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'Economist' Announces: Big Mideast War Coming in 2011
The California Sink-Hole: Budget-Cutting Doesn't Work!
'Who's Eating You?' World Food Crisis Is Intentional

**LaRouche: The Death of
London's Roman Empire**



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Lyndon H. LaRouche, Jr.

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e-mail: eirns@larouchepub.com

www.larouchepub.com

www.larouchepub.com/eiw

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Editor, Arabic-language edition: Hussein Askary

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European Headquarters: E.I.R. GmbH, Postfach 1611, D-65006 Wiesbaden, Germany; Bahnstrasse 9a, D-65205, Wiesbaden, Germany Tel: 49-611-73650 Homepage: <http://www.eirna.com> e-mail: eirna@eirna.com Director: Georg Neudekker

Montreal, Canada: 514-855-1699

Denmark: EIR - Danmark, Sankt Knuds Vej 11, basement left, DK-1903 Frederiksberg, Denmark. Tel.: +45 35 43 60 40, Fax: +45 35 43 87 57. e-mail: eirdk@hotmail.com.

Mexico City: EIR, Ave Morelos #60-A, Col Barrio de San Andres, Del. Azcapotzalco, CP 02240, Mexico, DF. Tel: 5318-2301, 1163-9734, 1163-9735.

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EIR

From the Managing Editor

While our cover picture depicts the ruins of what was once the triumphant Roman Empire, the image we should have in mind is that this is also the state of the monetarist imperium of London. If Britain looks a bit more “put together” than the Roman ruins at Baalbeck, Lebanon, it’s only an illusion. The British financial empire, despite efforts to “keep up appearances,” is in a similar state of decay. And the Brutish destruction it has wrought worldwide, is evident in this week’s *International* coverage of Southwest Asia (“‘Economist’ Announces: A Big Mideast War Coming in 2011,” p.27); and Sudan (Sudan’s Sovereignty: Next Phase of Assault Already Underway, p.30). There is also part two of our exclusive, on-the-scene report from India, “The Poor in India Wonder: Is New Delhi Incapable of Controlling Inflation?” (p.39).

The pattern continues in *Economics*, with a look at the the imperial intention to commit genocide through global food shortages (“The World Food Crisis Is Intentional—It’s Genocide,” p.22). And, closer to home, in *National*, a report on the take-down of the once-great agro-industrial “Golden State” (“The California Sink-Hole: Budget Cutting Doesn’t Work!,” p.44); and LaRouche’s reflection on the recent events in Tuscon, “A Generation of Loughners: We Can Cure Ourselves of This Disease,” p.52.

In this week’s *Feature*, “The Death of London’s Roman Empire,” Lyndon LaRouche reminds us that, although we now face the early prospect of a descent into a New Dark Age, far more hideous than even that of the 14th Century, there is still time to change course, by following the model established by the 15th-Century Florentine-centered Renaissance, which produced what became the 17th-Century Massachusetts Bay Colony, and the foundation of our Republic.

The fight for a new Renaissance, based on reviving Glass-Steagall, and building NAWAPA, is now being led by a national slate of six LaRouche Democrats, as you will read in “New Jersey Town Meeting: LaRouche Democrats Challenge Citizens,” p.51.

Finally, a last-minute reminder that LaRouche will present his “State of the Union” message on Jan. 22 (1 p.m., EST) at www.larouchepac.com.



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Lebanon*



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“The only efficient way to explain the process at work,” LaRouche writes, “is to identify the principle which was presented, from the top down, in the crafting of the great principle on which the Preamble of the original U.S. Federal Constitution is premised to the present day. That is the same principle which is better known today as the Glass-Steagall principle—known as a name, but rarely, competently understood. I explain.”

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BERWICK, BLAIR, HITLER & OBAMA:

The Death of London's Roman Empire

by Lyndon H. LaRouche, Jr.

January 10, 2011

In earlier published reports, I had warned, in way or another, that the Roman empire, which is represented presently by the terminal conditions of the hyper-inflated British empire, has reached the fag end of its tyrannies, in one manner or another. Either the British empire will be shut down soon, or the entire planet were presently at the brink of its collapse into a prolonged, global nightmare, a new "Dark Age" far worse than that which Europe experienced during the 14th Century.

However, it were true, hypothetically, that the United Kingdom itself could survive this threat, and the world at large, too; but, that could occur only if the United Kingdom were induced to abandon what Rosa Luxemburg¹, and also the U.S. State Department's historian Herbert Feis², had identified correctly as the systemic form of what, in fact, was the British empire as such. I supplement Feis's studies with the fact that the British empire is still, at this moment, an empire which is, in fact, the current expression of that imperialism which was originally that of the monetarist form of empire launched by the then

1. **The Accumulation of Capital**, Chapter 30, "International Loans," 1913.

2. **Europe The World's Banker 1870-1914** (New Haven: Yale University Press, 1930.)

future Caesar Augustus on the Isle of Capri.

The original Roman empire passed through a succession of crises, sometimes as the Roman Empire by name, sometimes as Byzantium, sometimes as the system of Nietzschean-like "creative destruction" under the old Venetian monetarist system, sometimes as that New Venetian system led by Paolo Sarpi, which became known as the Anglo-Dutch imperialist system, and, now, since the assassination of U.S. President John F. Kennedy and the U.S. folly of a long Indo-China war, the presently crashing world empire associated with that so-called "BRIC" based on Lord Jacob Rothschild's folly known as the presently crashing Inter-Alpha Group.

Unless that hopelessly bankrupt Inter-Alpha Group is mercifully buried, pre-emptively, now, the planet as a whole will be plunged into the doom represented by an end of all successive phases of the existence of the Roman Empire, from its founding on the Isle of Capri, to the present days.

The only efficient way to explain the process at work, is to identify the principle which was presented, from the top down, in the crafting of the great principle on which the Preamble of the original U.S. Federal Constitution is premised to the present day. That is the same principle which is better known today as the Glass-Steagall principle—known as a name, but rarely, competently understood. I explain.

Foreword:

The Roman Empire

There has been, recently, a foolish tradition in the writing of history, and I am referring here, chiefly to the history of the trans-Atlantic world preceding and during the history of the Mediterranean region, up through the present time. It is a tradition of viewing such phenomena as persons, generations, and even entire national cultures, each as discrete objects interacting, as if kinematically, among themselves, rather than, properly, as a continuing process of cosmic-like development, within which singularities appear as products of the continuing interactions within the trans-generational processes which are any real historical process.

Thus, to illustrate the just-stated point, consider the deep roots of all globally extended European history, with regard for its influence on the planet more widely, as this is traceable from the ironies of what are identified as Classical Greek roots, from the Homeric accounts onward.

That said, as a matter of forewarning, what we, today call “Greece” participated in the defeat of the Achaemenid Empire in the end, but, nonetheless, that ancient Greece, self-cursed by the Delphi cult which it had trusted all too much, had already destroyed itself with the folly of the Peloponnesian War, and would never become an empire, as Robert Burns would say, “For all that.”

Macedon’s Prince Philip, whose own folly had set him up to be killed, thus left the throne in the hand of Philip’s son and adversary, Alexander the Great. In the end of all that, Aristotle, the poisoner, triumphed in the death of Alexander. Thus, the attempt at an empire of the maritime power of the Mediterranean would wait until the completion of the negotiations, conducted on the Isle of Capri, between that tyrant Octavian who was the murderer of the Cicero who had been the only real hero for Shakespeare’s **Julius Caesar** tragedy, between the Octavian actually known as the then future Caesar Augustus, and the priests of the cult of Mithra.

In such a manner, the Roman Empire emerged as an imperial maritime form of world empire centered, originally, on the Mediterranean, which it became, and has remained of late, as the British

Empire, since the day William of Orange had invaded, and largely raped the British Isles, all done under the invader’s flag of Paolo Sarpi’s “New Venetian” empire, thus initiating what became the British Empire as the world’s reigning monetarist power, still today.

So, with the decline of Rome, the leading oligarchical families of Rome had fled to the brackish swamps at the north of the Adriatic, to emerge, again, from amid a then-decaying Byzantium, as the reigning imperial



As with the Roman Empire, which collapsed in the 5th Century, today’s hyperinflated British Empire has reached the fag end of its tyrannies. Either it will soon disappear, or the entire planet will sink into a prolonged, global nightmare, a new “Dark Age.” Shown: “Rome: Ruins of the Forum, Looking towards the Capitol,” by Canaletto, 1742.

monetarist body of the same old Roman Empire from approximately A.D. 1000, until the present day under the direction of the Venetian monetarists' nominally British monetarist system of imperialism. Venice, in turn, under Paolo Sarpi, transformed itself from the Aristotelean form which had been traditional since the time of the elimination of Plato, into a modified form of "The New Venice," that of the followers of modern Europe's Paolo Sarpi, thus defining the process leading from the utterly depraved Venetian puppet which was the English monarchy of Henry VIII, into the late Sixteenth-century degeneracy of Marlowe's and Shakespeare's England under the flag of Paolo Sarpi's doctrine of "Liberalism."

So, betwixt the invasion of the British Isles by William of Orange's Sarpian "New Venetian Party," and today, the last gasp of the old Roman Empire is to be found in the onrushing, self-inflicted doom of the old Roman Empire as the present British Empire of Lord Jacob Rothschild's hopelessly worthless Inter-Alpha Group, the swindle also known as "The BRIC."

The outcome of that set of pages of the world history of modern, trans-Atlantic civilization, is that the entire world is, presently, gripped systemically, by the presently continuing conflict between two leading cultures, the monetarist culture of a Europe presently dominated by the tyranny of the British Empire, versus the culture of a credit-system founded in North America over the interval from the establishment of the Massachusetts Bay Colony under the leadership of the Winthrops and Mathers. It was the consequent, later founding of the United States as a constitutional republic, as defined by the Preamble of its Federal Constitution, which was echoed by the miraculous resuscitation of that great republic under such exemplary Presidents as Abraham Lincoln, and in President Franklin Delano Roosevelt's crucial role in launching of the Glass-Steagall Law.

Presently, unless that 1933 Glass-Steagall Law were immediately re-established, now, the continued existence of the United States were soon ended in a bloody, hyper-inflationary collapse now nearing its end. There is no action by the U.S. President and U.S. Congress which is "worth a hill of beans," unless the re-enactment and enforcement of that Glass-Steagall Law occurs as a foremost priority now.

The problem is, that unless this current U.S. President were ejected, as might be done under the relevant provisions of Section 4 of the U.S. 25th Amendment to

the Constitution, the continued existence of the United States is not possible by any known, lawful means under its own law. There is, therefore, no other morally tolerable commitment by the institutions of our Federal government, than the two-fold measure of immediately re-enacting the 1933 Glass-Steagall Law, and ending the power of the current President to prevent the prompt and efficient re-installation of that 1933 Glass-Steagall law.

Abandon all silly chatter about worthless hopes for rescue by a general U.S. election approximately two years ahead; under present trends, a new election under our Constitution would probably never occur. Without Glass-Steagall, the United States will soon cease to exist in any presently recognizable form, if it exists in any form at all, even past the relatively few months now immediately ahead. A state of global, hyper-inflationary collapse, is already built into the trans-Atlantic system. The count-down to doom is already on, unless we replace Obama now.

The Global Outlook

Without the type of reform which I prescribe here, the trans-Atlantic economy and its nations are already as much as foredoomed to rot; I present the summary proof of that fact within these pages. Whereas Asia's problems are not hopeless in themselves, but tend toward a contrary, and, therefore, happier direction, a collapse of several leading economies of Asia, which would occur as an echo of any collapse of the trans-Atlantic system, would carry all of Asia down with it. You can blame Lord Jacob Rothschild's system, which he installed, circa 1971 as part of the treasonous intention of the London-directed U.S.A.'s abandoning of the Bretton Woods System, an implicitly treasonous, August 1971 change, introduced as an alternative to the U.S.A.'s fixed-exchange-rate system which had been established by President Franklin Roosevelt's triumph over John Maynard Keynes at Bretton Woods. A presently inevitable, already ongoing collapse of the Inter-Alpha system and its auxiliaries, would presently bring down the entire world economic system, chain-reaction style.

Without immediate re-enactment of President Franklin Roosevelt's Glass-Steagall action of 1933, the planet as a whole were soon plunged into the deepest, widest, and longest dark age in historic times.

Thus, the doom of the British stage of the Roman empire lies, now, not in the hands of its present adversaries, but, finally, in no other foe as much as itself.



Library of Congress

Britain is a maritime form of empire, LaRouche writes, an international dictatorship imposed upon a collection of otherwise, ostensibly separate nations, as seen in the post-Westphalian, euro system today. This 1902 Puck cartoon depicts “Britannia,” as “Civilization” crushing the “Barbarians.”

The ancient, and continuing root of the combination of already existing or immediately threatened, global disaster, lies, essentially, in the concept of *monetarism* itself, in the delusory obscenity of the belief that money as such represents a rational standard of “economic value.” Hence, for as long as the nations are intoxicated by belief in the folly of monetarists’ systems, the present situation of the nations of the planet as a whole, even any form of belief prevalent as the ruling sentiment of the most influential laws of mankind as a whole, were presently a hopeless case.

Contrary to the monetarists, all of whom have now failed as would-be professionals, I am a physical economist in the same tradition as the authors of our U.S. Republic and the great principle set forth in the Preamble of our Federal Constitution to which all representatives of our Federal government have sworn a solemn oath of allegiance, whether they either meant what they have said, or whether they had, or had not known the actual significance of what they had merely said.³

Therefore, I summarize the truthful scientific principle of economy in those terms of historical and physical-scientific reference, here, as follows.

3. There are professional economists whose work I applaud on many accounts, but my own successes as a forecaster, since the 1950s, are unrivaled, while my skills as a physical economist have been, on the record so far, unique.

I. What Is the British Empire?

The British empire, which has never been understood by more than a handful of modern economists, such as Rosa Luxemburg and the U.S. State Department historian and scholar Herbert Feis, has now entered what will soon turn out to have become the last gasp of its existence, that in one way or another. Either the British empire, a maritime empire, is soon wiped from the map, or, in the alternative, the effort to maintain the existence of that inherently failed empire will send the entirety of the planet to Hell for a long time to come.

The effect of the resumed influence of the British empire over the policies of the United States, has progressively

ruined us since the death of President Franklin Roosevelt, especially since the successful assassination of a President John F. Kennedy which broke President Kennedy’s and General Douglas MacArthur’s resistance to entering the British trap for the United States which the British empire had crafted in Indo-China. The Kennedy assassination, thus, unleashed ten years of physical and moral ruin of the institutions and people of the United States from which our republic has not yet returned, still today.

Such a maritime form of empire as that which the British empire exerts over Europe today, is the expression of an international dictatorship imposed upon a collection of otherwise, ostensibly separate nations, exactly as the “Post-Westphalian” policy of the present, so-called “Post-Westphalian,” “Euro” system prescribes today. The quality of the Roman empire and its relevant sequels, as expressed by the British empire today, has two most essential characteristics, as follows.

The first characteristic of that empire, is that of an imperial “personality” with the power to decree a body of international law, presently termed “governance,” imposed upon all subject “kingdoms.” It is a power which lies in the personal authority of the Emperor, such as, nominally the British monarchy, as the body which functions as the *de jure* person of the emperor to equivalent effect. Such is the presently attempted form of the British empire’s tyranny against the nations of

continental Europe, since the imposition of the “Euro” system of monetarist imperialism by the concerted action against Germany by Britain’s Margaret Thatcher, France’s President François Mitterrand, and U.S. President George H.W. Bush, in 1990 and beyond. Similarly, earlier, the intended design of Adolf Hitler’s imperial form of Reich, had been a system of a form inhering in the British intention for the Euro system today. Such was the kindred import of the implicitly treasonous “signing statements” uttered against the Federal Constitution of the United States itself, under U.S. Presidents George W. Bush, Jr. and Barack Obama.

Second, all empires of that sort, are contained within a monetarist system which operates, through international institutions, as an imperial authority, as the design of the Euro system, essentially by the British crown, prescribes this condition for the “governance” of its victims, its subjects, presently.

Such systems are typified by examples such as the original Roman Empire, by Byzantium, by the extended Norman system under the direction of Venetian monetarism, by Sarpi’s pre-shaping of the so-called “Liberalism” of the British empire, and by the expanded British Empire which dominates, and loots the Euro system presently.

For deeper insight into the Europe-based forms of such imperial tyrannies, one must examine the root of this system in the role of the Delphi cult in its time. The affirmation of “the oligarchical principle” by agreement between Macedon’s King Philip and the Achaemenid empire, illustrates the point. Aristotle, like, later, that high priest of Delphi from the Roman empire’s reign, Plutarch, remains a notable, ancient exponent of that oligarchical system of evil presently.

It is the currently, frankly expressed intention of the British empire, to bring about the early destruction of our United States. That treasonous effort is being done by the relevant “Wall Street” financier interests, through aid of the complicity of the present, increasingly Hitler-like health-care and related policies of the current U.S. Obama administration. That administration is working to make the way clear for an unchallenged world-empire whose intended center would be the British power in the City of London’s reign over the former continental nations of Europe. Hence, the implicitly treasonous role of the British puppet-President of the United States, Barack Obama, in clearing the way for an imperial system of “world government” under a so-called “post-

Westphalian system,” as a system under which national sovereignties are outlawed by the replacement of government (i.e., premised on the “consent of the governed”) by a “post-Westphalian” imperialism’s system of “governance.”

As under the system of the Delphi maritime cult and of the Roman Empire, alike, the essence of the empire is its “supra-national” system of rule under a supra-national, monetarist system such as that established by the U.S. Nixon Administration’s repeal of the fixed-exchange rate: an international money-system which rules, as an oligarchical social system, among and over nations, and which represents a reign maintained through the promotion of an imperial form of monetarist authority located among nations, rather than within any among them. Such is the intrinsically imperialistic, intrinsically treasonous character of what is called “governance.”

In general, since the establishment of the Roman Empire, with relatively rarer, and relatively short-term exceptions, the European system has been a collection of “kingdoms” under the imperial rule of a trans-national, monetarist system. That has been the issue of the essential distinction of the constitutional system of the U.S.A. from the long trend in European systems thus far.

The U.S. Constitution’s Great Principle

The great struggle of all humanity presently, is a struggle of nation-states to secure their freedom from the looting practices of a presently dying world system, that of the British monetarist empire in its present form. Since that empire is systemically a monetarist system, the comprehension of the great existential struggle for a return to a system of freedom, depends upon the enforcement of a global, fixed-exchange-rate system modeled on the great fundamental principle of constitutional law expressed as the Preamble of the U.S.A. Federal Constitution.

From the outset of the preparation and installation of that Federal Constitution based on that great principle of its Preamble, our republic has been premised on the same notion of a credit-system, rather than a monetarist system, a credit-system which was pioneered under the sovereignty assured by the original Royal Charter of the Massachusetts Bay Colony and the colony’s Pine Tree Shilling-based credit-system.

Under that tradition, and the Constitution created to

establish that principle as a sovereign nation-state system, our United States had been the only durable expression of a truly sovereign nation-state within a world over which the Roman empire in its British incarnation had reigned, with few and brief exceptions, since the devastation wrought by the French Revolution and its recurring victimization by the British Empire which had been implicitly established in the February 1763 Peace of Paris.

All major warfare on this planet since that 1763 Peace of Paris, has been the expression of an imperial practice of attempted dictatorial management of this entire planet through monetarist practices aided by recurring long wars, including the perpetually recurring state of such ruinously long, intentionally geopolitical wars on this planet as those launched by the British empire through the effects of the British monarchy's ouster of Germany's Chancellor Bismarck, in 1890, as, also, recently, under the same British Prime Minister Tony Blair who has revived the criminal health-care policies of the Adolf Hitler regime in the United Kingdom and, now, under the British-appointed puppet-President of our United States, Barack Obama, presently.

To regain the constitutional order prescribed in the Federal Constitution of our republic, we must first regain an insight into those great principles of our republic which have suffered infraction against our constitutional principle through acts expressing an imperialist enemy's hatred of our republic, an enemy who has been determined to destroy the great principle of our republic ever since the time of the 1763 Peace of Paris. The great issue which has been the recurring source of mortal struggles between our patriots and the British monetarist system, as since the time of that 1763 Peace of Paris, has been our republic's recurring return to the affirmation of the principle of a credit-system, rather than that imperialist system of monetarism, as the monetarist system is expressed for our United States by the implicitly treasonous character of the once Hitler-loving Wall Street of Brown Brothers Harriman, which was the type of a usurious predator which makes slaves of all those who become its victims.

Only the affirmation of the principle of a credit-system, rather than a monetarist system, as the original Glass-Steagall Law expresses that U.S. Constitutional principle, could now prevent the entirety of this planet from an early plunge into a global Hell from which

civilization would not recover for many generations to come. To this end, the institutions and citizens of our United States must clear the cobwebs of the rabid, pleasure-pain-driven irrationalism of the Paolo Sarpi-Adam Smith liberalism from their minds, to see, and obey that true principle of the credit system which is inherent in the founding of our republic and its Federal Constitution.

