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Obama Follows British Lead Toward Igniting World War
No to the Green Policy; Revive Our Credit System
A Christmas Message: Will Humanity Have a Future?

**An Economy Restored:
The End to 'Bail-Out'!**



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EIR

From the Managing Editor

Looking ahead to 2013, the brightest star on the horizon is not actually a star, but a planet: Mars. The work that the LaRouche science team (“The Basement”) has done over the past year has brought into sharp focus what needs to be done to tackle the challenges posed by eventual impact on the Earth by asteroids, meteors, and comets. Many presentations on this subject have appeared in *EIR* and at larouhepac.com in the past months.

Lyndon LaRouche poses the issue in both his *Feature* and his webcast of Dec. 7 (*Economics*). In the latter, he describes the breakthrough potential of the Curiosity landing on Mars. By installing sophisticated instrumentation on Mars, and between Mars and Venus, we will be able to get a much better map of the threat from “Near-Earth Objects,” and figure out what to do about them.

“Curiosity itself is not a solution to this problem,” he says, “but it’s a necessary step in the process of trying to deal with it. So, therefore, we’re now going to have to think about integrating Man into the functions of the Solar System, at least in the region between the Mars orbit and the Venus orbit. Because that’s the area we’ve got to solve. So, all of these processes, therefore, come together in one thing: Mankind is now about to depart from the limitations on Earth habitation.”

But how to get from here to there, in a world drawing daily closer to economic devastation and thermonuclear war? LaRouche provides answers in both of these articles, and elaboration appears elsewhere in the issue.

The *Feature*, “The End to ‘Bail-Out’!”, develops the history of the takedown of the U.S. economy since Harry Truman. The webcast excerpt is a summary of what LaRouche means by a “credit system,” which has nothing to do with the plastic you carry in your wallet.

Helga Zepp-LaRouche addresses the threat of world war, denouncing the vote in the German Bundestag in favor of NATO’s Patriot missile deployment in Turkey, and other insane actions by parliamentary “sleepwalkers.” In *National*, we report President Obama’s British-sponsored drumbeat for providing full military support to the Syrian rebels, under their al-Qaeda-linked leaders.

We continue coverage of speeches from the Schiller Institute’s recent conference in Germany, concentrating on the crisis in Europe.

This is our last issue of 2012; the next issue will be that dated Jan. 4, 2013. We wish our readers a happy and productive 2013!

Susan Welsh

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The future is in space: Technicians prepare a rocket for a test flight on NASA's Commercial Orbital Transportation Services program.



NASA/Jim Grossmann

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Lyndon H. LaRouche, Jr., takes up the case of President Harry Truman, and how that “London-directed, Wall Street interests’ sometime hat-peddler” was used to betray our nation with his “economic shell-games deployed against the legacy of the President Franklin D. Roosevelt.” Unfortunately, he writes, few among the Congress today have been willing to discuss exactly how the Truman Presidency wrecked the economy then, nor how it was briefly restored under President John F. Kennedy, nor how it entered its 50-year decline after Kennedy’s assassination. “I wish to show you, now, how political swindlers in the likeness of such as Truman and Nixon, or the evil Andrew Jackson earlier, must be defeated, and our republic thus resurrected.”

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Restoration of the Glass-Steagall Act is the essential first step to preventing the United States from going bankrupt, but by itself, “it cannot do anything miraculous in terms of changing things,” Lyndon LaRouche said at his Friday Webcast on Dec. 7. The deeper changes required to put the economy on the right track necessitate an understanding of a *credit system*, as conceived by Alexander Hamilton and other economists of the American System—not the British free-trade system.

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AN ECONOMY RESTORED

The End to ‘Bail-Out’!

by Lyndon H. LaRouche, Jr.

December 6, 2012

From the outset of his appearance on my personal horizon, Vice-President Harry S Truman was a man whose principal personal successes in office, had been his participation in several varieties of what are fairly identified as bad things done against the vital interests of the people of our United States.

