reflected in revolutions in technology back on Earth, including growing food, foodstuffs. I mean, growing vegetables on Mars: This is a real change in agriculture. It broadens your conception of what agriculture means.

And that’s how you do it. You have to adopt a national mission. The first national mission before us is to get this meathead in the White House and put him under suitable supervision—with his consent, of course. He has to consent, but the consent will have to be induced, by strong inducements. The guy will survive; we’ll protect him so the British don’t kill him, because he’s one of their disappointments—they like to blow up things that don’t work for them.

But we’ve got to think beyond that, because I’ve got people who are now in their 20s. Believe it or not, we still have produced babies, we still have people in their 20s. So, we have a supply of them. Now, if we can get Obama under control, they have a life expectancy that goes into their 70s and 80s. And what are they going to do in the meantime? They’re going to be the recipients and transmitters of this technological progress and what goes beyond it. And so, we have to think about two or three generations ahead. I mean, don’t you think about your grandchildren? Don’t you think about even your great-grandchildren, if you’re lucky? Isn’t that your mission in life? Isn’t that your sense of continuity in

life? So, what’s that? A generation, 25 years. Three generations, 75 years. Four generations, 100 years. What are you going to be doing for the next 100 years, people?

If you’re thinking about the future, if you care about your children and grandchildren that are coming after you, if you think about the future of humanity, and locate your identity in what you’re doing for them, to make their lives possible, what do you think about? You think about where we’re going to be 75, 100 years from now, and think how accurately we can forecast where we might be. What are our options? Where are we going? What should we be doing? Hey, what are you going to do when you reach retirement age at age 75, 78, or 85, with improved health care? What are you going to be doing with yourself? What’s your future? What kind of a world are you choosing? What kind of a Solar System are you choosing to live in?

And that’s the way you do it. You don’t do it by coming up with a list of this, or a list of that. What are your priorities? You go out with a mission, a mission for humanity. This is not about jobs. This is not about income. This is about humanity, the difference between man and the beast. What are you, as a human being, going to do, that certifies you’re a human being, and not ashamed of the result in the eyes of your grandchildren? What are you going to accomplish with your life? We accomplished something, we got so far. How far are you going to take us? How much further are you going to take the human race?

And that’s what makes it work. It’s motivation. How you *choose* to spend your life. Not pass it, but spend it. Expend it. To what purpose? To what end? What are you going to raise children for, to what end? For humanity! Why should you be remembered by people two generations from now? Why should you be respected, a generation from now? What are you going to do, to earn that respect? Your identity as a human being.

And if you follow that line of thinking, and use the space issue, space exploration, as a parameter, a paradigm, from our recent experience, which shows the difference, then you say: We don’t talk about industrial policy as such. We don’t talk about agricultural policy. We talk about human policy. We talk about the development and progress of the human species, to a better life for future generations. And that takes scientific and technological progress, as well as the cultural progress which fosters creativity in the individual human mind. That’s our mission.

What we're getting, is these people come up with these crazy categories of values—crazy, stupid, dull. They bore me! Now let's talk about going to the Moon! That doesn't bore me! Because that involves exactly what we have to do, step by step, in terms of science and technology, to do each thing we have to do to get each step along the way. And that's our mission-orientation. We take that mission-orientation, and we find it works just fine. We've just got to get this thing together a bit.

"Mr. President, you have to change your ways, but it will be good for you. You'll get a good reputation in the future. Just change your ways. What can I tell you? I guarantee you, you'll have a successful future. Just change your ways, just a little bit. It won't be painful. You'll be in the Oval Office, you'll be comfortable, you'll be protected, with great zeal. You'll have the privilege of being honored for what your office has done, what the Presidency has done. Look at all the good things you'll get, instead of being spit upon as you're being spit upon today, Mr. President. It's a much better future for you, don't you think? I don't think you're going to go to Mars. I don't think you want to go to Mars. Maybe the people over there won't like you."

But in any case, that's the way we define a perspective, not in terms of these technicalities of industrial policy, or something like that. *If you can't spark the imagination and passion of people to accomplish something in the future, you're not going to get to the future.*

## Living in History

**Freeman:** ... This last question is an interesting one and I'd like the answer to it myself. It's from one of the leaders of the Stanford group, and someone I've especially worked very closely with over the course of the last months, and the question is: "Mr. LaRouche, you've well established your authority on questions of both economic forecasting and planning. Now, especially in these times, it doesn't really take a genius to figure out that the repeal of Glass-Steagall was a mistake, and that we ought to look back at FDR for some hot pointers on how to build our way out of the depression.