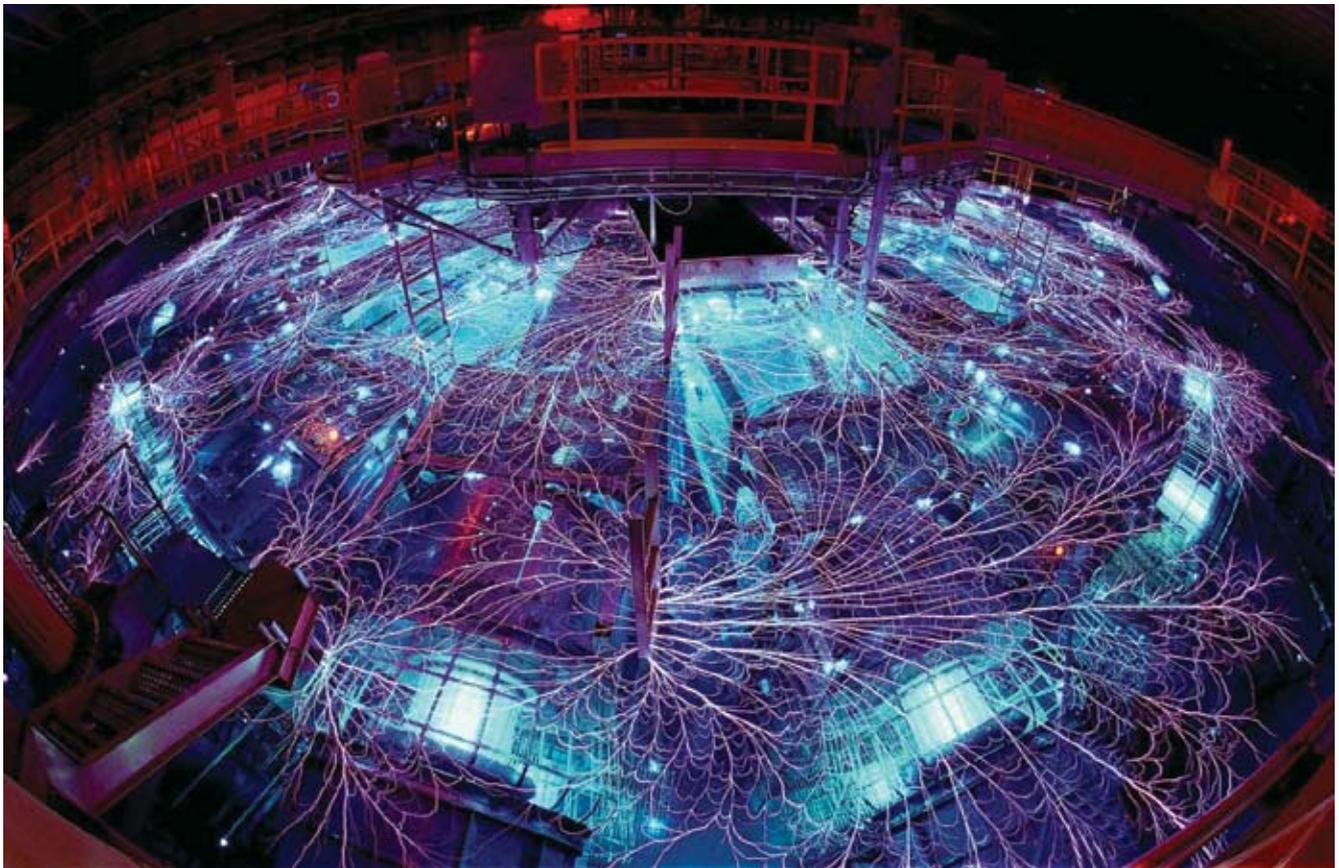
II. The Science of Physical Economy

The most essential of the preconditions for the political freedom which our Federal Constitution was intended to secure for us and our posterity, is the commitment to an increase in the net *physical* powers of productivity of the means of existence of a growing population of our republic, and, hopefully, a contribution of a kindred quality for other nations as well. On this account, there can be no other definition of wealth than *the net increase* of the physical wealth produced per capita and per square kilometer of territory of our nation, and, also, our assistance to that same quality of end for the other nations with which our republic must cooperate, that done for common ends, on behalf of the general welfare of humanity as a whole.

It is the nature of the universe, a nature which must be the guidance of all sane nations and their peoples, that our universe demands, as a condition for our survival, that we pursue a vigorously anti-entropic policy of universal practice, as, for the case of "fire," which only mankind among all living creatures, practices, through a persistent increase in the energy-flux-density in the principal forms of action on which not only the progress, but the very survival of a human culture depends.

So, survival of mankind exists, presently, only in a vigorous advance into the increased power to exist of an age defined by nuclear fission and thermonuclear fusion, and beyond, exactly as the history of the emergence of, and progress in life on Earth has always depended, so far, and will depend, increasingly in the decades immediately ahead.

The currently onrushing great general economic-breakdown crisis, has been, in a large degree, the increasingly contrary, and increasingly fatal error of belief and practice among our citizens and the institu-



NASA

The continued survival of mankind exists depends upon the vigorous advance of an increase in power, as defined by nuclear fission and thermonuclear fusion. Shown: Sandia National Laboratories' "Z Machine," the world's largest X-ray generator, which, it is hoped, will, one day, ignite a nuclear fusion reaction.

tions of government which is called "monetarism," "monetary theory," and such. In short, the conflict between President Franklin Roosevelt and John Maynard Keynes, during the proceedings of the 1944 Bretton Woods conference.

The trouble was, that soon after that, President Franklin Roosevelt died, to be succeeded by a Vice-President Harry S Truman who had been a Wall Street Democratic Party crony of fascist-leaning implications, and, also, a bit of a late-comer in recognizing the nature of the evil of those combined British and Wall Street financier interests, such as the head of the Bank of England and his partner, Brown Brothers Harriman, which had, in fact, brought Adolf Hitler to power in Germany.

Already, once the Allied forces, led by General Dwight Eisenhower, had effected the successful landing in Normandy, the same old "American Tory" attachment was resumed as the expression of Franklin

Roosevelt haters whose loyalties had lain between those British imperialist interests and their Wall Street cronies who, as in the case of Brown Brothers Harriman and its official Prescott Bush, had funded bringing Adolf Hitler into power in Germany. The British intelligence service's role in the wrecking of the surrender being prepared by relevant German generals, and the seemingly insane Montgomery-led caper of the First Army, successfully postponed the gaining of the Allied victory for virtually another year, during which many Americans in service, and others, died. With the death of President Franklin Roosevelt, and the accession of the Wall Street-friendly Harry S Truman, the cause of our United States suffered a defeat from which we have never fully recovered as a nation, to the present day—despite great Presidents such as the Dwight Eisenhower and the John F. Kennedy who operated under hostile and also, especially for President Kennedy and his brother, implicitly deadly conditions.

Thus, the time came, when the assassination of President Kennedy had plunged the United States into the long, foolish war in Indo-China, from which our United States has never resumed its true self, to the present day.

So, in these and like ways, most among our lawful and other political leaders, have lost a large part of the essential moral and intellectual inclination which was specific to the founding of what was to become our republic in Seventeenth-century Massachusetts, and in the great achievements under our greatest elected and other leaders during sundry periods of the Eighteenth and Nineteenth centuries, as, also, under a President Franklin Roosevelt whose conscience inherited the devotion of an ancestor, Isaac Roosevelt, who had been allied with the designer of our U.S. constitutional economic policy, Treasury Secretary Alexander Hamilton.

We had also been led, in a good time, by a President Franklin Roosevelt whose comprehension of our great Constitutional principle is virtually unknown among most of those newly elected members of the U.S. Congress today, who, if allowed, will destroy what remains of our republic, members of the Congress who, today, proceed, in large part, with brutish lack of comprehension of the nature of their own incompetence. How could a man swear an oath to perform a duty of which he has no comprehension?

Today, there is presently virtually no comprehension of the actuality of those great principles on which the unique genius of our republic had depended thus far. Without re-educating much of our republic's political leadership, and citizens alike, by giving them back the great principles understood by those, such as the Winthrops and Mathers, who planted the roots of our great American design, there is little likelihood that either our republic, or any part of the world's civilization at large, will survive the increasingly terrible months now just ahead.

Presently, most of the trans-Atlantic world's leaders, and ordinary folk, too, have a gambler's instinctive wish for good luck, rather than relying upon scientifically valid principles. They cast dice with little reason, and hate the most, any person who doubts the infallibility of their desperate, and wretchedly failed ambition. When doom descends upon them, they whine: "They should not have let this happen to me. You must bail me out, whatever it might cost you, even the very life of the members of your family!"

To get down to fundamentals, respecting my numer-

ous achievements as a forecaster, contrary to that of notable other specialists in the field, the difference between my successful method of forecasting and analysis, and their usually failed foresights, has been, essentially, ontological: Their forecasts are premised on a statistical (e.g., *phenomenological*) standpoint (statistics, the Sarpian, "touchy-feely" Liberalism of Adam Smith), whereas mine are *ontological* (physical principles). The most publicized example of this difference, is that reflected in my defeat of a leading British economist of the intrinsically pro-fascist tradition of the cult of "creative destruction" of such as Friedrich Nietzsche, Werner Sombart, Joseph Schumpeter, and the likes of Larry Summers: the Professor Abba Lerner whom I defeated in a celebrated New York's Queens College debate on December 2, 1971.

Instead of those prevalent, but essentially incompetent notions of principles of political-economy, we must consider economy as not statistical monetarism, but as being at the core of the principles of a human practice of a physical science.

Economy as Physical Science

Contrary to the poor fellows who had lately come to occupy precious positions of government and the like, any distinctively competent form of a physical science of economy for today, is essentially a reflection of the current of physical science coherent with two of the greatest scientific geniuses of recent centuries, Bernard Riemann and the Academician V.I. Vernadsky who was no Marxist, but a patriot of Russia who performed his mission of devotion to both Russia and Ukraine, and, to humanity at large, as well.

For the purpose of an adequate appreciation of the relevance of Vernadsky's leading contributions to a less imperfect science of physical economy, still today, we must recognize the crucial role which the work of physicist Bernhard Riemann had contributed in defining the conceptual foundations for all of those most singular achievements which were either contributed by Vernadsky, or expressed a shared world-outlook respecting not only science, but on mankind as such, an outlook, which, despite those statisticians who seem to trace their intellectual ancestry to Jonathan Swift's floating island of Laputa, permeates still all of the greatest of the surviving achievements of science in the world at large still today.

Apart from the fact, that I have been an extraordinarily, even often, uniquely successful physical-eco-



Recent investigations bearing on the role of cosmic radiation “permeating what is never, and nowhere a part of ‘empty space,’ now depend on deeper insight into the conclusive quality and forward-looking implications of the apparent qualitative divisions, and interrelations among the Lithosphere, Biosphere, and Noösphere,” within our galaxy. Shown: “Aurora Borealis,” by Frederic Edwin Church, 1865.

nomic forecaster since my first such success in 1956-7, all of my own significant contributions to any actually competent notion of a physical science of economy, have been, essentially, a product of the interrelationship between my own knowledge of a physical-economic process as such, and the foundations, in the fundamental contributions of Riemann, for appreciating what I later came to recognize as the indispensable function, for a competent science of economy, of Vernadsky’s rigorous treatment of the respective and interdependent notions of the *lithosphere*, *biosphere*, and *noösphere*.

Thus, competent economic science, is physical-economic science, not statistical forecasting. It has nothing to do with the likes of such charlatans as both that pair of dupes of Bertrand Russell, the John von Neumann and Professor Norbert Wiener whom David Hilbert had tossed out of the faculty at Göttingen. More to the point, recently accumulated investigations bearing on the leading role of what is termed a “cosmic radiation” permeating what is never, and nowhere a part of “empty space,” now depend on deeper insight into the conclusive quality and forward-looking implications of the apparent qualitative divisions, and interrelations among the *lithosphere*, *biosphere*, and *noösphere* within the confines of that region which our Solar system inhabits on our galaxy’s periphery.

In addition to what relevant physical-science professionals have brought to us, as such, my own leading work concerning the human mind, intersects those considerations in a crucial way. The most relevant implication of these considerations, is the proof of the falseness of the naive notion of “sense-certainty,” a proof which shows us that the human mind’s true function is that mind’s direct relationship to the universe, as ancient, trans-oceanic maritime cultures from no later than the last great ice age, already anticipated, in practice, the Kepler-Einstein principle of trans-oceanic navigation, that the universe of the stellar navigational system’s star-map, is finite, but not bounded.⁴

The unique success of Johannes Kepler in defining the Mars and Earth solar orbits in his **New Astronomy**, and his subsequent, uniquely original discovery of a principle of gravitation, in his **Harmonies**, point out to us the significance of what Kepler himself defines as a method of “vicarious hypothesis,” a discovery of the ancient Platonic method, and that of Nicholas of Cusa, which assumes its momentous character in the uniqueness of Kepler’s discovery of the principle of gravitation. Hence, Einstein’s genius in insight into the explicit notion of a universe as finite but not bounded.

Similarly, for most of that time which we can pres-

4. Not the silly Titius-Bode concoction of the reductionists’ schools.

ently attribute to the existence of manifest forms of life on our planet Earth, the evidence has been, that life had been long expressed, chiefly, in something approximating unicellular forms of animal and vegetable life. Thus, for most of what we consider as relevant fossil resources, known human societies have depended upon the accumulation of the massed dead bodies of unicellular, or comparable forms of life.

The development of life itself on Earth, has been the notable cause of the changes in the environment of the planet and its surface, changes which have, in turn, made possible the emergence of higher forms of life. The development of the function of oxygen for life, thus led to the consequent development of the new functional phase-space for life-forms, known as that "ozone layer" which provides the protection needed for higher forms of life. This presents me and my associates in scientific researches with two phase-spaces, each of which has its own characteristics for the way in which life is organized on this planet during the course of the evolutionary development of the respective "platforms."

Such is a fair description of the matter to be considered. The case of iron ores is an illustration.

Most of the raw materials on which civilization depends today are found in fossil remains, such as iron deposits, left behind by deceased forms of what had been living processes. Thus, when we gather up and employ "iron ores," we are depleting the density of the forms of ores left behind by long-deceased expressions of life concentrated in certain environments in this manner. Hence, to overcome the loss of richness of such resources left behind, we must act in ways which have the effect of increasing the equivalent of "the energy-flux density" of the sources of heat-power applied to production for human needs. This pattern of proceeding from raw materials and heat-processes of relatively lower, to higher orders of energy-flux density, has been the basis for every case of a society's ability to maintain its population's ability to maintain an improved, or even a constant level of potential relative population density.

Only the scientifically insane could believe, today, in the outright fraud of presuming that the degeneration of the productive powers of labor by reliance on such wasteful nonsense as windmills and "solar collectors" is allegedly sane policies of practice.

Mankind's willful progress in the discovery and use of heat-sources of relevant forms of higher degrees

of energy-flux density, is the precondition for maintaining a viable form of human culture at a pre-existing level. Today, the use of the sources of power such as nuclear fission, and of thermonuclear fusion, have become a growing ration of the indispensable means of rising standards of "energy-flux density" which are, more and more, indispensable for preventing a society's physical and moral degeneracy through attritional processes.

Not only must society rely upon increases in the level of energy-flux densities controlled and employed; mankind must organize the environment by aid of revolutionary transformations of society's cultures to higher levels of the equivalent of energy-flux density.

There is no sane excuse today, for what are the actually mass-homicidal practices of what are called "green" anti-nuclear policies and the like today.

For reasons related to such considerations as those, a competent practice of the principles of economy depends upon discarding virtually everything usually taught as "economics" in common practice of economists and related others today. Therefore, we should not find ourselves surprised, to learn that a competent practice of economics as a science, takes us into what is, in fact, the most profound, and least well known of all presently known branches of physical science. The principle of "energy-flux density," is among the simplest of those often neglected considerations.

It is mankind's tendency to recognize crucial qualities of proof respecting those universal physical principles which are specifically accessible to the development of the processes of the human mind, which defines an implicitly direct relationship between the creative powers innately developable in the human mind and the universe with which that mind is interacting. It is man's conception of that relationship between ourselves, our cultural progress, as in science, and the universe which man inhabits, which is the basis for anything of truthful value which man can adduce for lowered ontological forms of existence.

To proceed from that broad overview of man in the universe, to the preconditions for man's overcoming the forces of attrition, we must consider some among the most important of the relatively simpler of the physical-scientific considerations. I begin the series of considerations to be taken into account, by explaining my objections to the continuing use of the term "infrastructure."



Rather than the term “infrastructure,” LaRouche has introduced the term “platform,” to describe an “upshift” of the Biosphere, produced by the application of the discovery of a universal physical principle. NAWAPA, as conceived by LaRouche and his scientific Basement team, represents such a platform. This image is taken from the LPAC-TV video, “NAWAPA, Water for Life” (<http://larouchepac.com/node/15570>).

III. The Allusion to “Infrastructure”

I have, recently, discarded further use of the term “infrastructure” as a term of professional economics. Instead, I have introduced the term “platforms,” as notions to free me of the popular, but imprecise meaning of the term “environment.” There have been several crucial considerations.

I shall approach the subject of these platforms, in two, successive ways. First, I shall indicate the terms to be used as definitions of certain, pivotal technical terms used for this purpose. Second, I shall restate the case in terms describing an actually historical process which represents the modern cultural roots of the existence of our United States. The significance of those notions, is that they correspond to the character of space-time relations within both the planet and its particular regions, rather than being typical of the limits of an occurrence of a specific localized action.

Therefore, I begin this chapter with the included subject of the *transport* functions listed in historical, or quasi-historical orderings: water (maritime); water (riparian/rivers integrated with canals—as under Charlemagne); railway systems; high-speed transcontinental railway systems; very-high-speed track (rail or maglev) systems; ultra-high speed systems (e.g. 1000 mph in semi-evacuated tubes); and, extra-terrestrial systems.

Next, we have to consider the chemical infrastructure treated in terms of technological levels of “power,” as defined, chiefly, in “levels” of energy-flux-density, as expressed by the modal physical chemistry of society’s general, or local practice. This includes the role, since ancient times, of that notion of the general use of “fire” which is presently known as a characteristic behavior unique to mankind among all known living species, “fire” as to be measured by us, here, in units of “relative energy-flux density.”

Next, we have the quality of intellectual cultural level of development of mankind within society considered as an ongoing process. E.g.: “Classical artistic” and “scientific” education of the population generally (as an expression of the intellectual potential which is characteristic of a specific quality of a human population). Putting this in relevant, other terms, this means the general intellectual development of power expressed intellectually by the culture of a nation or comparable society; this points to a general intellectual level of a national or comparable division of culture, as distinguished, as an underlying category of aptitude of a culture, as *a notion of potential*, as contrasted to the notion of the localized practice specific to some group of individuals within society.

The cross-over from the category of what may be treated as simply “platforms” as such, to the development of a society’s potential and individual or local action, is to be located in the application of the discovery of a universal principle, such as a level of quality of practice of a body of physical science, or of Classical artistic composition and its performance. In short, we have the concept of the universal personality of a general population’s productive potential, as one distinguished by the radiation of an efficiently valid discovery of some relatively higher, truly universal principle of physical science, or, equally, of Classical-artistic mode of composition.

In other words, we must distinguish between the general level of application of energy-flux density, and extraordinary higher, or lower cases within the same domain.

These, and comparable features of the environment on which human life of a certain level of quality depends, are comparable, in their effects, to the climate conditions near the surface of our planet. In the extreme case, these conditions are indispensable choices of feasible approaches both to the maintaining and developing of successively higher orders of organization of human life, within such bounds, this corresponds to the notion of the development of the conditions for not only life as such, but, that the level of productivity achievable is determined in ways aptly illustrated by the available quality of transport of human beings and their productivity.

It is to be emphasized, that among all species, only mankind is known to recreate its willfully adopted, specific behavior in ways which are to be compared, and contrasted to a higher “evolutionary” progress to a superior species of life within the animal kingdoms generally

To introduce this subject, let us refer, here, to the case of celebrated statesman Charlemagne’s revolution in economy and culture, through integrating networks of inland transport of persons and freight through integrated networks of rivers and canals. This work effected under the leadership of Charlemagne, was one of the greatest leaps forward in the productive powers of labor presently known in the human species’ European history. For an example from a later phase of European and North American progress, take the still higher “geopolitical” level of trans-continental rail and related transport. “Nuclear Age,” or “Thermonuclear Age,” typify relevant cases of qualitative leaps to higher, physical, “geopolitical” states of organization of society as a whole.



LPAC-TV

The natural evolution of the conditions of life on Earth, is, in significant part, determined by qualitative shifts in the Solar System’s relationship to our galaxy. Shown: Our Solar System oscillates above and below the plane of the Milky Way, in a 60-million-year cycle.

On Higher Physical Principles

To make clearer the significance of replacing the notion of “infrastructure” by “platforms,” consider, once more, the profound changes in conditions for life-forms on this planet as Earth came into an oxygen-dominated phase, and the later shift to an “ozone” phase. We are challenged, presently, by two broad classifications of such phase-spaces. The one by the natural evolution of the conditions of life, as determined by qualitative shifts in the Solar system’s relationship to our galaxy, and, within those bounds, the qualitative shifts in the conditions for life within the bounds of the Solar system, and, within the Solar system, within the conditions for life-forms on Earth.

Following that, science must focus attention on those general changes in the potentiality of human habitation and development of our planet, which are willfully man-made principles of the environment in which mankind’s habitation and work within human life and production, are brought to relatively higher stages of productivity, as within the newly created “level” of the potential representation by the environment. You should focus, first, on the strategic quality of logistical forms of “environmental factors” of quality of habitat and of facility of movement throughout the inhabited form of the developed environment.

To serve the purposes of this present phase of the discussion here and now, compare societies which are dom-

inated by the strategic power represented by maritime movements, with the later, successive stages of approach, as through Charlemagne's development of an inland waterways system of combined rivers and connecting canals; then, proceed from that to the role of railways as supplements to riparian-canal systems, thence to trans-continental railways which represent a powerful, "geopolitical" challenge to imperial maritime capabilities.

The latter is the great issue which prompted the British Empire to drown the planet in a permanent state of global warfare from the time of the 1890 British ouster of Germany's Chancellor Bismarck through the ensuing state of virtually perpetual warfare throughout this planet since that time.

From there, move on to the fact, that since "World War II," we have had the prospect of a great change in the economy of life on this planet represented by the then-recent mastery of the domain of nuclear fission. We are now, for example, advancing toward general application of the higher cultural-physical phase of thermonuclear fusion, and beyond.