On this account, there is an essentially elementary principle of economy which demonstrates exactly how a set of London-directed, Wall Street interests’ sometime hat-peddler, Truman, had been used to betray our nation with his economic shell-games deployed against the legacy of the United States’ President Franklin D. Roosevelt.

On this account, as O.S.S.’s William J. Donovan knew, and confided to one of his trusted colleagues at the close of his own last visit to the office of a dying President Franklin D. Roosevelt: what had been the truly great U.S.A., under Franklin Roosevelt, was now about to be ruined another time. I was not present at that occasion; but, a relevant later colleague of mine was. The great moment of the life of the United States, which Franklin Roosevelt had represented, would not be experienced soon again.

Unfortunately, it now appears—I emphasize “appears,” that very few among the current members of the U.S. Congress today, particularly the Democrats, have been willing to discuss exactly how the Truman swindle worked against the United States, as it did, nor how a U.S. economy had been restored, later, for a few years, through principles expressed under the Presidency of Mrs. Eleanor Roosevelt’s choice of Presidential candidate, John F. Kennedy. That, unfortunately temporary interval under Kennedy, had been a period of great achievements for as long as a recently elected President Kennedy lived, banished especially, the awful

shock experienced after his brother Robert, a leading Presidential candidate, had been murdered, too.¹

At that latter time, President Richard Nixon was, virtually, “a new Truman,” the one whom John F. Kennedy had defeated in his own time. Therefore, I wish to show you, now, how political swindlers in the likeness of such as Truman and Nixon, or the evil Andrew Jackson earlier, must be defeated, and our republic thus resurrected.

The problem, still today, is “all about” the way in which citizens have been repeatedly duped into permitting themselves to be virtually swallowed up by wildly Romantic (specifically, “Jacksonian”) frauds concerning the meaning of “money.” I point to the relevant report by my colleague Michael Kirsch.

I. The Crisis after ‘V-E Day’

What became known as the U.S.A.’s (and others’) “Victory in Europe,” called “V-E Day,” was soon followed by “V-J Day.” Had the U.S. forces won that war in Europe prior to the time which came for the selection of Harry S Truman as Vice-President, the post-war disaster of the U.S.A. would, almost certainly, never have occurred. Truman’s ascension to the Presidency, when seen as coincident with the effect of what General Douglas MacArthur had recognized as the evil at the time, was the long-ranging strategic disaster, a created disaster of U.S. President Truman’s launching a worse than absolutely unnecessary, strategically, and otherwise criminal, nuclear bombing of the noted two cities of Japan.

The intrinsically clear proof of General MacArthur’s understanding of Truman’s unwarranted, brutish

1. The powers associated with an incumbent President of our United States are so extensive and deep-rooted, that the failure to mount a hot pursuit of his assassination, such that of Abraham Lincoln, means that only a wide conspiracy could prevent a thoroughly efficient investigation. That is not merely a matter of patriotic sentiments; it is a matter of a toleration of what is, in effect, an extended conspiracy. Negligence respecting the assassinations of such as Abraham Lincoln, William McKinley, and the two Kennedy brothers, are among the most undeniable examples of the powerful British imperial influence of the British empire’s penetration of the financial systems of the United States on this account. The case of the Presidency of Theodore Roosevelt effected through the assassination of McKinley, is among the most naked examples of a treasonously motivated betrayal conducted, as recorded by Anton Chaitkin, by nakedly British family interests operating within Theodore Roosevelt’s family circles’ role in the education and related connections of Theodore Roosevelt’s treasonous uncle and patron James D. Bulloch.



President Truman, “a very little man,” ascended to the Presidency with British sponsorship, creating a global strategic disaster for mankind. This cartoon is from 1951, during the Korean War.

war crimes, such as those of Hiroshima and Nagasaki,² has been proof of strategic folly which came with the added dimension of Truman’s and Churchill’s criminal folly in this matter.