"However, anybody who digs deeper into your writings will soon discover that your economic theories are built on a foundation of an in-depth understanding of not only history, which is not so uncommon in our field, but also on theoretical physics, on mathematics, on music, and on other areas of science. Add to that, a sense of humor that clearly grows raunchier as the crisis

deepens. And well, all in all, it sets the bar pretty high for the rest of us. In fact, it has left some of us feeling rather inadequate. For some others, who have too much of a self-love issue going on, to feel inadequate, well, it just seems to piss them off. Anyway, our question really is how do you manage it all? What's your secret? And what the hell do you eat for breakfast?"

**LaRouche:** I think the secrets are expressed largely in what I write, when I always feel the more I write, the more I have to write, because I realize in writing something, I've left so many things out, that I've got a bigger agenda after completing a work than I had before starting. Because the work itself just carries these questions.

And also, the best thing you can do, which I've insisted upon, is don't get stuck in your own generation. You have to look at the coming generations—you have to look at the past, of course, to understand the present—but you have to look at your own generation as just that, and you have to look at other generations which are coming up, as I have, especially in the recent ten years or so. Actually, more than that now.

But since the end of the Clinton Administration, one looks more and more at this question of young people coming up. Because we're faced with the problem of the Baby-Boomer generation and its influence. The Baby-Boomer generation has two aspects: One is, it's a generation, and that's not necessarily good or bad.

But go back to the end of the war, World War II. I came back from military service abroad in the Spring of 1946, and the disaster had already happened. And I had made a statement, which I thought later was somewhat prophetic: That a number of soldiers came to me, in India, in 1945—April 13th—and wanted to talk to me later that evening; we could do that aside. And I said, yes. So they asked me a question, which did not, in its nature, surprise me at the time: "What is going to happen to *us*, now, that President Roosevelt has died?" And I thought, and the answer that came to me was a very simple one: "We have lived under a great President. We are now faced with a very little man as President, and I'm afraid for us, on that account." I was right.

And then, we went into a period which was evil. In Europe, it took the form of the influence of the Congress for Cultural Freedom, which was a Nazi-type organization which I ran into. It hated me, and I hated them, and the existentialist movement in the United States and abroad.

We also went into a security situation, under which we created a category of people, of my generation,

coming back from war, who had gotten jobs, either through completing university education, or going in some way into the security area, what became the national security area, and which was pretty much a brainwashing area. And so, you had people who were eager to keep their jobs, lest the FBI get some bad information about them. And they raised their children accordingly, and tended to flee into communities where people of their own type circulated. They met with only people of their own national security-cleared types, in these communities. They raised children, the Baby-Boomer generation, and they told these children *not to have any definite ideas*, to be *very careful* about whom they associated with, and so forth.

And then, came 1957: a recession. And the arrogance of this generation, which had raised these children, or was raising them, the arrogance went under. They became frightened, frightened not by the security clearance question—fear of losing their position, their economic position. By '58, it was well founded. I was then an executive in a consulting firm, and people were wandering the streets and coming up to my office, begging for jobs, at one-quarter of the pay which they'd received from where they'd come from. And so, the children of this “we're better than shit” layer, raised in these families, underwent an experience.

In the meantime, there was a change in culture, especially in Europe and in the United States—away from Classical culture. Now, if you know that Classical culture is the spark of creativity, including scientific creativity, as typified by the case of Albert Einstein's violin; it's Classical culture, which is the power of the imagination, as applied to the questions of physical science, which is the *source* of the inspiration of creativity in physical science. They took that away!

So then, these people went on to universities. They tended to get into the so-called “best universities,” the Ivy League universities, and comparable types. They were the “kings of the universe!” “Oh, we are the perfect people!” But they still had an existential fear that they would lose their jobs, lose their security, as their



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*What keeps me going, LaRouche said, is a long-range agenda, one oriented toward both fulfilling the work of past generations, and creating the basis for the success of future generations. At first, this orientation led him to recruit among the Baby Boomers after 1968—as this picture of him from 1973 shows. As the Baby Boomers became demoralized, he moved on to recruit a new generation of youth, dedicated to developing the creativity to save civilization. Here, LaRouche with members of the Basement crew in 2007.*



family had, or had been in danger of losing. They went to the best universities, but they felt like an elite, because when the Vietnam War came on, they were able to manage not to get into military service, by being in universities, and therefore, exempt from the draft, until the exemptions got pared down, as we approached 1968. And they were conditioned, culturally, to an existentialist world outlook. And even if they studied science,

they weren't any damned good at it, because they had an existentialist attitude, which is not good for your creativity.