To bring about a relevant, competent understanding of the functional implications of such relatively primary kinds of logistical factors in government of mankind's habitation of our planet, we must take into account the broader and deeper implications of the concept of the "oligarchical principle" in shaping mankind's shaping of mankind's history. I shall classify this aspect of the problem by using the term "monkey business:" the role of cultures in which some people treat other people as, at best, virtually higher apes, rather than the human beings which they actually are.

Thus, there is the related issue of a functionally essential, strategic correlation, between the permission of some people to permit other people to use the higher forms of the principle of "fire," and the oligarchical model, in which latter case, a ruling class treats the lower classes of persons as virtually apes, denied the effective, willful choice of use of power, as such suppression of the conditions of life of the so-called "lower classes," is done in the name of "environmentalism" by the British monarchy and kindred nasty types today.

To summarize what I have reported in this present chapter of the report this far, that which I have chosen in order to arrive at an appropriate method of policy-shaping for a national economy, or a portion of technologically and culturally similar nations in the world economy, we must distinguish between the general "foundations" of the economy of a nation or related group of nations (what I have termed "the platforms"),

and the way in which that foundation is utilized for the development of the local and regional applications of particular methods and capabilities of production represented by local production, services, and individual public and private enterprises.

To summarize this chapter's introductory remarks thus far, let us emphasize the level of scientific and cultural development of, on the one side, the foundations of the productive potential of a nation and its regions, and, on the other, the application of scientific and technological potential to planting and harvesting the fruits which depend upon the qualitative level of the general foundations on which the fruitfulness of the production throughout that region depends.

The Notion of Physical Principle

I think it preferable that I interrupt the line of the argument which I have been following within this chapter thus far, to bring into play the notion of a true universal physical principle, a notion which does not exist in the practice of either the crude "materialists," or either the Aristoteleans, nor the followers of the doctrine of "pleasure-pain" of such as Paolo Sarpi and the notoriously degraded Adam Smith.

So far in this present chapter, I have emphasized the use of fair descriptions, as if to "box in" principled conceptions, rather than address them more directly. Now, I must shift to direct representation.

In reality, there is no "space per se." There is no separation of "space" and "time," but, rather, there is an indivisibility of a space-time best fairly identified as "a space-time filled with cosmic radiation," a system of cosmic radiation which situates the "singularities" which a less sophisticated science prefers to identify as "particles" or the like.

That principled type of distinction has broad implications, but, here, I concentrate attention on one aspect.

The domain of the "cosmic radiation" of "space-time," can not be understood efficiently except for those cases in which the subject of primary interest is something which does not exist for either the followers of Aristotle or modern Sarpian Liberalism, to say little about the crudest form of sense-certainty. Since some of these implications pertaining to cosmic radiation are currently being addressed by a core grouping among my associates, I shall limit myself here to minimal considerations on this subject.

Expressed most simply, while avoiding actual error, the situation to be referenced here, is presented as follows.

No truly universal principle of nature can be deduced, in itself, as a derivative of a mathematical deduction. The most useful illustration of that point is the case of Albert Einstein's recognition of Johannes Kepler's uniquely original discovery of the principle of universal gravitation, as implying a universe which is finite, but not bounded. The proof of Einstein's conclusion on this account, is illustrated immediately by the method which Kepler employed to define a universal principle of gravitation, especially when one takes into account Kepler's method of experimental hypothesis for defining the principle of the Earth orbit. The construction of the duplication of the cube by Archytas, is an illustration of the case of a physical action which can not be represented deductively, but for which there is a construction.

This same principle is expressed systematically in the work of Bernhard Riemann, and, notably, the discoveries of the principles of the Biosphere and Noösphere by V.I. Vernadsky. Indeed, contrary to the hoax of Titius-Bode, every true discovery of a valid universal principle is literally metaphorical in the respect that its proof is not located within the domain of an extended notion of sense-perception.

Whereas, the universe is inherently creative, the creativity is not willfully generated in the way human creativity functions; it is the willful aspect of human creativity which distinguishes V.I. Vernadsky's Noösphere from the Biosphere. The role of the human intellect and its will in efficiently discovering successively higher orders of true creativity in the universe, is the essential distinction of man from beast.

Notably, the origin of new, valid expressions of creativity, is located in the domain corresponding to the Classical poetic method of metaphor, metaphor as a physically-experimentally anti-entropic, humanly willful discovery of what corresponds to a principle of the universe. Life itself is such a universal principle; human cognition as a principle, is a universal principle of a



The 15th-Century "Golden Renaissance" revived European civilization following the 14th-Century "New Dark Age." Shown: "The Journey of the Magi," by Benozzo Gozzoli, 1459-61, a metaphor for the visit by leading scholars, statemen, and intellectuals, to the Council of Florence (1439).

higher quality than life in itself. Such is the only valid meaning of the term "human creativity."

Mankind creates, and that willfully, specific types of higher states of organization in the universe than would be generated by other means. It is by such human activity, whether by some original inventor of the discovered principle, or by assimilating some broader implication of an already discovered such principle, that the essential changes of the human race to higher qualities of states of existence within the universe are accomplished in a willful mode.

The occurrence of such forms of human individual's such creativity has the characteristic of a change in the lawful ordering of the universe by the action of the human creative will. Man introduces a new state of lawfulness into the body of the universe, man, seen in Biblical terms of **Genesis 1**, as representative of man and woman "in the likeness of the creator," not in form, but in function.

The "Golden Renaissance"

Consider the most crucial of the relevant developments of trans-Atlantic civilization during the period of accelerating emergence of a new kind of society which appeared at an accelerating rate throughout the early

through middle decades of Europe's Fifteenth Century. Focus on the process leading into and beyond the mid-century's Florentine Renaissance—the so-called “Golden Renaissance,” and its expression as “the great ecumenical Council of Florence,” a renaissance whose intellectual leadership featured, to most notable scientific and economic effect, the leading role of the figure soon to become known as Cardinal Nicholas of Cusa.

Divide the entire period into three principal parts, beginning since the earlier collapse of Fourteenth-century Europe into a so-called “New Dark Age,” the process of a relevant discovery of civilization in Fifteenth Century Europe under the impact of the process culminating in the Florentine “Golden Renaissance,” and the later descent into the 1492-1648 period of horrid religious warfare.

To gain access to the “flavor” of the Fifteenth-century Renaissance itself, consider, in broad terms, situating that review among the crucial features of the developments in Europe during the Twelfth through Fourteenth centuries.

The close of the Tenth Century had seen the beginnings of a long wave of decline of the second phase of the Roman Empire, the Byzantine empire, and the rise of Venice as the center of the leading, imperial form of monetary power in Europe generally. The character of the opening of this period, is identified by the rising role of Venice as the monetarist power of Europe, and the expression of that character of the period by the Norman Conquest of the British Isles and the process of the Crusades, leading into the mass-murderous “New Dark Age” of the Fourteenth Century.

That Fourteenth-century “New Dark Age,” is to be remembered, since the so-called “Norman Conquest,” as the period of the notorious Hildebrand, a period dominated by evil Crusades, such as the Norman Conquest itself, warfare launched under rising Venetian monetarist financing and manipulations. It was a period which, from the time of the Norman Conquest into the depths



Nicholas of Cusa, the great “polymath” behind the ecumenical Council of Florence, is the founder of modern science.

of the Fourteenth-century “New Dark Age,” a period of broadly chaotic, genocidal nightmares, leading into that vastly and stubbornly genocidal nightmare, a horror which began to end only with the cleansing of a Christian church deeply corrupted by its Venetian direction, until the rising contrary developments, known as the Renaissance, during the early through middle of the Fifteenth Century.

Return to touch on some matters to which I have referred earlier in this chapter.

Cardinal Nicholas of Cusa

The modern expression of this notion of actual, universal physical principles was introduced to the “post-dark-age” developments in Fifteenth-century Europe around the rallying point

of what I have already identified here as the great ecumenical Council of Florence. Many from that time contributed to this, including, notably, the Jeanne d’Arc whose specific intention and heroism inspired the great Councils of the Christian Church through the middle of that century. The most fertile of those minds engaged in launching the Fifteenth-century Florentine-centered European Renaissance, was what I have already referenced as the great “polymath” of the period, Cardinal Nicholas of Cusa.

There were two outstanding historical figures of the period leading into the Great Ecumenical Council of Florence, Jeanne d’Arc, who was baked alive by the English (Norman) inquisition, but whose role and its reflexes on Europe not only bestirred the councils of the Christian church during that time, but which had a crucial effect in shaping the history of Europe from that time on, through the great role of France’s King Louis XI. This was the same Louis XI whose role inspired the revolution in England led by Henry VII.

These developments, sparked in significant degree by Cusa’s **Concordancia Catholica** defining the modern sovereign nation-state, and Cusa’s formal founding of modern physical science, his **De Docta Ignorantia**, remain outstanding, still throughout the

world today, as the root of the launching of all competent strains of modern physical science today.

For example, it was Christopher Columbus' reading of the legacy of Nicholas of Cusa, in Cusa's proposal to build up civilization by trans-oceanic voyages to distant continents, which prompted Columbus and others to cross the Atlantic, as a measure to save European civilization from the effects of a fresh Venetian launching of a European dark age of wars and the like. It was Cusa's initiatives in the founding of modern science which were chiefly responsible for every great scientific figure of Europe from the late Fifteenth, Sixteenth, and Seventeenth centuries, with strong reverberations among all competent currents of fundamental scientific progress. Such as Bernhard Riemann, Max Planck, and Albert Einstein, to this day.

As the case of Cusa exemplifies this, all great movements in physical science were essentially "polymathic," as for the great, avowed follower of Johannes Kepler, Gottfried Leibniz, for whom there was never any separation of the world-outlooks of Classical artistic composition and physical science.

Thus, the mid-Fifteenth-century great ecumenical Council of Florence, was that true Renaissance of European civilization on which all of the good developments in European civilization have depended for their adopted roots, to the present day.

It was not the entry into Paradise; it was an entirely original quality of advance in mankind's insight into mankind, which emerged to remain, thus far, an imperilled new force of civilization on which the creation and usually imperilled existence of our United States has depended up through the presently, monstrously imperilled United States of America today.

Many from that period of the Renaissance contributed significantly to this greatest of all known qualitative achievements of mankind to the present day, including the rise of the Federal Republic of the United States out of the seedlings planted in Massachusetts during the middle of the Seventeenth Century. That subject, so situated as I have done immediately above, is the kernel of the argument which I present here and now.

"The Massachusetts Syndrome"

In this present report, up to this present point in my account, I have emphasized the physical accomplishments which supplied the foundations of all European society since the appearance of the roots of the influ-

ence of Solon of Athens. Now, bearing in mind my preceding remarks, we are obliged to shift our point of view in a qualitative way.

Up to the beginning of the present chapter of this report, I had emphasized the physical principles of progress, as such. Now, we must shift from emphasis on the commonplace, narrower, more popular notions of physical effects, to the role of human culture in generating the causes for those leaps in the quality of life on this planet which have been fruits of what we call "culture."

By "culture," I now signify the transformation of the physical quality of the existence of our human species on which the physical fate of human life on this planet absolutely depends; I mean to emphasize the role of the cultural impact of the Fifteenth-century, Florentine-centered "Renaissance" in producing what became the Seventeenth-century high point of the Massachusetts Bay Colony under the leadership of the Winthrops and Mathers, and of what survived of the great Massachusetts Renaissance in trans-Atlantic civilization, to become the heritage of the Eighteenth Century's Benjamin Franklin, that heritage of our United States, which is expressed by the American Revolution and by the launching of the constitutional, anti-monetarist credit-system which is to be recognized as the United States.

So, turn to the second of the two approaches which I have outlined for this chapter of the report. Take the model historical case of the original foundation and development of the Massachusetts Bay Colony prior to both the last period of suppression of the colony's development, a period of peril during the reign of England's James II, and the crushing of the colony following the accession of that "New Venetian Party" which was led into power in the British Isles by William of Orange.

To understand the roots of our American Revolution, we must take into account, and emphasize, what is presently the almost unknown concept of what is truly a universal physical principle. This is a notion of principle which does not exist in the imagination of such as the followers of the ancient Aristotle or the modern Paolo Sarpi, the true notion of a discoverable, universal physical principle.

In notable degree, that Renaissance in science and the principles of humanism, was brought into modern European culture as an echo of the process leading into the great achievements of Plato and his associate, that Pythagorean, Archytas of Tarentum, whose signal



“The great obstacle to human reason has been the popular delusion of belief in ‘sense-certainty,’” LaRouche writes. As the great conductor Wilhelm Furtwängler warned, “music requires its performance ‘between the notes.’”

achievement had been, what the later Eratosthenes underscored as the method of construction required for the duplication of the cube.

The Human Mind

The great obstacle to human reason has been the popular delusion of belief in “sense-certainty.” The worst form of that delusion, has been the presumption that the evidence of each of the given senses has an independent authority of its own, and that that authority defines what the mind should adopt as if with a cry tantamount to “that settles it!”

My own views on sense-perception were settled for me by early 1953, when I adopted the implications of the Third Section of Bernhard Riemann’s 1854 habilitation dissertation, in which Riemann develops his famous argument against the foolish presumption that

mathematics, such as that pathetic mewling called statistics, defines physical science. Our sense-functions are not merely the equivalent of a set of sense-organs, but, nonetheless, they provide us, not with reality, but with something akin to the shadows cast by an unseeable reality. Thus, there could be no decent poetry which is not premised on the principle of enunciated irony which is typified in the tendency for metaphor. As the great conductor Furtwängler warned, music requires its performance “between the notes.”

What we can properly claim that we know, is the discovery of universal principles, as Archytas crafted the duplication of the cube, and as Johannes Kepler defined, uniquely, and with perfect originality, the principle of universal gravitation.

Consider the great lesson provided by Classical poetry, uttered accordingly.

The function of the great principle of metaphor, as in Classical poetry, and as in musical counterpoint composed and performed according to the principle of Johann Sebastian Bach, is to provide mankind with a prescience of the approach of a discovery of a great principle. We call this “Classical artistic” composition, because it is presented to us as if a voice of truth spoken from the future, not yet the present. It is the shadow cast by a principle of the universe which is

yet to be spoken; thus, properly uttered, or performed as music, it is the idea which can never be deduced, since it is the prescience of that reality which is still waiting impatiently to become discovered.

Those who do not serve that principle, should—please—never compose Classical poetry or music. All competent practice of scientific discovery depends upon exactly that same principle of the prescience of a hand from the future reaching in to touch one’s soul with a discovered principle of nature yet to be born. The true mission of the human individual is to feel the prescience of the principle which is about to be born.

Such is the true content of the much-abused word named for a prescience of immortality, a prescience which you might wish to call “love” of being, in that moment, truly human.

LaRouche's Plan To End the Depression And Create 3-4 Million New Jobs

NAWAPA

We are now on the edge of the post-Obama era, in which it becomes possible for mankind to orchestrate an upshift in Biospheric development, starting with the NAWAPA program to re-engineer the entire Northwest water system, from Alaska down to Mexico.

LYNDON LAROUCHE— LEARN FROM NAWAPA: MIND OR BODY?

Man's power to exist lies not in the things which exist, but in the process through which things, and mortal human lives, come and go, in the domain of the immortality of each soul of a very special species, mankind. . . .

NAWAPA could not be killed, because it was the immortal feat on which man's future presently depends.

- **NAWAPA: "The Next Evolutionary Step for the Human Species,"** a Basement Team Roundtable, EIR, Aug. 27, 2010 (<http://tiny.cc/f14hd>).
- **"Learn from NAWAPA: Mind or Body?"**
by Lyndon H. LaRouche, Jr., EIR,
Aug. 20, 2010 (<http://tiny.cc/iovad>)
- **"NAWAPA, from the Standpoint of Biospheric Development,"**
by Sky Shields et al., EIR,
Aug. 13, 2010
(<http://tiny.cc/ai2gm>)

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Learn from NAWAPA:
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LAROUCHE: 'WHO'S EATING YOU?'

The World Food Crisis Is Intentional—It's Genocide

by Marcia Merry Baker

Jan. 15—Today's worsening world food crisis is not an unforeseeable repeat of the 2008 "episode" of food riots and suffering; it's a continuation of a policy of genocide. Behind the food-price shocks, *the food just isn't there!* If the speculation in food prices were wiped away overnight—as it should be—the crisis would remain.

At present, worldwide grains production is now running below even current levels of consumption—which levels themselves are far below the volume of food required; this, plus the fact that grain is being lost to biofuels, means that deprivation is terrible and worsening. The prices of other staples—oils, sugar, vegetables—are hyperinflating, along with cereals. Speculation is setting records. Over a billion people are going hungry and starving. But this is only the beginning, unless stopped now.

"Who's eating you?" is the point posed by Lyndon LaRouche. Look for the answer in the decades of mal-



Britain's Prince Philip, the uncrowned leader of the world malthusians, expressed the wish to be reincarnated as a "deadly virus," the better to reduce Earth's human population.

thusian environmentalism and globalism, in which productive potential has been deliberately thwarted. All the while, commodity control and speculation have been furthered and protected for the benefit of the neo-British Empire behind the policy. This is the intent of these practices. *Genocide is the intention*, LaRouche emphasized.

Even now, in terms of physical production and contingencies for best utilization of scarce supplies, the situation could be turned around, with international collaboration in the spirit of the proposed LaRouche Four-Power initiative (the United States, Russia, India, and China, allying to create a new international credit system). Vast new food capacity can be launched with the North American

Water and Power Alliance (NAWAPA) and companion priority large-scale projects on all continents.

However, without this, the vector towards famine will prevail. In brief, the following are the predominant features.

Killer Environmentalism, Globalism

The two modern methods by which food production is being sabotaged, and thus genocide set into motion, are environmentalism and globalization.

Environmentalism. Under the false flag of concern for “the environment” and “fixed resources,” there have been decades of prevention of required infrastructure for water, power, irrigation systems, soils development, food storage, pest control, and transportation. Vast land areas have been deliberately allowed to degrade from salination, depletion of aquifers, destruction of soil fertility, etc. Others, such as the “Great American Desert,” lie fallow.

Under the hoax of global warming, nations are under fierce pressure to “adjust” to climate change, by destroying themselves with insane low-tech energy, low-water-use, primitive farming methods and “low-carbon” activity.

Globalization. The nation-state system itself has been subverted under globalization—the polite name for fascism, used to force national governments to give up their sovereignty, submit to food import-dependence, floating currencies, speculation, cartel food control, and world dictatorship over even science and technology, including wrongful patent rights to food itself. Famous food cartel names include Cargill/Monsanto, DuPont/Pioneer Hi-Bred, BASF, ADM, Bunge, Louis Dreyfus, Yara, JBS, and a few others.

These policies have been implemented for almost a half century, by a network of figures and institutions centered in London. Prominent among the various perpetrators in this subversion are environmentalist agencies such as the Worldwide Fund for Nature, co-founded in 1981 by Britain’s Prince Philip, who has repeatedly called for depopulation. In 1981, he said: “Human population growth is probably the single most serious long-term threat to survival. We’re in for a major disaster if it isn’t curbed—not just for the natural world, but for the human world. The more people there are, the more resources they’ll consume, the more pollution they’ll create, the more fighting they will do. We have no option. If it isn’t controlled voluntarily, it will be controlled involuntarily by an increase in disease, starvation and war.” (*People*, Dec. 21, 1981)

His “London outlook” has been disseminated throughout the United Nations, and is manifest, for example, in the Millennium Development Goals (MDG) operation, instigated in 2000, and furthered by such figures as Deputy Secretary General of the UN Mark Lord

Malloch-Brown and George Soros. The MDG definitions for development are “fair” use of fixed resources.

This is the nub of the matter. Since “natural” resources are, and always have been, man-made—in the sense that it is human breakthroughs in understanding and application, that transform features of the universe into “resources”—to decree that resources are fixed, is to decree destruction for mankind.

The promotion machine for this neo-malthusian viewpoint ranges across all kinds of media and related operations, from the career of Lester Brown, to *National Geographic* and, until he fell from glory, Al Gore. Their standing goal is, as Lester Brown reiterates in his Jan. 10, 2011 *Foreign Policy* article, to reduce population and undercut the physical means for our future existence. Brown describes population growth as one of the “culprits” driving up food prices. “At some point,” he writes, “this relentless



CC/EU

Lester Brown blames population growth, not cartel policies, for driving up food prices.

[population] growth begins to tax both the skills of farmers and the limits of the Earth’s land and water resources.” He calls it a “glimmer of good news” that population increase has dropped below 1.2% last year, down from 2% in 1970. He calls for low-tech farming and “alternative” energy.

LaRouche in 2008: Double Food Production!

In April 2008, amidst the growing food riots and price shocks, LaRouche launched a campaign against this food-control genocide, issuing a call to “Kill the WTO,” and launch a drive to meet food needs. Helga Zepp-LaRouche initiated an international mobilization to double world food production as quickly as possible, as well as to see to emergency needs.

Statements and strategies came forward that Spring, from numerous leaders and governments, including the Council on Rice Trade Cooperation (China and Mekong River basin nations), and from the Eurasian giants, India, China, and Russia. Among the endorsements of the double-food-production drive was that of Prof.

M.S. Swaminathan, the former Agriculture Minister of India, who helped to bring about grain self-sufficiency of that nation in 1974, for the first time. In May 2008, Japanese Prime Minister Yasuo Fukuda announced a commitment to double rice production in Africa within ten years. This would mean 30 million metric tons, up from 15 mmt at present (milled rice).

All these moves meant that the political momentum was building, to potentially break with the environmentalist, globalist destruction, and commit to a new financial system to serve development. An anti-British Empire movement was gathering force during the 2008 food crisis.