Ironically, it became evident that Winston Churchill, his flunky, President Harry S Truman, and the evil Bertrand Russell, had all wildly miscalculated in presuming that a nuclear attack upon the Soviet Union could have succeeded with virtual impunity during the span of the years immediately following 1946. Not only had the Soviet Union surprised both Churchill and Bertrand Russell by its actually independent development of a coordinated, deployable nuclear arsenal, but the Soviet scientists under Stalin’s command had given the U.S.S.R. a nuclear arsenal which was comparable to that of the Anglo-American alliance at that time. Churchill and Bertrand Russell had been duped, in this

2. Lyndon H. LaRouche, Jr., “MacArthur & Eisenhower,” [EIR](#), Sept. 24, 2010; or LaRouchePAC.

case, by nothing as much as their own stupid arrogance, and their common hatred of, and fear of, the legacy of President Franklin D. Roosevelt.³

So, later, a brutishly bumbling Nikita Khrushchov had built up a new conspiracy, one developed explicitly in personal coordination with Bertrand Russell. This was a piece of folly which has long been echoed as a tendency for the specific strategic bungling committed by every leading damned fool since the death of Stalin, in the former Soviet Union and its successors; successors such as the typically British opportunists, such as Khrushchov and Yuri Andropov in Russia, were types which are still to be found there, or in notable places in the Mediterranean, the Caribbean of the Americas, and scattered elsewhere, today.

So, we now prepare to enter a domain of discussion, here and now, a discussion which must be intended to push aside the greatest of the common strategic sillinesses to which numbers of Americans, Russians, and others, are still prone today: the folly which Winston Churchill's crew induced in the United States under Truman, to launch the atomic bombs on Japan, and which grips the probably early fate of the entirety of the human species today.

Since Truman's and Churchill's common great crimes of Hiroshima and Nagasaki, the entire planet is now threatened with the "super-powers'" common thermonuclear extinction, one rooted still in the game which Winston Churchill and Bertrand Russell had attempted to play out in 1946. The scheme by Bertrand Russell, Winston Churchill, and President Harry S Truman, had plotted a leading common game aimed at their common, Soviet target for destruction, a destruction, intended for their part, to accomplish the final eradication of the formerly sovereign nations of western and central Europe, and including Russia, while also striking a deadly blow against any future sovereignty of a United States which is presently under the thumb of British-Saudi-controlled asset Barack Obama. How could we have actual heroes to be found among the ranks of what have been, chiefly, the credulously foolish, leading political circles of both the U.S.A., and the British empire's presently virtual ownership of the nations of western and central Europe?

3. In truth, the Soviet Union had copied some of the Anglo-American nuclear weapons design, but it had also created its own original design, as the Anglo-American party would then soon discover to its own great embarrassment.

So, it had come to be the case, that the U.S.A. had then acquired what seemed, as to some foolish, leading and other Americans of the post-World War II period, what had come to represent the likeness to a great internal war-debt; but, that at the same time, that U.S. economy which had emerged from the war, had gained the great potential benefit of a margin of credit which was available to be used for the post-war advantage of the future, an advantage which had been potentially far greater than that margin of the war-debt itself. Unfortunately, the entry of Harry S Truman into the Presidency, had taken away from us that good from our history which we had gained under our President Franklin Roosevelt. The effect was in stark contrast to the far worse, present time under a President Barack Obama who has proven himself, so far, to have been already almost the worst scoundrel of them all, excepting the virtually global, British-Saudi imperial monarchy which happens to own the Obama of today.

