

Media Coverage of LaRouche in Strasbourg

LaRouche received significant media coverage of his Strasbourg press conference. Here are English translations of some of the reports:

ANSA: Crisis: LaRouche, insane Fed decision to cut rates to zero.

Strasbourg, Dec. 16—An “insane” decision, a “folly” that threatens to definitively collapse the U.S. banking system: thus commented economist Lyndon LaRouche on the Federal Reserve decision to cut interest rates to zero.

Known as being among the few who forecast the international financial crash, LaRouche, who is viewed as a Clintonian, is back in the circle of advisors to the new US administration of Barack Obama and is a strong supporter of the necessity to go back to a system of fixed exchanges.

“It is impossible to think of being able to repay the mass of debt in the system,” [LaRouche] said today during a press conference, organized in Strasbourg by Lega Nord MEP Mario Borghezio.

The only thing to do, in order to get out of the crisis, according to LaRouche, is to re-establish “national sovereignty” on the credit system, above all in the United States, separating again commercial activities from speculative ones. And launching a large program of reforms at the Eurasian level, involving the USA, Russia, China, and India to build infrastructure and boost demand.

Economist [LaRouche], who characterizes George Soros as a “devil” of speculation, who applies “nazi methods” learned in Hungary during his adolescence, is nevertheless “confident and optimistic” on the possibility that Obama is moving along a path that could overcome an unprecedented crisis and that demands, without any doubt, a new Bretton Woods.

Il Sole 24 Ore Radiocor: Crisis: LaRouche, ‘The Fed decision is insane, we risk the Japanese disaster’

Strasbourg, Dec. 17—The Fed decision for a zero interest rate? “It is insane; the zero interest rate policy

turned into a disaster for Japan at the beginning of the nineties and threatens to provoke a collapse of the financial and economic system before Barack Obama is inaugurated on Jan. 20.”

What should be done? “Bring rates back to 4% and force the banks to remain open but under one condition: bankruptcy reorganization.”

What can Obama do to save the situation? “To deliver on his promise to go back to a Rooseveltian policy of state dirigism.”

How to reduce tensions on currency markets? “Re-establish a system of fixed exchange rates, or at least with a limited range of oscillation, to avoid a backlash from one economy to the others.”

These are the answers by economist Lyndon Hermyle LaRouche who, in Strasbourg, gave a press conference upon an invitation by Rep. Mario Borghezio, chief of the Lega Nord delegation at the European Parliament. LaRouche stands out, in his career, for having forecast the financial collapses of 1987 and 1998. Since 1994, he has considered the current financial system to be bankrupt, and therefore sees the current serious crisis as a logical consequence. LaRouche fights for a comeback of Rooseveltian dirigist policies, within the US Democratic Party, as chairman of the LaRouche Political Action Committee.

Corriere della Sera: The Guru who forecast the crash of speculative finance

LaRouche’s prophecy: Go back to fixed exchange rates

From our correspondent

Strasbourg, Dec. 18—“An insane move, which banks cannot withstand.” That is how the spectacular cut of interest rates on the dollar to zero, decided by the Fed, is seen by Lyndon LaRouche, the guru politician who, since the nineties, has forecast the crash of speculative finances and the need for a new Bretton Woods. A perennial outsider candidate in all presidential primaries in the Democratic Party, in Italy LaRouche has had contact with Economics Minister Giulio Tremonti, who has said that he is an attentive reader of [LaRouche’s] anti-free market and anti-Marxist writings.

Yesterday, this 86-year-old man without a university degree in economics, was invited to speak about the financial crisis in the European Parliament in Strasbourg, by the head of the Lega Nord delegation, Mario Borghezio, and the chairman of the European Right, Cristiana Muscardini (AN), supported by the head of the

Forza Italia delegation, Stefano Zappala.

LaRouche stressed that “the current world monetary system is hopelessly bankrupt.” The cause is “an unsustainable debt,” and at this point “only nation-states can guarantee mid-term and long-term credit.” The guru-politician, the leader of a multinational movement of followers, calls for saving only that part of the banking system which deals with credit to companies and to citizens. Speculative activities should be left to fail. LaRouche believes that “a return to a system of fixed exchange rates” is essential, and calls for a plan of mega-public investments in infrastructure in Asia, Russia, Europe, Africa, and the U.S.

He used very strong words against superspeculator George Soros, exposing Soros’s influence on many governments. Another enemy is former Fed governor Alan Greenspan, responsible for the loose credit policies behind the subprime mortgage bubble. But [LaRouche] also calls for moving against speculation on drugs in Latin America and Asia. “The opium which is bought at \$600 from the Afghan peasant brings \$6 million to the drug dealers,” LaRouche said.

In the nineties, LaRouche was arrested and sentenced for fraud concerning his movement’s fundraising. Democratic President Bill Clinton intervened to have him released.

Today he is counting on the new President, Obama. “The Bush administration can still cause irreparable damage until Jan. 20,” LaRouche said. “But Obama, who has healthy principles, can relaunch the economy.” He says that he “shares many views” with Tremonti, but he also has differences. The main one concerns the historical source for the common belief in the state role in the economy. Tremonti looks to British economist John Maynard Keynes. LaRouche goes back to the 18th Century and to the [first] U.S. Secretary of the Treasury, Alexander Hamilton.

La Padania: Borghezio ‘hosts’ LaRouche, the economist who had forecast the crisis

Strasbourg, Dec. 18—Yesterday morning, U.S. economist Lyndon LaRoche [sic] held a conference on the issue “the financial crisis.” “We wanted to hear the voice, in Europe,”—Lega Nord delegation chief at the European Parliament and organizer of the event, Mario Borghezio, explains, “of an ‘heretical’ economist who had forecast the financial crash much in advance, and who has long since developed a lucid and deep analysis on the distortions in the world economic system. Seen

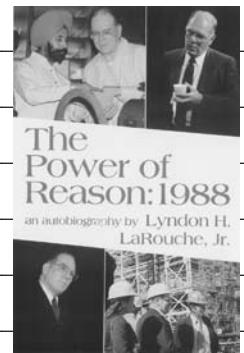
from the view of this expert’s experience, the current crisis has highly complex and dangerous aspects. But he also sees a way out, through choices of economic policy which he calls ‘Rooseveltian’ and which have very little to do with the current U.S. and European policy choices.”

“In particular,” the Lega MEP continues, “LaRouche has criticized the cutting of U.S. rates to zero which, in his view, will kill the activity of what he calls ‘chartered banks,’ which we call commercial banks. This will provoke immense damage to the real economy. To the contrary, public money should completely exclude whoever has carried out, and carries out, speculation, and [instead] start the positive and virtuous cycle of a production-based economy, with particular attention to productive industry and agriculture. Furthermore, he thinks that, in terms of world politics, one should involve the economies of Russia, India and China, in order to allow for a recovery of the economy on a world scale.”

“LaRouche,” Borghezio concludes, “has appreciated the courageous positions taken by [Umberto] Bossi and the Lega Nord on these issues and gave a live greeting to the listeners of Radio Padania.”

LA ROUCHE

THE FOREMOST
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HOW COGNITION
CHANGES HISTORY.



The Power Of Reason

An Autobiography by Lyndon H. LaRouche, Jr.

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