However, during and after the June 3-5 “High Level Conference on Food Security” of the UN Food and Agriculture Organization (FAO) in Rome, the British Empire struck back through all its institutions and black operations, to maintain its power. A do-nothing UN High Level Taskforce on the Food Crisis was set up. FAO Director Jacques Diouf sounded the delphic theme: Yes, world food production should be doubled—in 50 years! This 50-year formulation became the refrain of the globalists.

Typical of the pseudo-science doublespeak was a Feb. 10, 2010 *Science* magazine feature, “Food Security: The Challenge of Feeding 9 Billion People” (in 50 years). Its ten British authors, including officials from the U.K. Office of Science, concluded, “Any optimism [for “sustainably feeding 9 billion people”] must be tempered by the enormous challenges of making food production sustainable while controlling greenhouse gas emission and conserving dwindling water supplies, as well as meeting the Millennium Development Goal of ending hunger. . . .”

Gates and Philanthro-Fascists

Bill Gates is personally in the forefront of genocidalists posing as pro-agriculture. His Billionaires Club operates as a clique of philanthro-fascists. In May 2009, Gates convened a private summit on depopulation in New York City with Warren Buffett, George Soros, David Rockefeller, Jr., Ted Turner, Michael Bloomberg, and many others, at the home of the president of Rockefeller University. The coverage of the secretive meeting in the *Sunday Times* of London quoted Gates’s speech in February, in California that year, on how he wants to “cap” world population forever. He cited a goal of 8.3 billion persons, but unless stopped, it will be far lower.

Gates has been hyper-active in promoting policies to undercut food production. His grants and projects oppose large, national-interest infrastructure, and instead demand “small-holder” involvement in farming for private/public, neo-plantation operations. Above all, he stands for food patent rights for cartels, and the World Trade Organization.

He has set up new centers from which to conduct policy onslaughts on behalf of the London agenda: In 2006, the Bill and Melinda Gates Foundation and the Rockefeller Foundation set up the Alliance for a Green Revolution in Africa (AGRA). In 2008, Gates’s funding set up the Global Agriculture Initiative, at the Chicago Council on Global Affairs, to move on Congress. In Fall 2009, Gates issued a book, *Millions Fed: Proven Successes in Agriculture Development*, to promote his fake food campaign.

In October 2009, Gates gave the keynote for the awarding of the World Food Prize in Des Moines, Iowa. In April 2010, he joined Treasury Secretary Tim Geithner in announcing President Obama’s Global Agriculture Initiative, to be conducted by a group of nations plus the Gates Foundation.

Operatives representing Gates and the food cartel hold high posts in the Obama Administration. Dr. Rajiv Shah, eight years at the Gates Foundation, was made Chief Science Advisor to the U.S. Department of Agriculture (USDA) in June 2009; in November 2009, he was switched to head the State Department’s U.S. Agency for International Development (USAID).

A Monsanto-associated scientist, Dr. Roger Beachey, was put in as Science Advisor to the USDA. The current Chief Agriculture Negotiator in the Office of the U.S. Trade Representative, is Islam A. Siddiqui, put in by Obama as a recess appointment in June 2010 (Siddiqui was a staffer for the business association representing Monsanto, DuPont, BASF, Syngenta, and other mega-agro-cartel companies).

No wonder, there’s so little food.



Creative Commons/Mathieu Sroussi
Bill Gates’s “philanthropy” promotes “small is beautiful” farming and patent rights for the food cartels.

The Food Isn't There!

One snapshot of the grim reality of shortages is that there is a widening deficit, right now, between the volume of grains being consumed annually, and the lesser quantity being produced—a deficit in the range of 59 mmt for the current crop year.

The projection for world grain production this year (2010-11) is for 2.182 billion metric tons (down from 2.242 in 2008-09, and 2.231 in 2009-10), which itself is well below “total use” of grains in the world today, of 2.241 bmt.

These are the USDA projections from its Jan. 12, 2011 monthly report (*World Agriculture Supply and Demand Estimates WASDE-490-8*), which, even if off-base, show a vectoring that spells famine.

To meet all nutritional requirements for the current nearly 6.9 billion people worldwide, and more to come, at least 4 billion tons of grain should be produced now, for consumption directly, and also indirectly, through livestock, for production of animal protein.

However, at present, with low and falling production, stocks are dwindling and prospects are for worse to come:

Wheat. Projected annual production is down by 6%, from 683 mmt last crop year, to a likely 646 mmt this year (2010-11). This level of output would be far below current utilization, which is 665 mmt. End-of-year (carryover) stocks are expected to fall at least 10%, from 198 mmt to 178 mmt.

Among top wheat-exporting source nations—the United States, France, Canada, Russia, and Australia—there are either major agriculture losses, a run on short stocks, or both.

- Russia is exporting no wheat at all, given last Summer’s drought. Ukraine has an export ban in place. Russia has stepped up importing grain.
- France is experiencing falling stocks, and by March may be in a trade-off between serving the home market or exports.
- Australia is now hit by floods. Though Queensland accounts only for 5% or so of Australia’s wheat harvest, any loss at all has an impact.

Corn. Projected annual world production of coarse grains, including corn, barley, rye, and others, is down by over 2%, from 1.108 bmt (itself down from the year earlier), to 1.084 bmt. This annual production figure is far below the current rate of annual utilization of corn,

at 1.123 bmt. Ending stocks are projected down by 20% from 199 mmt, to 159 mmt for the 2010-11 year, but can be expected to drop even more.

The United States, which is the world’s major grower and exporter, is now heading for using up to 40% of its corn for ethanol. (See **Figure 1**.) China, committed to the principle of food self-sufficiency, but needing imports for its security reserves, is turning to corn imports significantly. (China remains dependent on imports for 80% of its soy consumption.)

Rice. End-of-year (carry-over) stocks and production are way under what is required. Rice production was 441 mmt for 2009-10, and is projected to rise this year to 452 mmt, but that is just the level of current utilization, no more. Ending stocks are expected to remain only at the current level, in the range of 94 mmt.

- Vietnam, one of the top three rice-exporter nations, forecasts a drop in its exports to 5.5 mmt this year, down from 6.8 mmt last year.

FIGURE 1

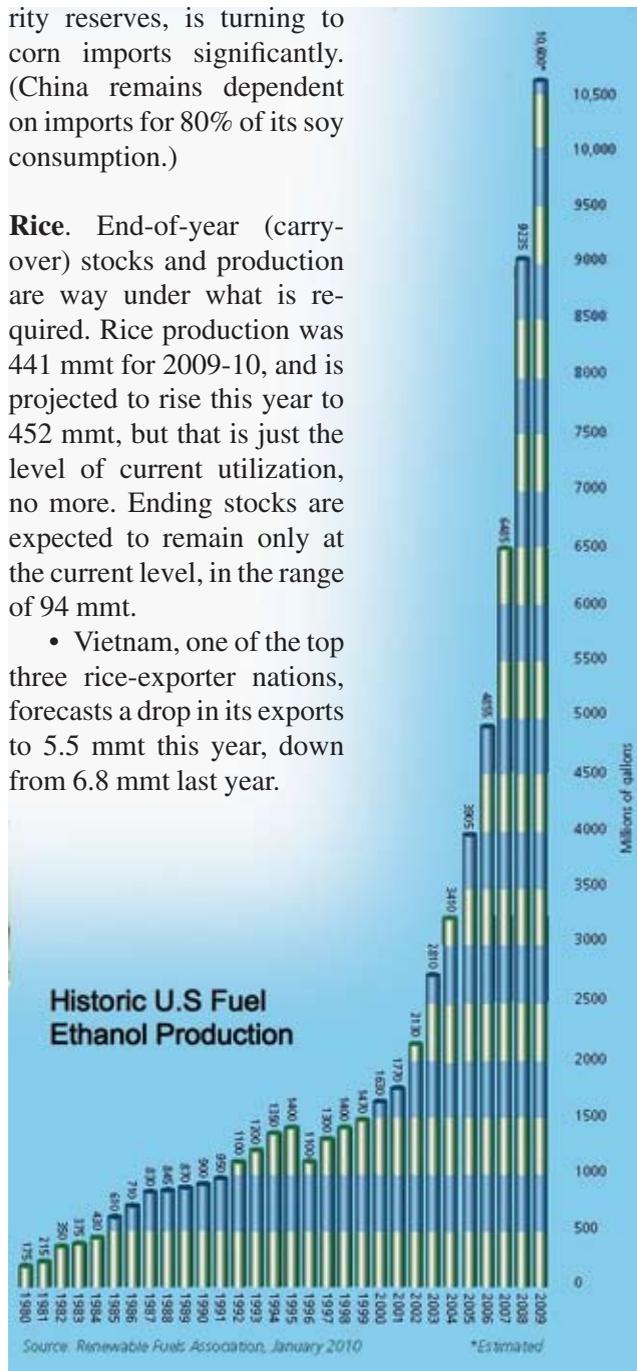
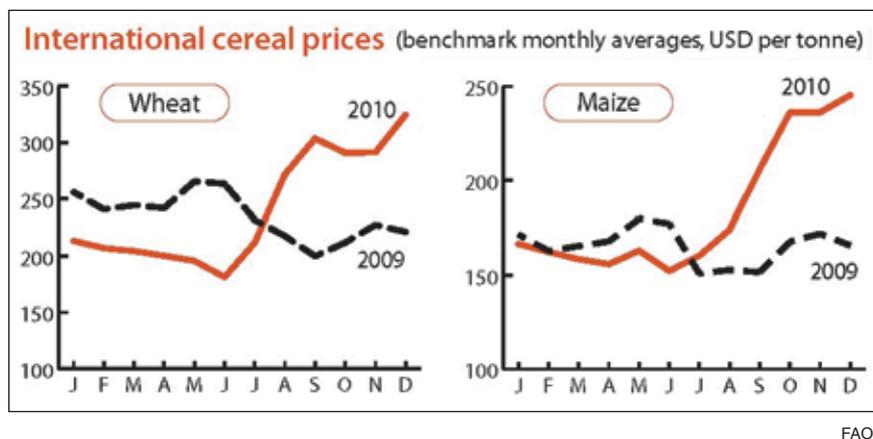


FIGURE 3



- Indonesia and the Philippines are trying to make contingency arrangements for rice purchases, given global rice shortages.
- Sri Lanka, in December, selectively released rice stocks from its buffer reserve, to damp down potential speculation with short supplies.

Making a Killing Off Scarcity

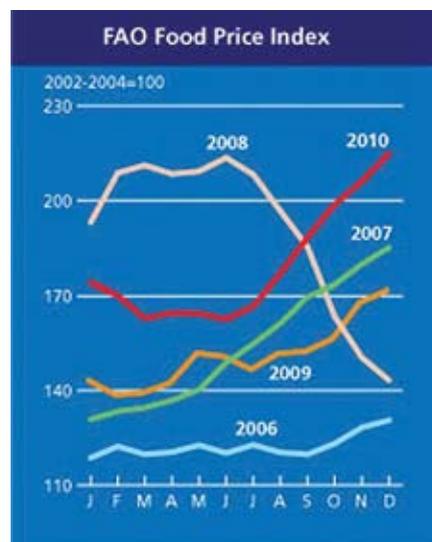
The Jan. 5 FAO monthly Food Prices Index showed record prices for food commodities (Figures 2-3). The overall index for 55 food commodities increased in December for the sixth straight month, and hit the highest ever level (relative to baseline 2002-04), exceeding the 2008 peak, which sparked riots in 30 countries. The increases were led by corn, sugar, vegetable oil, and meat.

The report shows 2006 prices hovering at about 120 in the index, with prices rising steadily through 2007, peaking at 213.5 in June 2008, then falling back. But that year-long increase has been matched and surpassed this year, at 214.7, in a mere six months, and is still climbing.

Corn and wheat futures prices have risen 50% from a year ago. In December, Mexico bought options for 4.2 million tons of imports, on the Chicago Mercantile Exchange, for delivery next Fall.

National governments are trying to damp down food price inflation. India, now facing the highest food inflation in six months, has imposed a ban on exports of rice and wheat, and taken other measures (see article, p. 39). Food prices are rising at double-digit rates. For example, the price of onions—a staple vegetable—is up 33% over a year ago. In Indonesia, peppers cost more than

FIGURE 2



40% more than last year this time.

Speculators have moved in for the kill. The volume of futures trading in food commodities surged 23% in 2010, over 2009, on the Chicago Mercantile Exchange (CME). The Obama Administration’s London-steered policy of mega-financial bailouts, and refusal to ban speculation, is sending waves of hot money onto agriculture futures exchanges.

Each day last year, an average of 908,021 agriculture commodities futures and options contracts changed hands at the CME, compared with 737,063 in 2009. November 2010 set a record for 1.26 million contracts traded. December, down some from that, was still up 36% in trading volume over December 2009.

In December 2010, the American Feed Industry Association appealed to Congress to intervene to at least impose position-limits on traders. CEO Joel Newman singled out “Wall Street banks” as putting huge amounts of money into the commodity markets, and causing ruin for actual food operations.

Finally, there are the mega-profits posted by the cartel commodity and trading companies. This month, Cargill reported that its earnings were up a whopping 74% for June-November, the first half of its fiscal year, over the same time a year earlier. The figures were \$1.53 billion, up from \$878 million the year before.

In the first 24 hours of speculative mania after the Jan. 12 USDA world report on food shortages, share prices jumped up for Monsanto, DuPont/Pioneer Hi-Bred, ADM, and others of the imperial networks committed to profiteering off genocide.

‘Economist’ Announces: A Big Mideast War Coming in 2011

by Jeffrey Steinberg and Michele Steinberg

Jan. 15—The *Economist*, mouthpiece for the City of London financier oligarchy, prominently announced on Dec. 30, 2010, that this will be the year for a very big Middle East war: “Unless remedial action is taken, 2011 might see the most destructive [Middle East] war for many years,” it proclaimed. “Every time an attempt at Arab-Israel peacemaking fails, as Barack Obama’s did shortly before Christmas,” the magazine gloated, “the peace becomes a little more fragile and the danger of war increases. Sadly, there is reason to believe that unless remedial action is taken, 2011 might see the most destructive such war for many years.”

According to the *Economist*, the military balance has been radically altered, since the time of Israel’s 2006 Lebanon War, and its 2008 Gaza invasion, by a large infusion of advanced and longer-range rockets to Hezbollah in Lebanon and Hamas in Gaza. Claiming that Iran and Syria have covertly supplied the two groups with more than 50,000 missiles and rockets, the *Economist* concluded, “For the first time a radical non-state actor has the power to kill thousands of civilians in Israel’s cities more or less at the press of a button.” Israel, consequently, is prepared to strike back with vastly greater fire-power, and, therefore, “a war of this sort could easily draw in Syria, and perhaps Iran.”

The *Economist* says that all this could be avoided,

were President Obama to step in and, effectively, dictate the terms of peace to Israel and the Palestinians. Yet, its editors know very well, that British agent Obama will do no such thing, if his London masters want a new and bigger Middle East war, particularly as the disintegration of the global financial system jeopardizes the power of the City of London and its offshore financial centers.

The only true remedy, as spelled out, repeatedly, by Lyndon LaRouche, is for Obama to be kicked out of office, through invocation of the 25th Amendment, Section 4, which calls for the removal of the President when he is found to be physically or mentally incapable of serving. That is what you call real war-avoidance.

The Immediate Crisis

Right on cue, the Lebanon and Gaza situations began to blow up, setting the stage for just the “big war” that some in London are pushing.

On Jan. 11, as Lebanon’s Prime Minister Saad Hariri was meeting Obama in the Oval Office, the March 8th Coalition members in Hariri’s cabinet, led by Hezbollah and Gen. Michel Aoun (ret.), resigned from the government, along with an independent minister, forcing a government crisis. The action by the 11 ministers was taken in response to a U.S. and Israeli veto of an agreement among Saudi Arabia, Syria, and Lebanon to postpone the release of the United Nations tribunal report



on the Feb. 14, 2005 assassination of then-Lebanese Prime Minister Rafiq Hariri (father of the present Prime Minister). The UN report is widely rumored to name several leading current and former Hezbollah officials as complicit in the car bombing that killed Hariri and 22 others. Recent Israeli leaks claim that Iran's Supreme Leader Ayatollah Khamenei will also be named as the author of the assassination plot in the UN draft indictment.

Hezbollah has systematically denied any involvement in the Rafiq Hariri assassination, pointing the figure at Israel, instead; and the majority of political factions in Lebanon, aware of the fragility of the political and economic situation in the country, concurred that the release of UN tribunal report should be post-

poned, to avoid the political explosion its release will certainly provoke.

According to U.S. and Arab intelligence sources, one of the leading Obama Administration figures who pressed for the early release of the UN indictments, was Assistant Secretary of State for Near East Affairs Jeffrey Feltman. Feltman was Ambassador to Lebanon, and was part of the hard-line faction inside the George W. Bush Administration, pressing for a showdown with Hezbollah and its allies.

During his brief meeting with Hariri, Obama emphasized "the importance of the work of the STL [Special UN Tribunal on Lebanon] as a means to help end the era of political assassinations with impunity in Lebanon," a provocation that could have contributed to the March 8th Coalition decision to bring down the government.

In a two-page analysis released on Jan. 13, by the Council on Foreign Relations, another former Bush Administration neocon, Elliott Abrams, floated the idea of a two-front attack on Hezbollah by the Israeli Defense Forces (from the south) and the regular Lebanese Army (from the north). While no one in their right mind would take the Abrams scheme seriously, least of all the commanders of the Lebanese Army, his article revealed the state of war-readiness by leading neo-conservatives in the U.S.

According to one senior U.S. intelligence official who spoke to *EIR* on condition of anonymity, an Israeli attack on southern Lebanon and/or Gaza would win the support of a majority of Israelis, who are otherwise growing more and more unhappy with Prime Minister Benjamin Netanyahu and his right-wing coalition government—particularly over the lack of any economic development of the country, and over Netanyahu's flagrant and successful sabotage of the peace talks with the Palestinian Authority.

Ironically, this official acknowledged, it is the "pragmatism" of the leadership of Hezbollah and Hamas that is the biggest road block, for the moment, to a new Mid-

east war. Despite the political gamble by Hezbollah in laving Hariri's cabinet, both organizations are committed to avoiding another confrontation with Israel, and are putting pressure on the radical elements in their midst, to prevent any attacks on Israel that would give Netanyahu just the pretext he is looking for. Unfortunately, such efforts at restraint have never deterred Israeli attacks in the past, when military action served the needs of an Israeli war cabinet.

Indeed, recent statements by Netanyahu, and leaks from Israeli Defense Forces (IDF) hardliners, indicate that Israel is contemplating new military actions. DEBKA, an online intelligence leaksheet for the most hard-line Israeli factions, claims that rocket fire from Gaza has intensified in recent weeks, and that Iranian Revolutionary Guard Corps engineers have been in Gaza, secretly building command bunkers for Hamas fighters.

On Jan. 12, the IDF issued a news release, quoting Col. Dan Zussman, from the Homefront Command, warning that in the next confrontation with Hamas and Hezbollah, "Missiles and rockets from all fronts will reach Tel Aviv. Tens of missiles of various kinds will hit the city likely causing hundreds of casualties, damage to buildings and infrastructure."

Another leading voice of the right-wing Israeli Lobby in the United States, the Washington Institute for Near East Policy (WINEP), which was co-founded by Obama's top White House Middle East advisor, Dennis Ross, posted a disinformation report on Jan. 4, claiming that Hamas had intensified rocket attacks on southern Israel from within the Gaza Strip during December 2010, and the "deterrent" effects of Israel's December 2008 Gaza invasion have now run their course, greatly increasing the need for, and likelihood of, an Israeli preemptive strike on Gaza.

AIPAC's Man at the White House

The WINEP propaganda report, which flies in the face of recent Hamas crackdowns on radical elements in Gaza who sporadically launch rockets into southern Israel, is part of the growing clout of the Israeli Lobby within the Obama Administration, as the President launches his reelection campaign.

Senior U.S. intelligence sources have confirmed that a recent quid pro quo between the White House and Israel was brokered by AIPAC's man Dennis Ross. The U.S. abandoned its demands for an Israeli settle-

ment freeze in the West Bank and Jerusalem, and, in return, Israel pulled back from its propaganda campaign for an early military attack on Iran's nuclear facilities.

Within days of the Obama Administration's announcement that it was abandoning the demand for a settlement freeze, the outgoing head of the Israeli intelligence agency Mossad, Meir Dagan, gave a widely publicized interview, in which he said that, as the result of covert sabotage operations and other factors, Iran's pursuit of a nuclear weapons capability was set back, until at least 2015, thus giving the P5+1 (UN Security Council Permanent 5 plus Germany) greater maneuvering room for a negotiated agreement with Iran. However, days later, Netanyahu refuted the Dagan remarks, insisting that a serious threat of military action against Iran was key to any negotiated settlement of the nuclear issue.

The *Forward*, a progressive U.S. Jewish weekly, reported on Jan. 12 that the Obama Administration's special peace envoy in the Middle East, former Sen. George Mitchell, is increasingly at odds with Ross, and is losing ground to AIPAC's point man.

Sources close to the Obama camp had reported in the early days of the Administration that, in December 2008, Presidential advisor David Axelrod had held a series of meetings in New York City with top AIPAC officials, who demanded that Ross be given a prominent place on the incoming Administration's Middle East team. After spending months in a dead-end posting at the State Department, Ross moved over to the White House, and has since emerged as AIPAC's ace in the hole, wrecking any meaningful movement by Mitchell and others toward a genuine two-state solution.

With Obama now singularly focused on his 2012 reelection campaign, Ross has virtual carte blanche to keep Israel and the Lobby satisfied that they have a veto over any U.S. efforts to achieve a breakthrough.