An Economy in a Post-War World

Therefore, reconsider the outcome for the World War II production-line and the related resources available to be used for growth of an effective civilian-economy sector's turning the growth of potential away from the effects of war-production, which had represented the resources to be used in a new way, according to what had been the intent of the deceased President Roosevelt, at the close of warfare in World War II. The purpose of the development of this asset should have been, but for the perversions introduced by Churchill and his nasty little Wall Street stooge, Truman, the Roosevelt intention which was clearly for a determined conversion from war into those peace-time economic triumphs which had been waiting to be expressed in new capital improvements wrought by the rate of rapid expansion which should have been fostered, had the peace-time productive capacity been set into motion immediately with the settling of the terms of surrender accepted by Japan. An otherwise unnecessary devotion to the prospect of a renewed world war, spoiled what should have become the post-World War II "economic miracle" which the prospect of marshalling competing forces in nuclear warfare had almost throttled.

Instead, the lurking spawn of "The Evil Old Herbert Hoover," were reinstated in a dominant role by the Republican faction operating under the umbrella of Truman's nominally Democratic Presidency. Precisely that, was done under the influence of Winston



National Archives/Howad R. Hollem

Manufacture of a bomber during World War II at the Ford Motor Co.'s giant Willow Run plant. President Roosevelt had planned to convert the assets of war production into peacetime manufactures after the war, but generally speaking, it did not happen.

Churchill's significant Wall Street connections of London, a kind of influence which had been originally displayed in President Andrew Jackson's nominal influence, in a precedent set by those British agents and traitors to the U.S.A. who were leading the Andrew Jackson Presidency substantially, and treasonously, from behind the scenes, a style in scoundrels which was to become essentially similar to that of a passing case of President Harry S Truman.

Then, in the course of time, there came a great moment of opportunity, expressed, first, under President Eisenhower, and which promised to be continued for as long as President Kennedy had lived for his mission as President. Thus, the damage done to the both the U.S. economy and its well-deserved heritage of the Roosevelt administration, were seemingly on the mend, until President Roosevelt's death. The worst came clearly, up to the moment of an awesome 1946 moment of horror created, with Truman's complicity, by Winston Churchill in part, but chiefly the chronically pure evil of a Bertrand Russell who would later steer his recurring lurches toward nuclear warfare, which were each and all the threats of nuclear warfare, including those arranged by aid of Khrushchov's not really successfully secret pact with Bertrand Russell, like the later Soviet official who killed the Strategic Defence

Initiative (SDI) which those such as U.S. President Ronald Reagan had joined in proposing, repeatedly! As I warned virtually to the relevant exact date, the role which had been played, on the Soviet side, by Yuri Andropov, and, later Mikhail Gorbachov, had led to that timely realization of the relatively date-certain collapse of the Soviet Union, a collapse which, I had forecast to occur approximately five years after what I had virtually pinpointed as the continued sabotage of the SDI, were Gorbachov's role to be continued.

However:

During that same interval of time that President John F. Kennedy was leading the U.S.A., a Spain-based, international organization of murderers, which had been organized for the repeatedly mustered, fascist attempts at the assassination of President

Charles de Gaulle, found temporarily proffered employment of their peculiarly treasonous talents in a place conveniently near to the Texas border of Mexico. Before the U.S. institutions which had been led by President Kennedy could recognize what had actually happened as the assassination of President Kennedy, the U.S.A. had been plunged into a calamity from which it has never recovered, from the lasting effects of that assassination against both the spirit and principle of our nation and its people, all chiefly due to the effects of the continuing "cover up" of the realities of that assassination.

The "cover-up" of the facts of the assassination had created a spirit of increasingly hysterical desperation among our citizens, beginning already at that time. Our loyal citizens hated and distrusted the experience thrust down their throats by the cover-up, but foresaw no remedy for lacking the needed proof which would have encouraged them to wreak justice on the relevant actual evil-doers, once the truth were actually uncovered. The new war in Indo-China, its prolongation, and its sheer folly, brought on the drugs and other moral sicknesses of degeneration of our youth of that time, a degeneration by aid of which British imperial interests had ruined us, up through the present time.