And then came 1968. And then came the change in 1968, after May 1, the first step in the collapse of the U.S. monetary system. *And they went ape! Really ape.*

Now, this generation, the Baby Boomers, became a nightmare. They became promoted—they took their clothes off, they took everything off, they did all kinds of things, they took all the drugs there were to take—and they got the best positions of influence in society. Especially during the Carter Administration period, and thereafter. And so, as the older generation, my generation, began to go into retirement age, these young whipper-snappers, so-called, took over, and brought their degeneration and their anti-science attitudes with them.

And then, with 1987, we had a deep recession, one of the deepest in our history, as a recession. Panic. We went into absolute insanity, in terms of our economic policy. And this generation, the Baby-Boomer generation, was now in the top positions. These were the years of George H.W. Bush and Bill Clinton. The worst years, in terms of the turn-down—1990, *pfsssst!* Spring 1990, the illusion was over! 2000, 2001, the end. Then the Bushes.

So, we'd gone through, at that point—at the end of the 1990s, I was very much concerned about, what about a new generation? Because, what had happened is, the Baby-Boomer generation, that is those who were born in that period after 1945-46, were not all of one type, but the worst of them were in the top positions. And the effect on a population is—if the very worst representatives of a generation are dominant, it has an effect on the attitudes in life of others. And when people get older, when they get past their 40s and 50s, they tend to become frightened, if conditions are not favorable. And if they find the top generation, which is apparently successful in controlling society and leading society, is dominant, they will tend to adapt and try to imitate those who they think are more successful.

So you had an ideology of a very small part of the population, like the Mark Rudds and similar trash, that had risen into top positions of social influence in society, their generation. But the acceptance of the green tendency, the anti-nuclear tendency, the anti-industrial tendency, had become a dominant tendency within this population, as a whole, through this structure.

And therefore, being a person as I am, I said, "Well, get me the *next* generation!" And that happened about

1999, going into 2000, that period, about 2001.

So, I suddenly looked into, as my Presidential campaign that year, some of the campuses, and began to make contact with people on campuses who were truly of a new generation. They had problems that their precedent had not had, different circumstances and new problems, but they were a generation which was capable of providing a succession, to this trashy aspect of the ruling generation. And I was more and more committed to that, saying, "We have to save the population as a whole, we have to save civilization as a whole, but what're you going to do it with? You have to reach out to a generation which is not so deeply demoralized as the Baby-Boomer-age generation had become demoralized. And only through their action are you going to get the kick in the rear, which brings even some of the older guys of the Baby-Boomer generation back into reality." And that's exactly what's happened,

But, I've lived my whole life with this kind of view. I live in history. I go back to about 6,000 years ago, in terms of my fascination in history, and so I look at mankind in that way. I look at mankind as a history of mankind, the development of mankind. The issues of mankind, the problems of mankind. I look at all this from the standpoint of creativity, that mankind is characterized by creativity, which no animal has, and it's the role of creativity, human individual creativity, as it's expressed in Classical artistic composition, and spills over from Classical artistic composition into physical science, as we know physical science from the time of the Pythagoreans and Plato, and so forth; which is all one mass to me. And that's what I live in.

I live in a devotion to what I think are the treasures of mankind, or the categorical treasures of mankind, and the defense and promotion of what I consider the treasures of mankind. I like to look across, at other cultures, and find it in other cultures. I particularly like to find it in our own culture, our own European culture, and discover more deeply the secrets of our own culture, its achievement, and bring them forth. And that's what I write about—that's who I am.

I am not a careerist. I have no career. I'm just the person who I am, who is tumbling through the experience of life, expressing things that I think are important—as today.

**Freeman:** Okay, that brings today's event to a close. I would ask you to join me in wishing Lyn a very happy birthday.

**LaRouche:** Thank you! I've had fun!