The *Forward's* Nathan Guttman all but wrote the political epitaph for special envoy Mitchell, who has now been forced to take a back seat to Ross. Ross has been traveling back and forth to the Middle East, meeting exclusively with Israeli officials.

Under these circumstances, the *Economist's* "forecast" of a "big Middle East war" has to be seen for what it is: A proactive move by London to put all the pieces in place for a near-term war in Southwest Asia.

Next Phase of Assault Already Underway

by Lawrence K. Freeman

Jan. 17—With the voting in the Jan. 9-15 referendum in Southern Sudan, to decide on whether or not to secede from the nation of Sudan, now concluded, there is a moment of relative calm, in which decisions for the future of Sudan will be contemplated.

However, before all votes had even been cast, much less counted, the next phase of the assault on the nation's sovereignty was already in progress. As Hussein Askary makes clear in the following interview, one cannot understand what is happening in Sudan today, without historical knowledge of the role of British colonialism, during its rule in the 19th and 20th centuries. The root cause of Sudan's problems is the intent of the British financial empire to break up the nation.

The fragmentation of Sudan into multiple competing states, using manipulation of so-called tribal-religious distinctions, is the centuries-long British geopolitical strategy for not only Sudan, but all of Africa. (See "Africa Is Not a British Zoo," *EIR*, Jan. 7, 2011.)

Already, the opposition parties in Northern Sudan are calling for President Omar al-Bashir to be given the "Tunisia treatment." A newly formed coalition, calling itself the National Consensus Forces, consisting of the Umma Party, the Popular Congress Party (PCP), and the Communist Party, is leading the charge to overthrow the government in Khartoum, and destabilize Sudan and the Horn of Africa. Yasir Arman, head of the northern branch of the Sudan People's Liberation Movement (SPLM), the very same party that runs the government of the South, and advocated separation, echoed similar threats against Khartoum, declaring, "there will be a confrontation to be sure," if there is not a new constitution and government in the North.

'Blood in the Streets'

Hassan al-Turabi, a Muslim Brotherhood follower, and leader of the PCP, threatened that there would be blood in the streets and a coup like that of 1985, when

President Jaffar Nimeiri was removed from office, if Bashir does not dissolve the government. An advocate of the "permanent war-permanent revolution" policy of Alexander Helphand (Parvus) and Leon Trotsky, Turabi threatened, "There will be a lot of bloodshed. The whole country is armed. These people don't demonstrate, they fight."

There is no reason to assume that Turabi has the support to carry out such threats, but austerity measures announced last week by the government, including reducing subsidies for petroleum, and raising prices of basic commodities, can create an environment, which can be used to spur such agitation. The collapsing world economy and the splitting-up of Sudan have led to worsened economic conditions in the country.

While U.S. Sen. John Kerry (D-Mass.), ranking member of the Foreign Relations Committee, praised Bashir for his trip to Juba, the capital of Southern Sudan, before the voting began, with promises of economic cooperation between the North and the South, others in the U.S., are using the opportunity of the referendum to attack Khartoum, and stoke the flames for the ouster of President Bashir.

Some Want Bashir Out

Andrew Natsios, a former U.S. envoy to Sudan, who has been involved in the country for decades, and has extensive contacts there, said Bashir could be out of power in six months. Natsios questions whether Bashir will have the authority to negotiate for the North on vitally important, but still unresolved issues, in the final six months of the Comprehensive Peace Agreement set to end on July 9, 2011.

Rep. Ileana Ros-Lehtinen (Fla.), the newly appointed Republican chairman of the House Foreign Affairs Committee, released a statement on Jan. 8, the day before the historic vote, frothing at the mouth against the government of Sudan: "The recent assaults in Darfur and the decision by the Sudanese regime to walk away from the talks in Doha should serve as a stark reminder of the nature of this regime. The regime in Khartoum has proven time and again that it will do anything to maintain its trip on power, even the perpetration of genocide" [sic].

Askary's interview provides crucial insights, not only into the cause of the crisis in Sudan, but an alternate pathway of economic development, for that nation, and the continent as a whole.

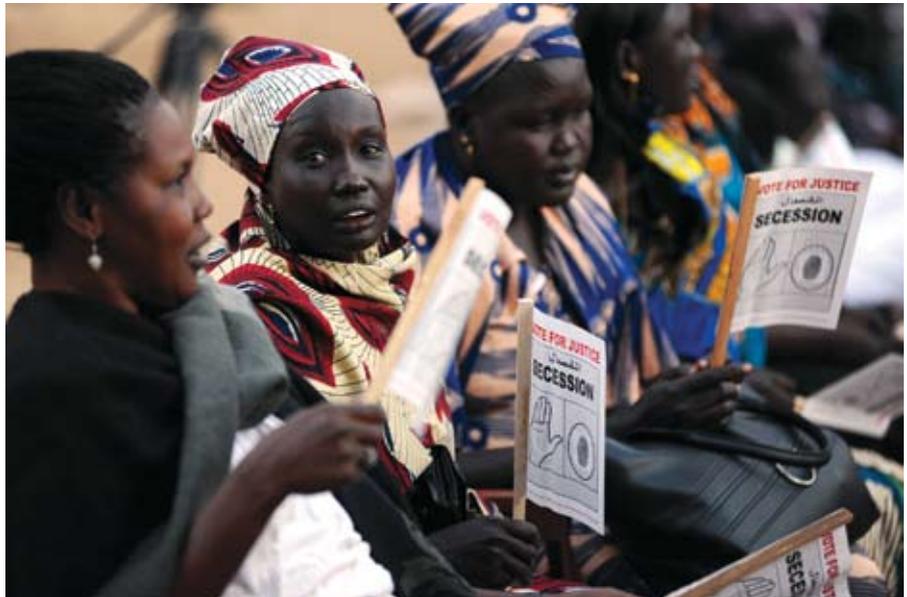
Kick Out the British Imperialists; Return to FDR's Anti-Colonial Policy

Stockholm-based EIR correspondent Hussein Askary, who covers Southwest Asia and Northern Africa, was interviewed by Schiller Institute vice president Portia Tarumbwa-Strid, from Wiesbaden, Germany, on Jan. 5. The interview can be viewed at <http://www.larouchepac.com/node/17162>.

Tarumbwa-Strid: With the coming referendum on Jan. 9 in Sudan, where the South Sudanese will decide whether or not they are going to secede from the North, the threat of civil war in is looming large. The media is presenting the situation as though the secession of the South is the most natural thing in the world. Can you tell us about the actual background of these conflicts in Sudan?

Askary: Yes, sure. This referendum, which will take place on the 9th of January, was part of the comprehensive peace agreement between the government of Sudan in Khartoum, and the Southern Sudanese rebels. That peace agreement was signed in 2005. That's the official story of why it is being held. And the government of Sudan, President [Omar] al-Bashir, and the SPLM [Sudan People's Liberation Movement], the Southern Sudanese government, have agreed to hold the referendum.

The fact is, that holding this referendum for the secession of the South, was included in the Comprehensive Peace Agreement [CPA], which the government of Sudan accepted under huge pressure from the [George W.] Bush Administration. So, that was put in the peace agreement as a future element for further destabilization of Sudan. But if the secession of Southern Sudan



UN/Tim McKulka

The secession of Southern Sudan, should it take place, will be very bad news for Sudan, for Africa, and for the world, especially now with the collapse of the global financial and economic system. Here, voters turn out to cast their ballots in the referendum, Jan. 9.

will take place, then it's very bad news for Sudan, and for Africa, and for the world, especially now with the circumstances we have in the world, of total collapse of the financial and economic system.

But the stage for this was set up after a very long civil war, which was supported and manipulated by the British Empire, with the support of elements in the United States, for many years, and certain countries in the European Union have supported this. But even before the civil war, ever since the British set their foot in Africa and Sudan, that's when the problems really started, which we are living the consequences of today.

When the British took over Sudan in the 1880s, and later consolidated their power in the 1900s, what they did is that they actually separated Southern Sudan from the North. Now, you have these types of descriptions that the Southern Sudanese are either Christians, or

types of African tribes, and the Northern Sudanese are Muslims; but the real fact is that the British separated Northern Sudan and Khartoum specifically, and the area south of Khartoum, because it was rich agricultural land. They could use it for cotton production and other crops to be shipped over to other parts of the British Empire. Southern Sudan was of no interest for the British, because it was difficult to have agriculture there, and it would require enormous infrastructure investments, which the British, of course, are not interested in; and, in addition to that, they needed to raise the living standards and the power of the labor of the people of Southern Sudan, which the British didn't give a damn about. So, they left Southern Sudan extremely poor, in extremely primitive conditions, while, in Northern Sudan, they had a relatively better situation, because they needed people to grow the crops and manage the system there for the British account.

So, the reality is that it was the British who separated Southern Sudan from Northern Sudan. It's a fact that the whole country is called Sudan historically.

But even when the British wanted to withdraw, just a few months before the British left Sudan in 1956, the civil war was already ignited, and you had a war between South and North. And then, the British left the place to its own fate, while manipulating the conflict from the outside this time.

That's really the story behind the whole situation. You have the Darfur situation, you have other problems in the east of Sudan—it all goes around the whole British policy in all of Africa, but especially in Sudan, the largest country in Africa. Any trouble in Sudan will affect all the neighbors: Ethiopia, Kenya, Uganda, Chad, Egypt, and so on and so forth. Because Sudan is a very, very important country, both for its large area, its multiplicity of ethnic and tribal groups, which all could be united under one flag. That's very, very special actually. And then you have the water of the Nile, which is very crucial for the survival of many nations in Africa.

So, by splitting off Southern Sudan, you will have the old, classic British policy of dividing and conquering, and this will be a total disaster, because if you split Sudan on an ethnic and tribal basis, then you divide every other country, or Sudan itself actually, into smaller tribes. Because in Southern Sudan itself, you also have different tribes; you have the Dinka, the Nuer; you have all kinds of problem there emerging, but also in the rest of Sudan.

And then you can imagine what could happen in the

rest of Africa, where you have all kinds of tribal and ethnic groups living together right now, under nation-states; but if that happens in Sudan, it will be like throwing a hand-grenade into Africa. This is the classic British divide-and-conquer policy.

Then they believe that they could manipulate the smaller groups from the outside, in order to prevent the idea of national sovereignty taking hold in Africa, and also the question that you can achieve peace through economic development and massive investment in infrastructure, in agriculture and so on. A renewed civil war, ethnic divisions, in all of Africa, will prevent all of that.

British Manipulation of Africa

Tarumbwa-Strid: According to the latest press release from the German Foreign Ministry, issued on Jan. 4, the German government said that it wants to work towards the long-term stabilization of the political situation in Sudan, and, as a newly elected member of the UN Security Council, Germany is, of course, trying to support the Darfur peace negotiations. What must happen in order to make peace possible?

Askary: Well, the general idea that these conflicts are generated because certain people inside Africa or inside these countries don't like each other, that they have personal problems with each other—that has to be removed.

But the real problem, in order to achieve peace, is, you have to remove the cause of the problem, which, as I said, is British geopolitics—the manipulation of Africa through the decades. That has to be removed. And the Obama Administration's support for the British policy of supporting rebel groups, separatist groups, and so on and so forth, should be stopped. That's a precondition.

But the United Nations and Germany are not the ones who run the game in Africa. Who runs the game there is the British and their allies in the United States and in other parts of the world. The United Nations doesn't have much to say. What should be done is a change in U.S. policy, especially. Because it's very difficult to change the British policy, unless somebody steps in there with the power and authority of the United States, to say, "We are going to turn over the table."

You have to go back to the policies of Franklin Roosevelt, who was in Africa during World War II, and he saw the devastation, the real slavery which was created and run by the British and their colonial allies in Africa. And he said: After the war there will be no colo-



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The Darfur region of Sudan is a microcosm for the British imperial policy in Africa. Get the British and their assets like George Soros out, and the problems can be solved. Here, Askary visits a displaced persons camp in Darfur, April 2009.

nial systems anymore. These nations will become sovereign. They will become free. What we will do in Africa, instead of looting these countries for their raw materials, which is a very poor trade actually, we are going to develop these nations. We are going to put in infrastructure developments, water projects, agriculture, industry, and so on, so we raise the living standard of the people in Africa; and that way you can actually achieve a fair type of trade, and you can also achieve peace through that.

So, you have to return to the policies of Franklin Roosevelt, and get rid of the whole British colonial policy. And you have people in the United States like [U.S. Ambassador to the UN] Susan Rice, who is an admirer of the British policy, and who, like Henry Kissinger, hates the legacy of Franklin Roosevelt. She should be removed as the representative of the United States at the United Nations. There are other more interesting people, with better knowledge and better moral standards, in the State Department in the United States, who should be brought in, in order to reimplement the Roosevelt kind of policy.

That's what has to be done. You have to approach the problem from the top. And with the ideas that Lyndon LaRouche and the LaRouche movement are

fighting for, of establishing a new, just economic order, you can start from the top down, and then you can get major nations of the world—like the United States, Russia, China, and India—to intervene in such situations with the idea of bringing economic development to such nations, as the precondition for achieving peace.

That's how you do things. You don't start from the ground up—what are the social, ethnic, and other religious differences among those people—and try to settle them down, as has been going on with the Darfur situation. But you start from the top down. You change the U.S. policy. You get rid of the British colonial policies. And then you start a collaboration among nation-states, based mainly on the idea of economic development, and bringing a better living

[standard] for the people of Africa and their future generations.

'Good Governance' or Economic Development?

Tarumbwa-Strid: Most people, when they think about Africa, think about corruption. In Germany, most people think that the source of all evil is neither underdevelopment nor poverty, but rather the corrupt heads of state. Jean Ziegler [UN Special Rapporteur on the Right to Food, 2002-08], however, thinks that every child who dies in Africa of hunger, is murdered, because we have all the technologies to stop this from happening. You were in Sudan, and you spoke to the people there. Do the people need "good governance," or does Sudan first need economic development, in order to build stable government structures?

Askary: Well, if "good governance" means what is going on in the United States and Europe: that you print money, to save bankrupt speculators and bankers at the expense of the population, and you impose crazy, fascist austerity on people, sick people, poor people, unemployed—in order to save some money to bail out the bankers—if that's called "good governance," then obviously the world is not in a good situation.



UN/Mark Garten

UN Special Rapporteur Jean Ziegler has charged that every child in Africa who dies of hunger is murdered, because the technologies exists to feed them. Meanwhile, the NGOs push “good governance,” while blocking the economic development required to expand food production.

No, that’s not really the issue. It’s not a question of good governance. The problem is that Africa has been trying to recover from the effects of the colonial policies imposed on it over centuries. No nation in Africa has been able to stand on its own feet and start building its own structures.

Of course, you need governments, you need stable governments and so on, but first you have to remove the problem. You know, the reality of the situation is that since the 1970s—as I mentioned, the overturning of the Roosevelt policy and going back to British policy—but you also have an even worse policy with the U.S. National Security Study Memorandum 200, drafted by Henry Kissinger, which said that economic development in Africa, and in other developing nations, is a great danger to us and our allies, because people in these countries will use the raw materials, which are existing in Africa, for their own development, and that will deprive us of these strategic raw materials. And therefore, the suggestion was that destabilization, depopulation is the official policy of the United States and Europe.

And that’s what has been going on. You go in with raw material companies, with mercenary groups, and you destabilize nations. You kill one leader, you bring in another leader, you support the rebel groups, and you finance the rebel groups. The rebel groups will have to buy weapons from the British. And the mercenary

groups will try to find the raw materials—the diamonds, gold, and so on—and sell them to the British, the Dutch and others, to buy the weapons.

So, you can get one leader after the other. And the leaders who stood up for the sovereignty of their nations, for the development of their nations and their independence, were actually killed. And there are many examples.

The policy has been to keep Africa underdeveloped, but also destabilized. And therefore, you have this phenomenon of rebel groups coming to power, military coups, because this is the way the game has been played. But the ones who are running the game, are running the game from the outside. It’s not the Africans themselves. But they have been treated inhumanely, and then they are told that “in order to have a government, you have to come to power. In order to come to power, you have to get weapons, and you will have to have rebel groups. And we will help you. We

will need some of your raw materials as a kickback; but that’s how business is done.”

And therefore, you have Africa living in this enormous maelstrom of military coups and so on. When you have a government in Africa which stands up and says, “We are not going to play that game anymore”—I mean, look at Sudan, for example. In Sudan, you had a civil war between rebel groups, the SPLM and the government in Northern Sudan, for many, many years. But as soon as the Southern rebels and the government of Sudan under President al-Bashir, came to an agreement, and signed a peace agreement in 2005, then all Hell broke loose. Suddenly, the government of Sudan, which is trying to seek peace with the rebels, to stop a 30-year civil war, a bloody civil war, suddenly they are becoming villains. They are being accused of committing mass murder.

And then you have new fronts opening up in Darfur, for example. Then you have a huge international media campaign and propaganda campaign, run by people like George Soros and other British assets, to paint the Sudanese government and the Sudanese leader as a mass-murderer, as a corrupt person. But the reality was that the President of Sudan, and the government of Sudan, were trying to achieve peace and stop this bloody civil war, and trying to develop anew some of the raw materials that were discovered in Sudan, like oil for ex-

ample, for the benefit of their own nation. And that's where the United States and Europe were working against the government of Sudan, accusing them of this corruption.

So, you have the irony there: that Sudan actually, since the peace agreement was signed, has been more stable than ever—in spite of the problems in Darfur, of course, where you had the rebel groups with a semi-civil war in that region. But in the rest of Sudan, you had a stable situation. You have the first steps toward building infrastructure, a modern economy, schools and so forth. And it's in the middle of that situation, where the Sudanese government and the rebels were trying to stabilize things and come to a peace agreement, that you have this massive attack on the government of Sudan.

And it's the same thing, I guess, in every other African country: When they come together, and say, "Let's have peace, let's have development," then they get attacked. Like the President of Zimbabwe, [Robert] Mugabe. He was trying to get his country out of the hands of the British colonialists, and tried to do something about it, but immediately, at that point, you get the massive operation against the country with economic sanctions; and then the misery, which is a result of the economic sanctions, is blamed on the government—but it's imposed from the outside.

China's Role in Africa

Tarumbwa-Strid: The last five to ten years have seen the Chinese play an increasingly important role in Africa. Many people in Europe criticize the Chinese, saying that even though China is building a lot of infrastructure in Africa, all they really want is to secure raw materials. How do you see China's intervention in Africa?

Askary: Well, this is a very ironical situation. As I mentioned just now, before the peace agreement, you had American and European companies trying to explore for oil in Sudan; but as soon as the peace agreement was signed, sanctions were imposed, and these oil companies were forced to leave Sudan. The government of Sudan was begging American and Euro-



www.chinese-embassy.org.uk

China's role in Africa is an ironical one, says Askary. When the sanctions imposed against Sudan forced Western companies to leave, China stepped in to help in the development of Sudan's oil resources. Shown: A young Tanzanian is instructed by his Chinese teacher on coal-mining processes.

pean companies to come and dig there for oil and other materials, but they refused. So the Sudanese government had no choice but to go to other nations, like Malaysia first, actually, and later, China, to get the help they need to take that oil and use it for their own benefit.

There is nothing wrong in that. Actually, this is the Roosevelt policy of fair trade. Of course, you need raw materials. You have trade between nations; you give something and you take something. That's very natural. What else should people do?

What the Europeans have been doing, is they are looting Africa but giving nothing back. So the Africans are going to China or India and other Asian countries, and saying: "Well, if you give us something, you get the raw materials." That's no problem. This is how trade is done. And actually, in the countries where the Chinese have been active in Africa, Africa never experienced such massive expansion of infrastructure.

When I was in Sudan, I saw first-hand the massive developments, especially around the Merowe Dam construction.¹ But it's not simply a water dam; it's a

1. See, Hussein Askary, "Sudan's Economic Accomplishments Become Casus Belli for British Empire," *EIR*, March 13, 2009; and Lawrence K. Freeman, "LaRouche Delegation in Sudan: Target the British Empire!," *EIR*, April 24, 2009.

complete infrastructure, agro-industrial development project—like the Tennessee Valley Authority in the United States, which was built under Franklin Roosevelt—where you build dams, you generate electricity, and you use both electricity and the water resources, and the roads, railways, bridges, and the canals you build, to develop the whole area. You have millions of hectares of land. You have millions of people now in a totally different type of activity than they were in before.

We visited the area around the Merowe Dam. We saw the places where people had used the same agricultural techniques since the time of the Pharaohs of Egypt, with very low productivity. Their products were destroyed by floods or by droughts. Now, they live in modern villages. They have water year-round, and the weather conditions do not really affect their agricultural productivity. They produce many times more than they did before, because they use modern techniques. The farmers get education. The kids and the families get health care and education. You have airports in the area. You have modern hospitals, and so on and so forth.

This is a fantastic opportunity for Africa, actually. The pity is that the United States and Europe are not participating in that, because China alone cannot do all that work.

And there is nothing wrong with getting raw materials from Africa, but you have to give something back. Stop looting Africa, and start building Africa, because that way you can actually get many, many times more benefit, for Africa, for the world, and for your trade partners, if you develop the region instead of looting it; as Roosevelt realized that when he visited Africa, and saw what the colonialists and the British were doing.

Heed the Words of Zepp-LaRouche

Tarumbwa-Strid: Africa is dying, and has been largely written off. The BüSo party in Germany, and especially BüSo chairwoman Helga Zepp-LaRouche, has been fighting for the construction of large-scale infrastructure, such as the Transaqua project, with the ultimate goal to eliminate hunger, wars, and poverty within the coming generation. Mrs. Zepp-LaRouche



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The author is pictured here in Sudan, in April 2009, at the Merowe Dam, a TVA-style agro-industrial development project, which has begun to raise the level of agricultural technology, from that in use under the Pharaohs, to modern methods.

even thinks that the moral survival of Europe depends upon this selfless development perspective. Do you also think that Europe's future lies in Africa?