So, from the launching of that war in Indo-China which leaders such as President Kennedy and General

Douglas MacArthur had been committed to prevent, the U.S.A. has never actually become its true full self again, up through the present date.

Now, about this, some crucial sort of further explanation, all this from me, is very much in order. Very few among well-known political economists today, if there were actually sufficiently competent ones among those of my professional U.S. rivals still actually existing, have shown much actual competence on the subject of the urgently needed remedial principles of a successful system of national economy.

Could Our Republic Now Survive?

Any actually sane economy, represents a blessed state which is presently far, and now long removed from the top-down policy-shaping of our nation today. Such a needed, but lacking spirit of sanity, which is to be expressed in credit uttered as national credit, must be secured by emphasis, not on merely monetarist schemes, but on those same principles of economy embedded in the legacy of the American Revolution, and as in the incumbencies of both President George Washington and the world's leading economist of that time, Treasury Secretary Alexander Hamilton. All of those achievements were expressed then, despite the political American skunks bearing a contrary set of opinions on policy, then as now.

Therefore, we must now turn to rely on technically upgraded energy-flux densities of physical-productive capabilities, as so defined in terms of both quality and scale. Improved capabilities in scale, as per-capita and per unit increase in productivity of productive forces, are the means for a recovery of the type which had been required in the immediate post-war economic programs, and are still more urgently required for our republic since that time.

Thus, we have suffered the treason against our United States and its systemic intentions which the persistently treasonous President Andrew Jackson had accomplished, as if despite himself, in turning the top-down control of our nation into the control by British monetarist agencies under the Manhattan-centered colonies of the imported British monetarist tyrannies.

So, ultimately, since the assassinations of President John Fitzgerald Kennedy and his brother Robert, these same treasonous influences have been, more and more the representatives of a trend of predominance of what have been chiefly swindles, such as the repeal of the original Glass-Steagall law, or such as the mere farces

which had created a vast and essentially unnecessary level of net accumulation of hyper-inflationary, now intrinsically worthless national debt now accumulated under the Barack Obama administration.

The principal source of such a post-war economic problem for our nation, had been, historically, at first, the result of Churchill's policy of forcing a prolonging of World War II into an earlier mobilization for new wars, through stalling on the principal objectives for the Allies' war-time achievements, into the kind of diversionary battlefield-swindles sort of warfare typified by the model fraud of the British command under high-pitched, squeaking, Field Marshall Montgomery: strategic policies of a type which prompted the complications which delayed the essential victory to a point much later than would have been required, had the leaders like Generals Douglas MacArthur and his associate Dwight D. Eisenhower not been burdened by the wicked schemes of Winston Churchill and his slippery tribes.⁴

Relevant Reflections on My Past

I have had some relevant personal experiences, not in combat as such, but bearing on that war-time and related experience which I had known, especially during both my own youthful experiences as a soldier in India and Burma, and from my relevant associations in Europe and elsewhere, decades later.

For example: with the death of President Franklin Roosevelt, the essential issue was the Truman administration's capitulation to the policies which would be demanded as part of the role of Britain's Winston Churchill in bringing about the wasteful, and (for us) implicitly treasonous dissipation of convertible productive potential which was "frittered away" under the shared policies of both Churchill and Truman. Such has been all-

4. "Squeaky" Montgomery was notorious, not only for his racist sentimentalities, but for his sundry incompetencies expressed during the course of World War II. Montgomery flubbed his opportunity to rout the flank of the Afrika Korps in retreat, and that repeatedly, notably in respect to Rommel's retreat toward East Africa's Mediterranean coast. The same must also be said of the case of Sicily, and the monstrous fraud in deployment of forces under the British command of Montgomery, as both in Sicily, then, and in the Low Countries, later, when a break-through into Germany under Patton was otherwise virtually assured, as in Montgomery's customarily silly way of betraying his nation's allies, as also to be seen in the comparison to Patton's decisive strategic flanking operation in Sicily. Admittedly, Patton himself could be troublesome in respect to his own form of dissident choice of agenda, but that is a different, if ugly matter.



