

# The California Lord Rothschild Hath Wrought

by Harley Schlanger and Nancy Spannaus

March 6—There is no way to understand the current and future disintegration of the state of California, without identifying the central role of financial kingpin and nation-destroyer, Lord Jacob Rothschild, of the Inter-Alpha Group. It was Lord Rothschild and his fellow financiers who gave the green light to fascist George Shultz's Schwarzenegger Project, at a vetting session at one of Rothschild's country estates, on Sept. 23, 2002. And it is Arnold Schwarzenegger, as chief thug and governor of California, who has systematically done the bidding of his financier sponsors, with the devastating results for the population which are now apparent to all.

## A Page from the 14th Century

The setting was Waddesdon Manor, a huge baroque palace outside London, built by the Rothschild family in the 1980s. The time, late September 2002. The occasion was a conference sponsored by Lord Jacob Rothschild and Warren Buffett, the second-richest man in the world, and a confirmed devotee of the goal of reducing world population. The official agenda was the escalating crisis in the Middle East, and the global economic collapse, which showed every prospect of turning into a global depression.

Among the guests was movie star, body-builder, and Hitler-admirer Arnold Schwarzenegger, who had not yet decided to enter politics, but was brought by his good friend Buffett (later his official economic advisor) to mingle with the political and economic elite, including World Bank president James Wolfensohn, former Federal Reserve chairman Paul Volcker, the CEOs of leading global corporations, and certain hand-picked, trusted journalists.

It was from one of these journalists, senior London *Times* columnist Anatole Kaletsky, that the public learned of the character of this private gathering. "Everything about this gathering made me think of Boccaccio,"

Kaletsky wrote in his Sept. 26, 2002 column, referring to the famous 14th-Century Italian author of the *Decameron*, who wrote ironically how the rich had turned away from the horrors of life amidst the plague. "The conference agenda made me think of Boccaccio's sybarites, eating sweetmeats on their hilltop outside Florence, as plague ravaged the world outside."

Kaletsky went on to say that the meeting not only discussed the inevitability of war against Iraq, but, even grimmer, the disastrous economic outlook which the "experts" present declared they were impotent to stop.

## The Man for the Job

While Kaletsky doesn't discuss details, there is no question but that certain proposals to meet the coming crises were also discussed at this gathering. Among them, history bears out, was the seal of approval given to Arnold Schwarzenegger to play a major role in the period of economic devastation ahead.

Less than one year later, Schwarzenegger, with Buffett at his side, plunged into the race to replace Democratic California Gov. Gray Davis in a recall election—and took the prize. Since then, he has successfully carried out the New Dark Age mission of the Rothschild group, driving California into the status of an ungovernable state no longer capable of sustaining its 35-plus million population.

For the last seven years, the "Governator" has mugged and bullied his way through one short-term legislative budget compromise after another, each one worse than the last. He has achieved balanced budgets by cutting key components of the state's social welfare system, with health care for the poor, sick, and elderly targeted most viciously, but also with major cuts in law enforcement and public safety, infrastructure, the state work force, and, especially, education. In the last sessions, he has grabbed funds from municipal and county

governments, imposed onerous fees (a kind of hidden tax, for example, on parks), and floated bonds, mostly to pay debt on previous borrowing.

While failing to achieve popular support for becoming an all-out dictator, by means of ballot-initiatives he attempted in 2005, Schwarzenegger has successfully intimidated a Democratic opposition which has itself failed to face the reality of the bankruptcy of the global financial system, and thus has not fought effectively to destroy the apparatus on which Schwarzenegger depends.

In the meantime, the state economy has crashed, with record levels of home foreclosures, and near-record levels of unemployment, as most of the state's basic industry and construction have been shut down, and farm income has collapsed.