Askary: Sure. But first of all, I want to say that the German government and leaders have a lot to learn from Helga Zepp-LaRouche. Because Helga Zepp-LaRouche's role, and her knowledge, through her work in Africa and elsewhere, is actually a source of the revival of the soul of the German nation, and of Europe generally. Because the moral aspects which Helga Zepp-LaRouche has been fighting for—this is what is also expressed by certain people in the United Nations—but Helga Zepp-LaRouche has been fighting for this for many, many years. And actually, her knowledge of the history of Europe and of Africa, her knowledge of the economic programs that are necessary, means that Germany is in dire need of the ideas of Helga Zepp-LaRouche and the BüSo.

Because that is what is really at stake. If Africa dies, then actually it's the death for Europe and the United States, both morally, but also, even economically and otherwise.

So, there is a great deal that they need to learn from Helga Zepp-LaRouche, and also, to get the courage she has, in order to stand up for truth and fight for that.

Now, of course, Europe's future lies in Africa. This was actually even the slogan for our campaign here in Sweden in the last European elections. Our major poster was "Europe's Future Lies in Africa." It's not only a moral issue, which should be the leading, guiding principle—the morality of our nations and of us as individuals—but even the economic crisis that we now live in, cannot be solved unless we implement the ideas that Helga Zepp-LaRouche has been fighting for. And that includes the development of Africa, the massive water projects.

And people in Africa are receptive to these ideas. As we experienced in Sudan; as you yourself, Portia, saw in Chad in the conference around Transaqua; as Jacques Cheminade, our friend in France, saw in Niger, people love these ideas.² They want development. They don't buy the greenie ideologies which have been spread here. They want economic development. They want to become like Europe. They want to have a future for their kids. And this is very important for Europe.

Now, we have the collapse of the European and the American economy, and actually the worldwide economy, because of the same policy which has kept Africa poor, which has spread wars in Africa. It's the same policy which is killing Europe economically, and killing the United States economically and even morally. So, what you need is to revive the legacy of the Franklin Roosevelt policy, and follow Lyndon LaRouche's and Helga Zepp-LaRouche's policy for rebuilding the world economy with a new currency system, and massive investments in infrastructure development, especially in water, energy, transport, and so on.

And that way, you can actually rise to a higher moral level, but even to a higher economic standard. Because that is what we are worthy of; it's to develop ourselves, but also to develop our brothers and sisters in other nations. And this is how you can create peace, and you can create a fraternity among nations.

So, this is the solution which Helga Zepp-LaRouche has been fighting for for many, many years, and I think it's now the time to heed the words of Helga Zepp-LaRouche.

2. See, "Schiller Institute Brings NAWAPA Approach to Chad," *EIR*, Nov. 12, 2010; and "Cheminade in Niger: A Project To Renew Lake Chad Presented," Dec. 24, 2010.

Gates Visit Helps To Reset Military Ties

By William Jones

Jan. 13—The visit of Secretary of Defense Robert Gates to China Jan. 9-12 has helped set the stage for a "reset" of U.S.-Chinese military relations, as Chinese President Hu Jintao arrives in Washington for an state visit on Jan. 19. Gates told reporters on Jan. 12, "I think that the discussions were very productive, and set the stage for taking the military-to-military relationship to the next level."

The two militaries have never had a real working relationship, except for a short period in World War II, when President Franklin Roosevelt sent a U.S. Army Observer Mission to assist the Eighth Route Army of Mao Zedong, and to evaluate China's fighting capabilities prior to a planned invasion of Japanese-occupied Shandong Province in northern China.

The military relationship is doubly important for China, whose military apparatus represents an independent power structure, a peculiar result of the historical circumstances of the formation of New China, in 1949. At the same time, it is this relationship that often proves the most vulnerable, as in January 2010, when a \$6.4 trillion sale of U.S. military equipment to Taiwan led the Chinese government to end military exchanges with the United States.

An attempt to reestablish the relations in 2010, including a planned trip by Gates to Beijing, failed to materialize. In March, the Korean Peninsula went into a tailspin, when an explosion sank a South Korean corvette, the *Cheonan*. In November, North Korea shelled Yeongpyeon Island off the coast of South Korea. Finally, as *EIR* reported last week, a combination of Chinese pressure on Pyongyang and U.S. pressure on Seoul defused the conflict. On his trip, Gates readily recognized the Chinese role in helping to bring that about. China's crucial role in averting a new Korean war set the stage for the Gates visit, and reset the agenda for the Obama-Hu Jintao meeting in Washington next week.

‘Approaching Important Consensus’

In a meeting between Gates and Chinese Defense Minister Gen. Liang Guanglie in Hanoi in October, Gates accepted the invitation by Liang to visit Beijing the following year.

The Chinese were anxious to schedule the Gates visit before the state visit of President Hu to the United States. They undoubtedly thought that military-to-military relations had to be stabilized before the summit. Both Gates and Secretary of State Hillary Clinton prioritized the Gates visit and the strengthening of the military-to-military dialogue, as a precondition for the summit.

While in Beijing, Gates held a two-and-a-half-hour discussion with General Liang Jan. 10. Gates told reporters, “We approached important consensus in the meeting.” Both sides agreed “that sustained and reliable military-to-military contacts will help reduce misunderstanding and miscalculation.”

The two leaders reaffirmed some of the decisions that had been taken in 2009, before the recent cooling of relations: continued high-level visits, institutionalized exchange programs, and military education cooperation. They also reaffirmed the regular exchanges of the Defense Consultative Talks, the Defense Policy Coordination Talks, and the Military Maritime Consultative Agreement discussions.

Gates had also proposed that a strategic security dialogue, similar to the Cabinet-level Strategic and Economic Dialogue, be established for defense. General Liang, noting that there were already a significant number of “dialogue formats,” said that the Chinese would “study and consider” this proposal.

Chinese reticence to participate in such a strategic security dialogue format is not surprising. The U.S. military and the Chinese military, after all, still view each other with a great deal of suspicion. The question of Taiwan, certain to cause irritation every time new weapons are requested by Taipei, and China’s various sea border disputes with its neighbors, some of which are military allies of the U.S., give the Chinese pause with regard to strategic security talks with the Americans.

While the Gates visit will help push the relationship in the right direction, other events, in the aftermath of the crisis on the Korean Peninsula, have given the Chinese leaders further reason for concern.

The large U.S. maneuvers conducted recently, with both the Japanese and the South Korean navies, some near Chinese waters, while ostensibly aimed at sending

a clear signal to Pyongyang, also had a not-so-subliminal message for China about the capabilities of the U.S.-South Korea and the U.S.-Japan military alliances. The upgrading of the U.S.-Japan Security Alliance, the push by the U.S. to encourage the Japanese to expand their military role, and the attempt by the U.S. to bring about closer military collaboration between Japan and South Korea, are viewed with apprehension in Beijing—as are rumblings coming out of Washington think-tanks about bolstering the U.S. relationship with India, as a counter to China. The increased U.S. presence in Central Asia, from which China obtains much of its energy, also makes China wary. And yet, the guarded response by the Chinese Defense Minister to the Gates proposal may indicate willingness by to eventually accept it. At least, that was Gates’s impression.

Gates also met with:

- Vice President Xi Jinping, the vice chair of the all-important Central Military Commission, which is responsible for the PLA. Xi, who is slated to become President next year, is the first top Chinese leader to have been an officer of the PLA since Deng Xiaoping.

- Foreign Minister Yang Jiechi.

- President Hu, who underlined the importance of military-to-military relations as a part of the overall relationship. Hu said he hoped that the spirit of “respect, mutual trust, reciprocity, and mutual benefit” would prevail.

- Gen. Jing Zhiyuan, commander of Chinese nuclear forces. Gates invited Jing to visit U.S. Strategic Command headquarters in Nebraska, and the general accepted.

The Gates visit will no doubt lead to an increase of U.S.-China military cooperation in a variety of fields, and more exchanges at the level of middle- and junior-grade officers, and of medical and other personnel. It will promote cooperation in disaster relief, medical assistance, rescue at sea, and similar operations where the two have cooperated.

China’s role in solving regional problems is vital, but its importance is by no means restricted to regional matters. China is one of the four key countries—along with Russia, India, and the United States—which, together, could push through the needed transformation from the present bankrupt London-based bubble economy to a fixed-exchange-rate credit system for reviving world trade and production. And for that four-power configuration, the relationship between China and the United States assumes the utmost importance.

The Poor in India Wonder: Is New Delhi Incapable of Controlling Inflation?

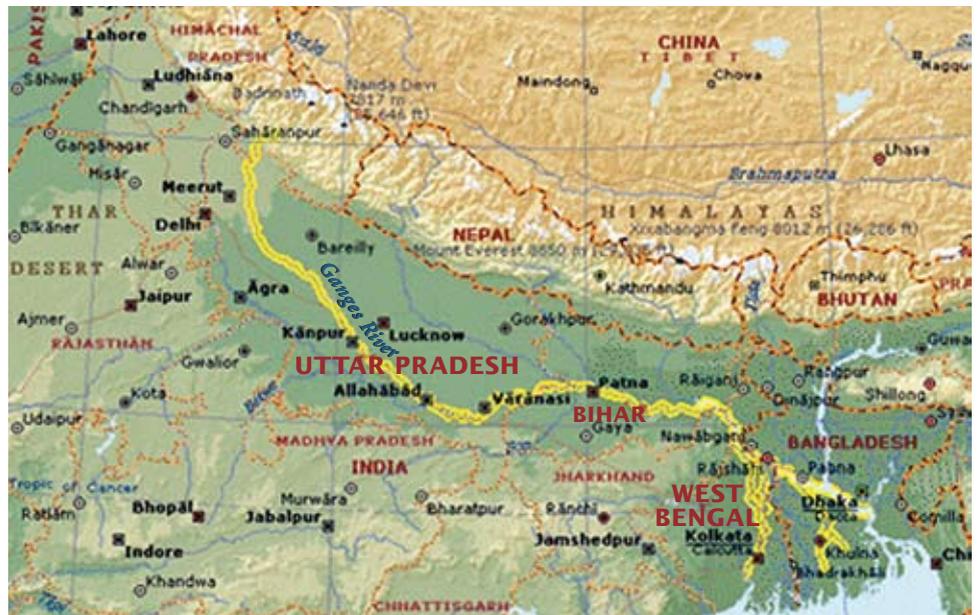
by Ramtanu Maitra

The result of the Assembly elections in the state of Bihar, announced in the third week of November, was a major setback for the leading national political party, the Congress Party, in the United Progressive Alliance (UPA), a mish-mash of alliances that has been in power in New Delhi, since 2004. Out of 243 Assembly seats that were up for grabs, the Congress Party won only four—a performance so abysmal, that Indian analysts have not even tried to figure it out. By contrast, the coalition of a local Janata Dal (United) party and the national Bharatiya Janata Party (BJP) garnered 206 of those seats to form the state government.

But, Bihar may not be an exception; it could very well prove to be a trend, and possibly a statement. The state of West Bengal is expected to go to the polls in early Spring, and various political parties will be contesting for 294 Assembly seats. In this state, the weakening Congress Party is playing a distant second fiddle, and trying to catch up with the Trinamool Congress (TC), which seems to be the party of choice of the state electorates. As of now, it is not clear how many seats TC will allow the Congress to contest, but current projections indicate that the Congress Party may not have more than 30 winners in all.

Next year, in the largest Indian state, Uttar Pradesh, where 403 assembly seats will be contested, the Congress Party is running a poor fourth. How few of these 403 seats the Congress party will be able to win is anyone's guess at this point.

FIGURE 1
Ganga (Ganges) River Valley and Its Main Provinces: Uttar Pradesh, Bihar, and West Bengal



People Reject, But Why?

These three large states, all located in the Ganga (Ganges) Valley, together constitute more than 25% of India's parliamentary seats. Why is the Congress Party doing so badly? The question is a valid one since during the UPA government, led by the Congress Party's Manmohan Singh, India has registered rapid economic growth. The growth rate is expected to accelerate further and reach 9-10% in the coming years, if one goes by what Prime Minister Singh is promising the population.

Why are the people of large states such as Bihar, West Bengal, and Uttar Pradesh, among many other smaller states, reluctant to jump on the Singh bandwagon? Briefly, India's phenomenal growth rate has created an environment where India's overall development does not include everyone, and excludes many. However, despite endorsements from some international

free-market-promoting economists, the fact remains that the growth has bypassed a large section of the population. These are the poor, mostly agricultural workers, with little skill for participating in modern industry, and, as a result, they are very low wage-earners.

A 2008 study by Assocham, one of India's major chambers of commerce and industry, pointed out that as of this year, 70% of India's growth will come from the urban areas. There is absolutely nothing wrong with growth in urban areas; however, a mid-2009 study by the Population Division of the United Nations showed that about 410 million of the 1.2 billion Indians live in urban areas, which include mega-cities such as Delhi, Mumbai, and Kolkata, as well as smaller cities with populations ranging from 500,000 to 10 million. That means, about 800 million Indians who live in rural areas will be contributing only about 30% of India's growth of, say, 9% in the best of years.

This disparity in growth, which translates into disparity in earnings, is not difficult to comprehend. Those who venture out of the urban areas in India will notice the slow rate of growth nationwide. In my previous article (*EIR*, Jan. 14, 2011), I pointed out that India has not prepared itself at all to develop infrastructure nationwide. The failure to organize the necessary ingredients, stated in that article, for the power sector alone, has resulted in India's poor power production. What was not documented in that article, is that some of India's growth in industry and the service sector has been achieved through cannibalization of existing available power. The result: More and more people in the smaller towns and villages (where there is electricity) are experiencing longer power outages.

Endless Food Price Rise

But that distortion aside, what the Indians are experiencing is inflation that the Singh government, despite many routine promises, has not been able to bring under control. What is particularly disturbing, is that the sector that the inflation is ravaging the most, is the food sector. India's poor, desperate as they are, do not consume many food items simply because they do not have the income to buy a majority of food items that a well-balanced meal calls for. They depend on the basics, such as cereals, a few vegetables, and a source of protein such as lentils and other pulses (legumes).

While cereal prices have risen significantly during the last two to three years, the prices of poor protein sources, lentils and other pulses, have skyrocketed to a

point, that it has become difficult even for middle class Indian families to include them in their daily meal. One analyst pointed out that, with most of India's vast population living close to, or below, the poverty line, inflation acts as a "poor man's tax." This effect is amplified when food prices rise, since food represents more than half of the budget of the poor.

One argument, presented by Subir Gokarn, deputy governor of India's central bank, the Reserve Bank of India (RBI), as to why food prices have skyrocketed, and show no sign of coming under control, is that a 39% rise in income per person, in the previous five years, might have created an extra 220 million regular consumers of milk, eggs, meat, and fish. Supplies have not kept up with this potential demand, Gokarn says. Gokarn's explanation does not make sense. How does he explain why the prices of basic food items consumed by the poor, such as cereal, pulses, and vegetables, have soared? I'll bet he cannot.

The marginalization of the Congress Party, which began years ago, despite high economic growth rates, can be directly attributed to the food price rise, the inability of the Manmohan Singh government to rapidly develop basic infrastructure, and the growing income disparity between the vast majority of people who are poor, and the much smaller number who are benefitting from the lopsided growth.

India has the highest food inflation of any major Asian economy, and it has continued now for more than two years. And, yet, the Indian government has failed to announce a policy to tackle the problem. After months and months of promising the people that the food prices would come down once nature provides a good monsoon, food prices rose almost 17% in 2010. India did receive a very good monsoon last season, but it was not reflected in food prices. That means talk about the importance of a good monsoon is largely a ruse to avoid taking real measures. Instead of dealing with what is of utmost importance to the hundreds of millions of poor and middle-income Indians, the government announced a review of the import and export of essential commodities, dashing expectations that it would ban the export of wheat products or futures trading in such commodities.

Moreover, India's method for calculating inflation, the Wholesale Price Index (WPI), is different from the way the rest of the world calculates. Each week, the wholesale price of a set of 435 goods is evaluated by the Indian government. Since these are wholesale prices, the actual prices paid by the consumers are significantly higher.

On Jan. 13, the government announced it had contracted for the import of 1,000 tons of onions, and would step up purchases of other essential commodities, such as edible oils and lentils, and create a panel to recommend ways to fight inflation. “Looking at these measures, the government appears helpless. It literally has thrown up its hands. For the past one year, officials have been saying prices will come down,” said Paranjoy Guha Thakurta, a political economist. Others point out that adoption of these minor measures showed once more the inability of the Singh government to take the necessary steps.

Unwillingness To Invest in Agriculture

A large part of the inflation is due to the failure of New Delhi to expedite infrastructure growth and rejuvenate the agricultural sector. India’s agricultural sector, with which the vast majority of the population is associated, has been growing at a rate of only 2.2%. While India needs to sustain its economic growth rate of 9% in the coming years, the agriculture sector growth rate needs to be pushed to around the 4-5% level. That task seems difficult, but it can be achieved through proper planning.

A number of things afflict India’s agriculture sector. Irrigation and water management are perhaps the most important issues on which growth of the agriculture sector depends. India’s agro-production, and the 1.2 billion people that depend on agro-products, largely depends on the monsoon. The irrigation potential of the agriculture sector is 140 million hectares, of which only 70% is being exploited.

In addition, the agriculture sector is in dire need of investment to meet the expenses of irrigation, research and development, rural infrastructure, and electricity to further increase productivity and generate 4-5% growth in that sector alone.

Agriculture, in general, has not been modernized to adopt advanced technology, while productivity has remained stagnant for decades. Irrigation systems, and



U.S. Defense Department

India’s Green Revolution, under Prime Minister Indira Gandhi (1966-77/1980-84), was aimed at ensuring that India would become food secure. Her agricultural policy allowed India to withstand its virtual isolation during the Cold War, and helped the nation to develop its scientific and technological capabilities. Shown: a rice farmer, near Hawpi Village, July 2008.



flickr/Adam Jones

supply of new and productive seeds, are still a distant dream for common farmers. In addition, in recent years, the availability of electric power to irrigate the land has even declined. Moreover, no proper transport and storage system is available. This is exactly where FDI (foreign direct investment) in retail could have played a significant role. One recent study shows that India has suffered an estimated food grain and agriculture production loss of about \$10 billion annually, due to the lack of adequate post-harvest infrastructure and inefficient supply-chain management by the country’s farmers.

The neglect of the agriculture sector by the Singh government stems from the fact that New Delhi’s World Bank-trained economists, now ruling the roost, came to the conclusion that large investment in this sector would not produce the “instant high growth rate” that they have adopted as their mantra. The truth is, that broad-based development of the agriculture sector would not only lay the foundation of a well-balanced development of rural India where hundreds of millions of poor live, but will also make India much stronger than it is today.

Not one Indian leader, with the sole exception of the late-Prime Minister Indira Gandhi, understood this,

in-depth. Her undertaking of the Green Revolution of 1967-78 was not aimed at impressing outsiders with “economic growth, but to ensure that India would become food secure. It was her clear understanding of the Indian situation, expressed in her agriculture policy, that allowed India to withstand its virtual isolation during the Cold War days, and helped the nation to develop its science and technology capabilities. Without successful implementation of the Green Revolution during that time, it is arguable whether India could have continued to exist as one nation.

The term “Green Revolution” is a general one, applied to successful agricultural experiments in many Third World countries. It is not specific to India, but it was most successful there. There were three basic elements in the method of the Green Revolution: 1) continued expansion of farming areas; 2) double-cropping of existing farmland; and 3) using seeds with improved genetics. During the last three decades, furthering of these vital elements of what should have been an ongoing green revolution, became of secondary interest to the Indian leaders.

Decades of neglect of the agricultural sector by India’s leaders, and their muddle-headed pursuit of “a high rate of economic growth,” have, once again, made India food insecure, and has left hundreds of millions far behind, steeped in utter poverty and hopelessness.

Overall Inflation Threatens Growth

While the food price rise is steeper than overall inflation and is hitting the poor hardest, India is now



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“Real estate is where most of the cash generated in the economy flows,” a Finance Ministry official admitted. In some cities, like Delhi, prices have gone up by 25-30% since the peak of the market in 2007. Shown: high-rise buildings in Delhi; beggars on a Delhi street.

in a spiral of growing inflation. There are number of reasons for this: To begin with, due to the U.S. Federal Reserve’s monetary policy, excessive money has been created over the years, fueling one asset bubble after another. Some of this excess money has gone over to India, and India’s inability to channel this excess money toward real development has brought about a part of the inflation. The Mumbai stock market has become a speculator’s paradise, giving rise to yet more inflation. For the same reason, inflation is also showing up in China, Brazil, Russia, and other fast-growing nations.

In the early 2000s, economist Arun Kumar esti-

mated that about half of India's wealth was stashed away as black-market money. In a trillion-dollar economy, that's about \$500 billion. Some of this money is salted away overseas. A few years ago, a Ford Foundation-sponsored study by the think-tank Global Financial Integrity (GFI) found that Indians had stashed away \$23 to \$31 billion overseas in 2006.

Analysts point out that India's economy has grown since then, and so has the volume of funds deposited overseas. But even if the outflows doubled, to \$50 billion, there is still another \$450 billion sloshing around the country. Where is this money parked? Analysts say in bullion, of course, but real estate is actually right at the top of the list.

"Real estate is where most of the cash generated in the economy flows," a Finance Ministry official, who didn't want to be identified, told the Indian news media. No doubt, the real estate industry is now in a bubble. The market value of under-construction projects increased from \$70 billion at end-2006, to \$102 billion by end-June 2010, which is equal to 8.2% of India's nominal GDP for 2009, one analyst pointed out. Prices have crossed the earlier peak of 2007, in cities like Delhi, Mumbai, Bangalore (now, renamed Bangaluru), Chennai, Kolkata, Hyderabad, Gurgaon, Chandigarh, and Pune. In Mumbai, Delhi, Gurgaon, and Noida, prices have gone up 25-30% higher than the peak of the market in 2007.