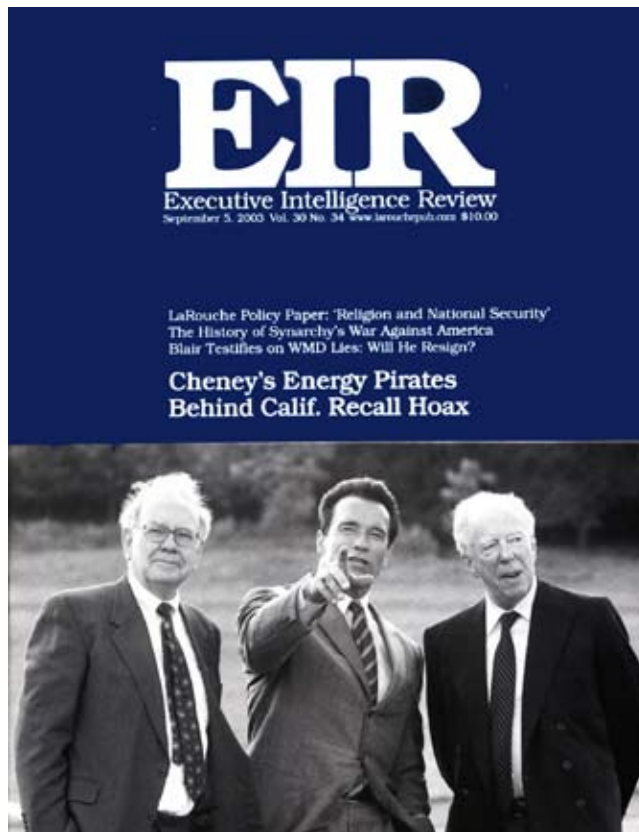
In the last two years, Schwarzenegger has presided over four special sessions of the legislature, to hack over \$60 billion from the budget. At the moment, the state still has a \$20 billion shortfall. While Schwarzenegger blames the shortfall on a dysfunctional legislature which he says spends too much, a broken tax system, and over-protected and pampered unions, arguing that this has led to too much spending, in reality, there is a revenue crisis, with revenues collected by the state falling more than 27% this year, compared to last—which was an awful year for collections.

With the legislature now in special session, there is a Democratic Party plan to cut spending by \$5 billion, leaving it well short of covering the \$20 billion deficit. Other than the proposal to sell off 11 state-owned buildings to private companies, which the state will then rent back—at an increased cost over the long-term!—the only proposals on the table are for further cuts in state employee rolls, and gouging more from seniors, children's health care, and education.

### The Nub of the Problem

At present, the population of California, led by millions of university students being hit with tuition cost increases of up to 40%, is mobilizing to stop Arnie in his tracks. But once again, they have no solution, because they are not addressing the bankruptcy of the system itself.

In fact, Arnie finally told the truth last week, when he told a group of students who came to his office, that he has no money because the state is bankrupt. What he didn't say, is that the reason the state is bankrupt, is because his and the nation's economic and financial policy are being run by the likes of Rothschild and the Inter-



*At a conference at the Rothschilds' Waddesdon Manor, a baroque palace outside London, in September 2002, Schwarzenegger was given his deadly mission by Lord Jacob and Warren Buffett. The result can be seen today, in the devastation that the Governor has wrought on the former economic powerhouse that was the State of California. EIR blew the whistle on all this back in September 2003, with this cover story (left to right: Buffett, Arnie, Rothschild).*

Alpha Group, who are committed to maintaining their own power, and income stream, no matter what happens in the rest of the population. Like the financiers who pulled the plug on the Venetian-run system in the 14th Century, they are prepared to let the world collapse into chaos and mass-death, as long as they can position themselves to come out on top.

The solution to the crisis, as members of the LaRouche Youth Movement are telling the students in the streets, is to identify the enemy, and join LaRouche in demanding the impeachment of President Obama, who represents the chief obstacle to establishing the global Glass-Steagall, fixed-exchange-rate system which would bring down Rothschild's Inter-Alpha network. If LaRouche's policies were implemented, Arnie would soon be gone, as collateral damage of the collapse of the British imperial Rothschild empire.