In order to deal with the uncontrollable inflation, the central bank is continuing with interest rate hikes. In early November, the RBI raised rates for a sixth time that year, but said it sees little need for additional hikes in the near term, as its tighter monetary policy is acting to bring down the inflation that has plagued Asia's third-biggest economy. "Based purely on current growth and inflation trends, the Bank believes that the likelihood of further rate actions in the immediate future is relatively low," it said in its policy review for the fiscal second quarter ended Sept. 30.

Solution: Faster Building of Infrastructure

However, analysts point out that the RBI is soon going to put that statement in the freezer, and before long, will go for another interest rate hike. This is evident from RBI's announcement on Jan. 13, expressing concern that inflation remains significantly above its comfort level. It noted that rising domestic input costs for the manufacturing sector, combined with ag-

gregate demand pressures, could weigh on domestic inflation. The chairman of one of India's leading banks, Deepak Parekh, said that, while higher rates are not the favored option at this point, the RBI's hands are tied, given the inflation scenario.

In an interview to CNBC-TV 18 on Jan. 14, Parekh said he expects the RBI to hike rates by 25-50 basis points in its Jan. 25 credit policy review. However, Parekh feels that further hikes in rates will impact growth. "There is a limited number of tools the government has to contain inflation. The interest rate is a tool, but I personally feel that interest rates are already high, and will impact growth. The RBI has a duty to perform, and the RBI has this interest rate tool, so the RBI may be looking at an increase of 25-50 basis points on Jan. 25," he said. Parekh added that since liquidity is very tight, there is a demand from bankers that the cash reserve ratio should come down marginally.

Why is Parekh concerned? An Indian website, mail-today.in, on Jan. 13, reported on the slowing of India's industrial output, which grew by just 2.7% in November, sparking fears that a softening demand would flatten the economy's growth curve, and pose fresh headaches for monetary authorities battling to bring runaway inflation under control.

The 2.7% increase in the Index of Industrial Production (IIP) is the lowest in 18 months, and marks a sharp plunge from the robust 11.3% increase logged in October 2010. As many as 9 out of 17 industry groups registered negative growth in November 2010. Official figures released Jan. 12 show that the growth rate of the manufacturing sector, which constitutes 80% of the overall IIP, plummeted to 2.3%, compared to a healthy 12.3% in November 2009. With the automobile sector—one of the powerhouses of the manufacturing sector in 2010—also predicting a slower year ahead, there are concerns that consumer demand is being dragged down by rising prices and interest rates.

Finance Minister Pranab Mukherjee is worried that the weak growth figures, coming at a time of high inflation, could have an adverse impact on the economy. "If [the] IIP goes down and inflation goes up, it will have an adverse impact, but I am not coming to any premature conclusion," he said. "If you have noticed that in November last year the IIP index was very high, so base effect is also there, but that is no consolation," he added.

The California Sink-Hole: Budget Cutting Doesn't Work!

by Harley Schlanger

Jan. 13—If one were to apply, to political leaders and economic analysts in California, the definition of insanity attributed to Albert Einstein—that insanity is “doing the same thing over and over again and expecting different results”—then the proper conclusion would be that they are all insane.

But, California is just the most extreme case of what is happening throughout the country—the disaster-in-progress—where all 50 states are headed,¹ without the reinstatement of President Franklin Roosevelt’s Glass-Steagall law (abandoned in 1999), by which the Federal government could make funds available to the bankrupt states, as called for by Lyndon LaRouche and his political action committee.

The year 2011 opened in California, as had each of the three previous years, with a huge and growing budget deficit, as revenues continued to fall below forecasts. The state’s economy continues to implode, with official unemployment remaining over 12%, but with real unemployment and underemployment estimated at around 25%; with housing prices continuing to fall, as the number of foreclosures skyrockets; and, with the state’s leaders insisting that all that is needed is more “belt-tightening,” “cutting the fat,” and “fiscal discipline,” while waiting for the often-predicted and long-



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California Gov. Jerry Brown has vowed to continue the fascist austerity policies of his predecessor, Arnold Schwarzenegger. “These cuts will be painful,” Brown admitted, in virtually the same language as the governor had used. But the cuts will only make matters worse.

awaited economic recovery to “kick in.”

As Edmund G. “Jerry” Brown was sworn in as governor last week, in a peculiar form of California recycling (he had served previously as governor, from 1975 to 1983), he promised to stick to the course taken by his immediate predecessor, Arnold Schwarzenegger, who left office with the state on the edge of bankruptcy and

1. “U.S. States, Cities Blow Out; No Recourse but Glass-Steagall,” *EIR*, Jan. 14, 2011.



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The combined impact of Brown's "small is beautiful" ideology, as governor (1975-83), and Schwarzenegger's orgy of budget-cutting over the past eight years, has left Californians facing huge deficits, soaring unemployment, homelessness, and economic desperation. Shown, a victim of their policies, in Los Angeles, 2006.

social disintegration, and his popularity and image both in the dumpster. Despite the complete and total failure of Schwarzenegger's murderous cuts in search of a balanced budget, Brown chose to mimic him, saying in his inaugural address, that he will solve the deficit by imposing the same draconian cuts initiated by the fascist governor.

"These cuts will be painful," Brown said, in a nearly identical formulation as Arnie's last several budget rants, "requiring sacrifice from every sector of the state, but we have no choice."

Brown's Killer Budget

Brown enters office with a projected deficit for the next 18 months (until July 2012), of more than \$25 billion, although there are estimates that it may reach more than \$30 billion before a budget deal is reached. He has proposed \$12.5 billion in cuts, which will target the most vulnerable. These include \$1.7 billion in the Medi-Cal program (the state's Medicaid), which will force desperately poor and sick people to provide co-payments for visits to the doctor, while cutting back the number of visits allowed. This cut will also reduce payments by the state to health-care providers, at a time

when many medical professionals are already opting out of the Medi-Cal and Medicare programs.

Other direct budget cuts affecting health care include drastic reduction of payments for In-Home Supportive Services, which offers care for elderly and disabled residents; and cuts in grants to the low-income elderly, blind, and disabled. He has even gone beyond Schwarzenegger, in advocating the elimination of vision care to low-income children in the Healthy Families program.

Health-care providers, especially in urban areas which have seen annual cut-backs in their budgets for the last decade, are warning that their services are already strained beyond minimally acceptable levels. Emergency rooms at major hospitals have become "dangerously overcrowded dumping grounds for the sick and poor," according to one hospital administrator, while the number of neighborhood clinics in cities has been cut annually, forcing more people to seek care in the declining number of emergency care centers.

Brown proposes another \$1.5 billion in savings through cuts to the welfare-to-work programs, which make funds available to provide care for the children of single-parent families, so the adults can seek employment. Cuts in these programs, which have been relatively successful in helping many young parents escape the previously ineffective welfare system, will force them to abandon their jobs to care for their children, or leave the children without supervision, at a time when after-school programs, libraries, parks, and recreation centers, are also being shut down.

Brown's budget also includes a proposal for an 8-10% wage cut for state employees not covered by collective bargaining, and cuts in college and university spending.

As part of Brown's clever management policies, he has proposed to shift certain costs from the state, to county and city budgets, at a time when most local governments are also headed toward bankruptcy. It is not just smaller cities which are struggling, such as the 120,000 population town of Vallejo, which filed for Chapter 9 bankruptcy in 2008, due to insolvency; or Chowchilla, in the San Joaquin Valley, which de-

faulted on a municipal revenue bond in January 2011. Los Angeles faces a \$350 million budget shortfall, and the mayor is threatening such measures as closing down 22 of the 153 fire stations in the city, daily, on a rotating basis, to avoid having to file for bankruptcy. Oakland laid off more than 80 police officers last year, in a city already plagued with a high crime rate and skyrocketing youth unemployment, and rumors persist that San Diego may soon file papers for bankruptcy protection.

A Decade of Budget Cuts

The idea that the state will benefit from passing its costs to bankrupt county and city governments is typical of the insanity which has reigned in Sacramento for the last decade.

State officials, from the governor, to the Controller and the Treasurer, to members of the state legislature, have hidden behind sophistry, typified by Brown, when he said there is “no choice” but to make painful cuts. That is because, they argue, California, by law, must have a balanced budget, as its ability to borrow is limited to approved bond offerings, and the state cannot print money.

Therefore, their hands are tied, they say, with their only options being to cut spending, or raise taxes. On occasion, they will put a bond offering on the ballot, as Arnie did, in 2004, when he was first elected, and asked the voters to approve \$15 billion in borrowing, to cover operating expenses, in return for a promise from him that he would “tame the beast” of government spending. When he left office, Schwarzenegger bequeathed a total of \$88.3 billion in bonded debt, leaving California with lowest credit rating of any state in the nation.

Since June 2008, California has faced a cumulative total of \$100 billion in budget shortfalls, which, under Schwarzenegger, was dealt with by \$45 billion in budget cuts, \$12.5 billion in increased taxes, and a series of actions which deferred payments to future budgets. With all these cuts, tax and fee increases, and attempts at sleight-of-hand management, the deficit today is still at \$25 billion and growing.

Obviously, budget cutting has solved nothing, as there is something crucial, which is left out of every discussion of the decade-long crisis. What no one, except for Lyndon LaRouche and his organization will discuss, is that a budget is not a matter of accounting, of manipulating monetary aggregates, but is dependent on a underlying reality, that is, a physical economy.

From Golden State to Post-Industrial Breakdown

The essential problem with California goes back more than a decade, in fact, to more than four decades ago, and, to address it, one must go beyond the borders of the state. California experienced a major “boom” from World War II, through the 1960s, as an integrated, technology-oriented agro-industrial economy. What allowed for the real take-off of industry and agriculture was significant expenditures of state and Federal funds, for major infrastructure projects, beginning with the New Deal of President Franklin Roosevelt, and continuing through the administration of the present governor’s father, Pat Brown, who served from 1959 to 1967.

As a result of these policies, combined with major improvements in education undertaken by the senior Brown, California attracted major industries, and smaller, entrepreneurial high-tech firms. As much of the rest of the United States fell prey to the “post-industrial” policies, which began in the mid-to-late-1960s, with devastating effects in the once-industrialized areas around the Great Lakes—today’s so-called Rust Belt—California’s manufacturing base continued to expand, through the early 1980s, and the state’s economy continued to grow, as did its population.

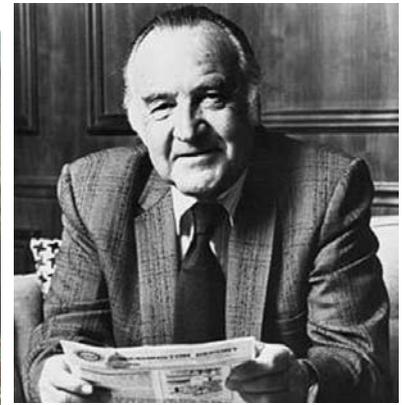
Despite the efforts of its former Gov. Ronald Reagan, to keep the state’s manufacturing economy growing, through major defense spending in California, during his two terms as President, the national impetus toward the anti-science and technology regime of a “post-industrial society” in the form of anti-FDR/anti-government policies of “deregulation” and free trade—the core of what is called “globalization”—the state’s physical production went into decline by the mid-1980s.

Adding to this collapse, was the effect of enforcement of anti-science, anti-technology policies in the state, under the guise of “environmentalism,” which became the hallmark of Gerry Brown’s first two terms as governor. An advocate of the “small is beautiful” economic philosophy of British utopian fascist E.F. Schumacher, Brown initiated the dismantling of California’s nuclear industry, and introduced anti-industrial regulatory policies which choked any further development in the state.

By the 1990s, California’s wealth-producing, high-paying manufacturing jobs were being replaced by jobs in such “industries” as leisure and hospitality, real



USDA/Gary Kramer



Edmund G. "Pat" Brown Institute of Public Affairs
Under Jerry Brown's father, Edmund G. "Pat" Brown, an FDR Democrat, who served as governor 1959-67, the California agro-industrial economy, expanded rapidly, bringing in major industries, smaller entrepreneurial firms, and advanced agriculture. Shown, an irrigated lettuce crop in the Central Valley.

estate, insurance, financial services, and computers. Instead of generating consistent revenue, as an expanding industrial-agricultural-based economy does, through improvements in productivity through scientific and technological innovation, these post-industrial sectors "make money" largely as a consequence of financial bubbles.

A Bubble Does Not Produce Wealth

Contrary to the illiterate babbling of former Federal Reserve chairman Alan Greenspan, a financial bubble creates neither wealth nor prosperity. Under Greenspan's tenure, which began with the Crash of 1987, and ended in 2006, as the real estate bubble began to deflate, the U.S. economy went through an accelerated course of post-industrial lunacy. Though "income" purportedly rose at times, the money which circulated was increasingly devalued, as the physical production of the nation—which is the only basis for sustained prosperity, in the form of improved standards of living for a growing number of people—collapsed.

Eventually, and lawfully, the collapse of the physical economy produced the popping of the successive bubbles, precisely as LaRouche had repeatedly forecast they would pop.

Greenspan's fanatical belief in the "free market,"

which is shared by Schwarzenegger's political and financial godfather, Chicago School fascist George Shultz, was exceeded only by his hatred for the "American System" of physical economy, which was created by our nation's first Treasury Secretary, Alexander Hamilton. Greenspan's obsession with money-based statistical analysis—e.g., replacing measurement of productivity in physical terms, with monetary values—allowed for momentary illusions that his monetary policies had created "prosperity," as with the beginnings of the derivatives bubble, which fed the stock market growth in the mid-1990s; or at the end of the Clinton years, with the "Y2K" bubble, and the related "dot-com" bubble, which popped in March 2000; and again, with the real estate/housing bubble of the last decade, made possible by the repeal of the Glass Steagall law in 1999, which blew out by July 2007.

The tragedy of the nation is not that Sir Alan was a fraud, a liar, who slavishly served the imperial monetary interests of the British Inter-Alpha Group, throughout his time as Fed chair. The tragedy is that the American people went along with this fraud, embracing the belief that money is wealth, hoping that they could get a piece of the action. That our once-powerful manufacturing economy was dismantled in plain sight, and turned into a giant casino, in which a smaller and smaller number of speculators controlled the action, somehow



Jerry Brown, during his first two terms as governor, 1975-83, pushed the “environmentalist” agenda, under which California’s nuclear industry was dismantled. Here, an aerial view of the Diablo Canyon nuclear plant, in San Luis Obispo on the Pacific coast, one of two remaining in the state.

escaped our collective notice, as most Americans were too busy chasing their own dreams of getting in on the action.

It is due to this kind of mass corruption, and its related lack of knowledge of how a real economy creates value, that Californians have been induced to play the “cut spending-raise taxes” game of the last decade, to the point that lives are being sacrificed to sustain the worthless assets of the financial bubble.

California’s Lost Decade

As California’s industrial base was contracting in the 1990s, the state was hit with another aspect of Chicago School idiocy, electricity deregulation, which was used by the Bush League crooks at Enron to loot the state, with the complete and total support of Greenspan, and both Democratic and Republican legislators in California. The Enron deregulation fiasco ultimately cost the state more than \$70 billion. Even worse, it became the pretext to remove Democratic Gov. Gray Davis, through a voter recall, and bring into the governor’s office a former steroid-popping body-builder, with Hollywood credentials as a bad actor, and with the direct support of the Inter-Alpha Group’s Lord Jacob Rothschild, under the immediate supervision of fascist George Shultz.

Schwarzenegger, who later would produce one whopping budget deficit after another, attacked Davis

for a deficit which reached what, compared to today’s numbers, was a paltry \$10.2 billion, mostly as a result of the destruction wrought by Enron, and by deregulation. Once in office, Arnie railed against “too much spending,” government “waste,” threatened to “blow up the boxes” of government agencies, while attacking nurses, teachers, prison guards, and other state employees as “special interests.” Unlike the “girlie men”—his derisive label for Democratic legislators who refused to take lives by accepting the massive spending cuts he was pushing—he would show he was man enough to “starve the beast,” i.e., state govern-

ment, and bring it under control.

Yet, the more he cut, the bigger the deficit. Why?

This question brings us back to physical economy.

A bubble economy can, in the short term, produce an increase in revenues. However, it is a huge mistake to treat that short-term increase as “prosperity.” What happened, repeatedly, during the last ten years, is that California’s leaders repeatedly accepted revenue growth from financial bubbles as a sign of sustained economic growth, and failed to account for the inevitable popping of those bubbles, with the subsequent collapse of revenues.

At the same time, the real costs to the state were growing. The state budget must cover improvements in health care, social programs, education, infrastructure, etc., for a growing population. As these costs increase, the state needs increased revenue to pay for them. The only guarantee that the revenues will grow, to cover those increased costs, is if there is annual growth in the physical production side of an economy.

That revenues collected by California twice jumped significantly, during the last 12 years, masked this underlying problem, as the revenue gains were treated as a sign of economic health. From 1998-99, revenue collected by the state increased from \$58.6 billion, to \$71.4 billion in 2000-01, largely as a result of increased income tax, due to the dot-com bubble, which was centered in California. The next big jump in revenue was

between 2004 and 2005, when \$82.2 billion was collected, to its peak in 2007-08, at \$102.5 billion—this time due to the housing bubble.

In neither case were the gains sustainable, but this was especially true after the housing bubble popped. Following the peak year of 2007-08, revenues fell by nearly \$20 billion, to \$82.7 billion, and have climbed very slowly since then.

This is the cause of the chronic deficits: The revenues collapsed, while costs to the government, some of which were mandated by the voters in referenda, others due to population growth and inflation, continued to climb. When revenue peaked in 2007-08, at \$102.5 billion, expenditures also peaked at \$102.9 billion. Since then, with the cuts imposed by Schwarzenegger and the legislature, the budget is back at 2004-05 levels, and still running a shortfall.

Today, the deficits keep growing, and the proposed cuts will take a toll in human lives, if not stopped.

California Must Lead

With the adoption, nationally, under Richard Nixon, of a post-industrial, globalized model for the U.S., our nation became dependent increasingly on cheap labor and cheap raw materials from abroad, through especially outsourcing. As for the U.S. economy, the lost jobs in manufacturing, agriculture, and infrastructure were supposed to be replaced by employment in service and “technology” sectors.

The net result has been a downward spiraling collapse of real wealth production, to the point that, today, our banking system depends on trillions of dollars in bailouts from the Federal Reserve and the Treasury, creating unsustainable levels of debt for government, corporations, and families, while living standards plunge. With the tax base of local and state governments collapsing, virtually every government is facing bankruptcy.

At the same time, the collapse of living standards places more pressure on governments to provide basic and necessary services. For the Federal government, the choice is either the FDR model, in which the banks are put under regulation, to provide for the people, or the Hitler model adopted by Obama, where the people are sacrificed for the well-being of the speculative crooks who run the banks.

States, such as California, will become burial grounds for the poor, the sick, the elderly, if this economic insanity is not reversed. The United States is,



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It is time for California to break out of the deadly game imposed by Schwarzenegger (shown here during one of his frequent budget-cutting rants) and his Inter-Alpha controllers, and return to the policies that made it the “Golden State.”

constitutionally, a federal republic, with a credit policy designed by Hamilton, which commits the Congress to utter credit for physical production, to create sustainable growth, based on improvements in production per capita and per square kilometer, based on increases in energy-flux density and machine-tool production.

For this to occur, reversing the deadly cycle of bubbles, followed by demands that budgets be balanced, after the bubbles pop, through genocidal austerity cuts, there are three simple steps legislatures of all states must demand:

1. Restore federal Glass-Steagall banking regulations;
2. Federal credit to the states, to prevent murderous cuts, and sustain health care and other essential social welfare programs;
3. Massive funding for job-creating and wealth-producing infrastructure policies, beginning with the North American Water and Power Alliance (NAWAPA).

For legislators in California, it is time to break out of the controlled, deadly game imposed by Schwarzenegger and the Shultzian fascist school. The California legislature must demand that the U.S. Congress immediately adopt that three-step program, beginning with Glass-Steagall, as we have come to the end of the bubble economy; it must lead the way for Americans, once again, to reject the British imperial “small is beautiful” outlook, in favor of the kind of *BIG* thinking which is our birthright as a nation.

LaRouche Democrats Challenge Citizens

Jan. 16—Two of the six LaRouche Democratic Congressional candidates, Rachel Brown of Massachusetts, and Diane Sare of New Jersey, addressed a crowd of over 130 people on Martin Luther King’s birthday, Jan. 15, in Hasbrouck Heights, New Jersey, at a conference titled, “Dump Obama, Restore Glass-Steagall, Build NAWAPA.” Their presentations and that of the moderator, LaRouchePAC-TV’s Alicia Cerretani, sharply challenged the attendees to take up the battle for Glass-Steagall and the great project known as the North American Water and Power Alliance (NAWAPA), as the urgent, defining political task of the moment.

Judging by the reaction, and the turnout, the leadership being shown by the LaRouche Democratic candidates is beginning to cut through the pessimism of the population, and prepare them for immediate, uncompromising action.

The event began with a rousing performance of “Rally ’Round the Flag,” and a traditional spiritual, renamed “Buckingham’s Fallin’,” by the New Jersey/Philadelphia chorus. Cerretani then gave a sharp synopsis of the role of the LaRouche Democrats in the wake of LaRouche’s famous April 11, 2009 webcast, which demonstrated that the three 2010 candidates (Rachel Brown, Kesha Rogers [Texas], and Summer Shields [California]), were, and now the six candidates are, the leading edge of the political force which will drive Obama from the White House with the 25th Amendment, opening up the possibility of reinstating Glass-Steagall. She also presented the thrust of LaRouche’s remarks to his associates on Jan. 15: Implement Glass-Steagall now, or face an American version of the Jacobin Terror—as foreshadowed by the Tucson event.

Rachel Brown: What Is Value?

Next, Rachel Brown, candidate for Congress in the 4th District of Massachusetts, took the podium. She received a very warm reception, in honor of her highly effective campaign against Rep. Barney “Bail-

out” Frank in the last election.

Brown started by making sure nobody had any illusions that the economy was not gone, beyond belief; in fact, she said, even your senses are telling you that the thing is shot. She identified the “higher enemy” among nations, the British Empire, which is enforcing a British monetary system, in contrast to the Hamiltonian credit system which was the foundation of the American Republic. She made pertinent point that, in a credit system, in a productive economy, people are happier because they are useful—we need to bring back the useful, happy citizen. She then quoted Nicholas of Cusa, the genius behind the 15th-Century ecumenical Council of Florence, who wrote, “Just as birds were made to sing, Man was made to think and hypothesize.”

It is the lack of this productive economy, she said, that has created the conditions which have brought the present 15-25-year-old generation, the generation of alleged Tucson shooter Jared Loughner, to the point of despair. The alternative is to adopt a mission like NAWAPA. Without it, these kids, and the nation, don’t stand a chance, Brown warned. They need to participate in something that will give their lives meaning.

Today, Brown emphasized, everything is valued in terms of money. Yet, the United States was founded upon Alexander Hamilton’s credit system, in which it was the productive powers of labor that represented the metric for value. Today, adopting the mission of NAWAPA provides that standard, she declared. She then laid out, in brief, what the plan was, in terms of mankind simply taking control over the continent, and making that the basis of the economy.

It’s a question of making a decision, she concluded. The commitment to pay back the gambling debts of the financial system leads to barbarism and fascism. But, with Glass-Steagall, we write them off our books and move on with our lives, and this can start as early as tomorrow.

Diane Sare: The Future Is NAWAPA

Diane Sare began by introducing the slate of six candidates as “the nation’s steering committee,” and LaRouche as the acting President. To give people an idea of the kind of leadership the candidates are growing into, Sare went through an arc of American leaders, including George Washington, Harriet Tubman, Abraham Lincoln, Franklin Delano Roosevelt, and Dr.



LPAC-TV

LaRouche Democratic candidates Rachel Brown (left), running for Congress in Massachusetts, and Diane Sare, in New Jersey, headlined a town meeting in Hasbrouck Heights, N.J., to kick-start a drive to dump Obama, revive Glass-Steagall, and build NAWAPA.

Martin Luther King, Jr. She then played the very last minutes of King’s “Mountain Top” speech for the audience. When it was finished, she asked: “With what sense did Dr. King ‘see’ the promised land?”

The challenge she was posing to the citizens present, couldn’t be missed.

From there, Sare reminded people what their actual history was, beyond their five senses, going back to the birth of the Sun, through its harmonic organization, using Kepler’s discoveries as an insight into the Solar System’s organization, drawing out the implications of a system moving from lesser to more and more organized states of existence. She then asked, “What will happen, some day, when the Sun expands and burns up all the planets, including our own?”

It was from the standpoint of that question, that she laid out the NAWAPA project in detail, using animations and maps from the LaRouchePAC site, to demonstrate man’s innate capability to partake in, and direct, the natural creative development of the universe. She also reported on some of the discussions with the experts who are working with LaRouchePAC on the NAWAPA proposal (see www.larouchepac.com/node/16114). In closing, she said, all of this is great, but we won’t be able to do it, unless we get Obama out of

office, and implement Glass-Steagall.

Ready To Mobilize

The question-and-answer period reflected the fact that those attending, whether young or old, whether they had been familiar with LaRouchePAC for a long time, or had just come in contact with the movement, were all provoked to become more involved. The questions included:

“Is this going to be the end of Empire, or can it emerge again?”

“What is the relationship between sovereignty and Glass-Steagall?”

“After seeing your intervention on [New Jersey’s Republican governor] Chris

Christie, on the website, and how stupid some people’s reactions were to his populist sound-bites, I realize that I need to go to my city council meetings and brief them on Glass-Steagall; do you have any advice how to keep the discussion at a higher level?”

“Who do we target to pass Glass-Steagall?”

And, from a 20-year-old, “What happened to our culture, why doesn’t anybody think, and does Classical music have anything to do with it?”

Immediate plans were made from the meeting for more visits to state legislatures in the Atlantic and Northeast regions to demand action for Glass-Steagall, as the only alternative to murderous budget cuts.

Over the previous week, most of the six LaRouche Democratic candidates had led forays into legislatures to demand action. Keshia Rogers, running in Texas, organized in Austin, for two days, and found tremendous openness to the Glass-Steagall alternative. Summer Shields, from San Francisco, and Dave Christie, from Oregon, campaigned for Glass-Steagall and NAWAPA in Sacramento, California.

Diane Sare has already led organizing campaigns into the New York and New Jersey legislatures, while Rachel Brown has spearheaded visits to the Massachusetts and Rhode Island legislatures.

We Can Cure Ourselves Of This Disease

Lyndon LaRouche made the following remarks Jan. 12, during his Weekly Report on LPAC-TV, about the cultural degeneration that produced the Tucson shooter, Jared Loughner.

...[L]et's take the case of this kid, this psychotic. Now, the key thing about this fellow, which is absolutely clear so far—many things are perhaps mysterious—but the thing that's clear, and is coherent, is that he belongs to a generation, or, shall we call it a *de*-generation, of his age group and category, which is characteristic of the state of the United States, and to some degree, the world today.

He's a *type*. There are many of them out there. They come in various flavors, or disflavors, whatever you want to call them. But they're all defective. We have essentially a generation, concentrated among a very large portion of people like this kid, between his age group, 22—he fits into this area of the 15 to 25 age group—and these people are highly defective.

The reason they're defective is not because of some birth defect in them. There is a birth defect in the sense they were born at the wrong time. But they are absolutely useless. They are a lost generation, in the worst sense of lost generation, and there are many of them out there. He's not a unique feature. We've got plenty of them. We have a mass moment of terror out there, with fellows like this. And when you look at them closely, it's very hard to distinguish between them, one to one. Or among them as a group.

This is a crucial part of what's wrong with our nation. What happened essentially was that the process

of destruction of our culture, which was deliberate, which was organized from a combination of the outside and the Wall Street crowd, destroyed these people. They destroy them, how?

Well, commuting. The family structure in the United States is broken. People commute long distances—at least one of the adult members of the family. The relationships within the family are limited. The content between the children and the adults, the parents, is very limited, in terms of parental contact. There is no family dinner table to speak of. There's no family hours. There's no family evening. So the family is not significant, and you have people retreat into a very strange kind of fantasy life. And what happens is, then the whole mass of people interact with their kind of convergence on a certain kind of fantasy life. And there are lots of fellows just like this out there.

We have the potentiality of a mass terrorist moment,

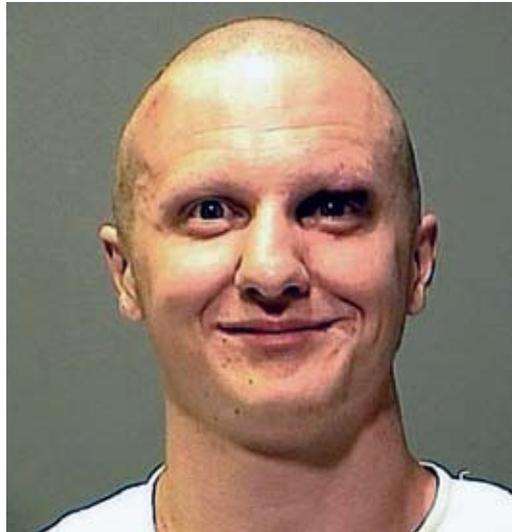
which is comparable in some respects to an earlier generation, which was the high school mass-assassination movement. A couple of young guys who come in with some weapons, and shoot a lot of people. One or several people. And this was a phenomenon.

We have a worse phenomenon in this guy. You don't know where the next problem is coming from, because there are so many of them out there, with a very similar behavioral problem.

Bring Back the CCC Camps

Now, the only way we're going to solve that aspect of the problem, which is a reflection of what's wrong with the nation, what's wrong with the trans-Atlantic community, particularly, as a whole, is: You're going to have to ship them off to CCC [Civilian Conservation Corps] camps, or the equivalent. Get them away from their environment, totally out of their environment, with a work assignment, a development assignment, which is going to bring them back to some degree of civilization.

We had a similar, but less grievous problem coming



Jared Loughner, the suspect in the Jan. 8 shootings, in Tucson, Ariz., shown in a police mug shot.

into the 1930s, with the Depression, where the CCCs saved a whole generation of young guys who were a similar problem. Nothing like this—this is mass-induced. It's a product of the cultural degeneration of the United States. Our culture is degenerate. And we have lots of these young fellows out there, and young girls, who are perfectly capable, unpredictably, from the outside, of exactly this. You can't predict it because there are so many of them out there. They're all ready to go off.

And these idiots in Washington don't understand that.

So, therefore, this comes from the post-industrial society. This comes from the Greenie movement. Because all of these things are contrary to reality. So we force the younger generation, by negligence and by misdirection, into becoming people of this type. And this is what's wrong. It's not that there's a guy out there who's a criminal of this type or that type; they do this. You have a section of an entire generation, which has similar types, and young fellows of that generation will say to you, "Yes, I'm like that too. You'd better watch out. I'm like that too. I can't do anything about it. I'm like that. A lot of us are like that."

But that was produced by a cultural process, which begins in the immediate postwar period, officially in 1950, with the Congress for Cultural Freedom in Europe. And the Congress for Cultural Freedom was a so-called CIA operation, of a certain branch of the CIA—you know, the intelligence community was broken into two parts during World War II. One part were the human beings; the other part were the guys who wore white tennis shoes, or white-bottomed boots: the Wall Street crowd.

And the Wall Street crowd and its attachments were essentially fascists. And they set up in Europe the Congress for Cultural Freedom. These were the people who were responsible for this. And they have become prominent. It's the Wall Street ideology today. And this Wall Street ideology has had an effect on the population, which has produced among these generations, this kind of project.

What I'm going to have to do on this, is, among other things, warning people. This guy was predictable, because we know some facts about his predictability now, through rather general research. But, he's not predictable in another sense. His generation is predictable, and there are a lot of them out there. And the

facts that have come out about him, simply reveal that.

The Same as Hitler

But, at the same time, look at what's happened. We have now—and it's related to this—we have a policy in the United States called the Green policy. It has taken a copy of Adolf Hitler's death camp policy. The United States, led by its President, current President, is committed to exactly the same policy that Adolf Hitler introduced in 1939, as his T4 operation.

The same organization, through the then-Prime Minister of Great Britain, Tony Blair, set up the NICE [National Institute for Health and Clinical Excellence] operation, and what is happening in the United States, what the current President of the United States is doing, is identical with what Hitler did in 1939. But it's also identical with what Tony Blair represented, with the same kind of program of genocide, of mass killing, in England. And it was actually directly from London, and from the Tony Blair circles, from that part, that brought this phenomenon, the Hitler phenomenon, into the United States.

And you will get officials, people supposedly sane in the United States, denying the fact that the present policy of the President of the United States, and many of his accomplices, is identical with that of Adolf Hitler. It's identical with the policy for which we executed doctors in Germany in the Nuremberg proceedings.

And so, therefore, on the one hand, you have this kid, who's a reflection of a sickness in a society, which, on the other hand, is represented by a mentally ill, corrupt, and evil President. And we're in a situation where, if we don't get this President out, under Section 4 of the 25th Amendment—because he is clinically insane, just like Nero, and someone like Hitler, or like others of that same time—it's a coherent problem.

We have no [industrial] production. We don't believe in production. We believe in going backwards. We believe in population reduction. We believe in killing people, just like Hitler did. And so, therefore, we have to look at this situation we're in now, as a *disease of our culture*, a disease of the nation, a disease especially of the trans-Atlantic, English-speaking community. A disease of European civilization, in particular. A trans-Atlantic disease. And we have to cure ourselves of this disease.

From the Tucson Murders to the Virtual Murder of Jared Loughner's Generation

by Tony Papert

"It was like he was playing a scene from a movie in his own mind."

—Loughner's former math instructor Ben McGahee

Jan. 14—As a psychosis tightened its grip on his mind from the time of his last years in high school, it impelled alleged shooter Jared Loughner ever more strongly into its own chosen, eerie varieties of entertainments. Absorbed as he was into the spooky cult of "lucid dreaming" or "conscious dreaming," Loughner spent hours revisiting that cult's 2001 movie "Waking Life," where reality and dreaming continually change places across undefinable boundaries,—so that the protagonist's several violent deaths, including his fiery suicide, are still followed, apparently, by his continued adventures on Earth,—until finally he simply drifts off into space.

As a paranoid schizophrenia shut down the human potentialities which young Loughner had shown earlier, it forced him to immerse himself in the future world of the film "A Scanner Darkly" (2006), directed in a similar psychosis-inducing manner by the same team of Richard Linklater and Robert Sabiston which had made "Waking Life." "A Scanner Darkly" looks out from the mind of an undercover narcotics cop, "Fred," while he is progressively overcome by induced schizophrenia brought on by the super-addictive drug "substance D." The apparently real world around "Fred," is the same all-powerful police- and surveillance-state familiar from Loughner's chat-room postings, but yet also simultaneously, a real world in which Loughner/"Fred's" (male) antagonist can suddenly transform himself body-and-soul into "Fred's" girlfriend.

"A Scanner Darkly" was based on a novel of the same name by Loughner's favorite author, the prolific

science-fiction hack-writer Philip K. Dick (1928-82). Dick himself was a long-time heavy drug- and alcohol-abuser who sometimes claimed that he had been diagnosed as a schizophrenic in high school, and that he was using psychoactive drugs to control his schizophrenia. The author of at least 55 novels, which he typed at 120 words per minute, Dick said that, until 1970, he had written all of them under the influence of amphetamines. During his short lifetime, Dick was only a pulp writer (referring to the poor-quality paper on which "science affliction" magazines were printed). As one expects in science fiction, his characters were nothing but cardboard cutouts, his plots totally schematic. But, at the same time, his own addled brain tended to eddy around exactly the same concerns as Loughner's today.

For instance: Is the reality we think we see truly real, or is it only an illusion, cunningly counterfeited by malevolent forces? Is there any difference between an "intelligent" computer and a human mind? If so, what is it? Can the two be somehow melded together? More generally: Is the paranoid worldview the true one? Are we being continually surveilled? Can our minds be "read" by others? Can they be controlled by others, and, if so, how?

Another of Loughner's addictions was the witchcraft-drenched, incomprehensible 2003 cult movie "Donnie Darko," whose director's vision for it was as J.D. Salinger's *The Catcher in the Rye*,—as written by Philip K. Dick. "Destruction is a form of creation," proclaims the adolescent title character. Darko is seeing a psychiatrist and taking medications, but he is apparently developing full-fledged schizophrenia nonetheless, on a similar schedule to that of Loughner later. A critic mooted the obvious psychological explanation for the fantastic plot when he wrote, "One trait of the budding schizophrenic is the creation of coherent, if unlikely, narratives tying

together the hallucinations and paranoia often manifested as part of the illness.”

The Loughner Generation

So much for Loughner, but what of his contemporaries? The youths coming of age during the 2001-11 era of George W. Bush and Barack Obama have never seen a working economy, nor have their parents. (In general, even their grandparents had never seen a working economy as adults.) They were reared, or not reared, by parents who were generally absent, and due to long commutes to work, frequently by both parents, due to patterns of suburban sprawl and absence of mass transit. They have never seen a working, Constitutional U.S. Presidency, while of the age to understand it.

Culturally, they subsist on the wreckage left behind by the 1950-65 reign of existentialism enforced by the Congress of Cultural Freedom,¹ a cultural wreckage further dynamited since then by the “post-modernist” and “post-post modernist” fads. Leaving aside whatever compassion may have been shown them by teachers as custodians or sometimes surrogate parents, their schooling has been a meaningless joke,

In short, not just Jared Loughner, but his generation, has been abandoned as human waste material, and virtually all of them are completely incapable of any real work, learning, or accomplishment under their present circumstances; we must do what Franklin Roosevelt did during a far less serious crisis, and totally change their circumstances, to even begin to rehabilitate them.

The ‘Matrix’ Project

The pattern of this dead-end paranoid-schizoid youth culture of the past decade was already set by the 1999 movie “Matrix,” a thoroughly evil concoction which devoted itself to the theme that reality is not real, but a creation of evil demons, as René Descartes had written. The eccentric Wachowski brothers (Laurence and Andrew) inspired this project with the utmost of criminal cynicism, in using the argument that the reality seen by the majority is a deliberate delusion, that in order to launch, not a film, but a pre-planned unending series of movie sequels, comic books, anime, and especially, advertising royalties,—that is to say, to launch

1. See “The Sexual Congress for Cultural Fascism” (June 2004), LaRouchePAC pamphlet (<http://www.larouchepac.com/node/15209>) and “The Noösphere vs. the Blogosphere: Is the Devil in Your Laptop?” (November 2007) LaRouchePAC pamphlet (<http://www.larouchepac.com/node/9497>).

deliberate mass delusion.

In producing it, they enlisted not just the Philip K. Dick tradition of “science affliction,” but the Hong Kong martial-arts film tradition, and the worst of the Japanese “comics” and cyber-porno anime,—these, like video games, ingenious Japanese artifacts which appear to do little harm when consumed domestically in Japan, but produce psychotic tendencies and worse when exported.

And, as for the long-dead Philip K. Dick himself, far from being condemned to the oblivion which both the quality of his writing and the acid-content of its paper should have insured for him, he may be the poet laureate of the age of Bush-Obama, just as the Austrian School economist and follower of Friedrich Nietzsche, Joseph Schumpeter, has been hailed as the greatest economist of the 21st Century, for his fascist dogma of “creative destruction.” Dick has been re-invented as a literary classic, and, in some quarters, even as a saint, thanks to some psychotic episodes he suffered in 1976. His entire mammoth *oeuvre* is being reprinted, and Library of America has even re-issued parts of it in three volumes, in its series which began a quarter-century ago with Herman Melville, Harriet Beecher Stowe, Nathaniel Hawthorne, and Walt Whitman. “Through a Scanner Darkly” is just one of nine movies which have been made from his work, with two more in the oven.

These are the reasons that countless young people, aged about 15-22, responded to the news from Tucson by admitting, “That could have been me. I could have done that.”

As part of his unified “State of the Union” message, Lyndon LaRouche is pointing to the destruction of Loughner’s entire generation of youth, and posing what must quickly be done to redeem them: As Franklin Roosevelt did for the milder problems of the destroyed youth of his day: remove them completely from their present surroundings, and bring them into CCC camps or the equivalent, located at the sites of the great development projects of NAWAPA, where they can contribute to an upgrading of this nation and the world of which they can be proud, while upgrading their own skills through on-the-job training and simultaneous classes in real science and humanities. Absent such a radical return to American System policies, Loughner’s killing spree in Tucson is a harbinger of many more such acts of violent psychosis. It is a marker of a plunge into a New Dark Age of mass death and mass psychosis, like the European Dark Age of the 14th Century.

Editorial

We Don't Pay Gambling Debts!

It's been a long time since the United States had a financial system based on *credit*, not money, and when LaRouche raises the demand for restoring FDR's Glass-Steagall, that shows. People don't understand the principled difference between the two.

Glass-Steagall, LaRouche emphasizes, means "we are cancelling *all obligations* to a monetary system. We accept no monetary system as an authority over the United States. We have a credit system, as defined during the period when the Massachusetts Bay Colony was operating under its original charter. Therefore, *all debts* that do not qualify to a Glass-Steagall standard will be thrown to the wolves.

"We're going to a credit system, which is our Constitutional system. We do not believe that money has any intrinsic value. It *has* no intrinsic value, and we're going to prove that, by wiping out a lot of it. We're talking about more than several, maybe \$15 trillion or more, of currency, are going to be *wiped out*. They'll go back to the guy who owns the debt, and let him figure out how to pay it. Because we are *not* paying other people's gambling debts!

"And what's out there, as the major demand against the U.S. population, is nothing but *gambling debts*. And the words 'gambling debt' must be used: not money—*gambling debts, fake money, fake value*. What we have is a situation in which the United States is being *bled*—by gambling debts! We are going to cancel those gambling debts. The United States takes no responsibility for repayment, or payment, of gambling debts.

"That, immediately becomes again the Constitutional law of the United States in practice, as well as in principle. That is the first condition,

without which you can not save this nation; and if you can not save this nation, you can not save civilization in any part of this planet. That's our first concern; everything else can *wait*, until this is done."

"So, Glass-Steagall opens the gate. The United States now owns itself. At that point, we will utter credit, of the United States, on the basis of a credit system—not a monetary system. As for those in Europe and elsewhere who have monetary claims, well, let them suffer of their own folly! *We don't honor gambling debts*—either our own nation's, or others'. Gambling debts are not repaid, because they don't exist! They have no value; they're only a parasitical thing.

"Now, that means a problem, because there are people, gamblers, who are willing to *kill* over being denied the value, so-called, of their gambling debts. So, therefore, naturally, especially in the British Empire and other places, gambling debts are sacrosanct—to the gamblers. Our view is: The full force of an American people aroused in its own defense will not let these gambling debts be collected. It's wastepaper.

"So, that's the number one thing. Now, first of all, with Glass-Steagall, we have to immediately put the states back in a state of confidence, which means we're going to bail out the states, immediately, in order to restore the essential functions of the states to their natural Constitutional function.

"That done, the next step is to launch NAWAPA. These are things which must be done on the initiative of the United States as a sovereign nation-state, *by itself*. We will do other things which are cooperation with other nations; but *these* are the tasks which the United States *must* initiate by itself, as sovereign acts. This will define us."

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