Unemployment lines in Chicago during the 1958 recession. The Truman Administration had “frittered away” the potential of the wartime military industry, and the problem continued, albeit with some efforts at improvement, in the Eisenhower Administrations. LaRouche forecast this recession at the time, as a result of the policies of deindustrialization.

too-frequently our Presidents’ legacy as I have outlined the principal points above: that became the state of affairs once President Franklin Roosevelt’s death had cleared the way for Truman’s complicity with that ugly, post-war direction which led us into the ugly farce of the 1948 U.S. election.

That much said, now, in preparation, I tell a little personal, but nonetheless revealing story from the concluding period of World War II warfare, as follows:

An Evening in Kanchrapara

At a certain pregnant moment of a few weeks duration, I had been stationed in what also served as an India-based U.S. encampment, Kanchrapara, which I encountered twice in my assignments to that location. The first, was the occasion on which President Franklin Roosevelt’s death had just been reported to us. That evening there, brought a number of my associates in the U.S. Army service to murmur their proposal for my agreement to a discussion to be held by me, discreetly, there, after that nightfall. I was not surprised by the nature of the subject which would be presented to me for my reply, by later during that same evening.

My very first response to those colleagues gathered under that evening dusk in Bengal’s Kanchrapara, was to acknowledge the clearly shared intention which had brought us together for this brief moment of discussion. The summary of my opening response to the question,

resonates for me clearly to the present day:

I had said: “We have been under the leadership of a great President. Now he is gone. The new President is a very little man, and, therefore, I am afraid for all of us.”

Then, I concluded with briefly stated, additional words conforming to my intention: *We shall do what we have to do, in our duty in the war now still before us.*

Even after our war were over, in a later time when I had left northern Burma’s Myitkina, but remained in India for a time approaching a half year, I had concluded my journey in military service in India with devotion to what was, for me, a new global mission, for which my implied earlier oath to the memory of President Franklin D. Roosevelt, was continued as my devotion through to the time of the present date here and now.⁵

There was no specific plan in my initial reorientation back in the United States; there was only a sense of a continuing commitment to a qualified dedication to the legacy of service which was continued for me in the circumstances which had become the often dismal habitat of a United States under the wretched Truman.

For the most part, during the period after the death of President Franklin Roosevelt, in my travels in service abroad, the spirit which I had shared, briefly, with some comrades in the weeks immediately following the news of the death of President Roosevelt, “got lost” somewhere, somehow, between that event, and my remaining time in Asia.

Later, when I had been shifted from a post-war Northern Burma, and then back into Bengal, there was something alien in the contrast between the typical outlook of those veterans who had been already returned, only slightly earlier, from overseas service then, chiefly back into our United States, and those who remained some months, as I did, in India. On that point, my present judgment of the cause and nature of the difference in my war-time and later experience, has continued to be “instinctively” correct, if to be seen today only in the general outlines of my relevant experience. This has served as the political ground on which, so to speak, I have walked, ever since, to the present moments of today.

5. Cf. “MacArthur & Eisenhower,” *op. cit.*



www.med-dept.com/unit_histories

Medical units in Myitkyina, Burma, during World War II. LaRouche was deployed here for a time as a medic (although as far as the editors know, he is not in this photo).

What Is Really Physical Science?

However, there was another, crucial factor respecting the background of my personal experience, which had actually come to the surface earlier. That was most readily typified by my good fortune in rejection of the dogma specified for classes in Euclidean geometry.

The rejection had dawned on the day I had first left, bitterly shocked, from the classroom in “Plane Geometry,” and has persisted ever after. In that moment I was experiencing the benefits, and also the certain sort of hazards of knowing with appropriate certainty, that “Euclidean geometry” is an ontological fraud. This had been the knowledge of a fact which had, so to speak, “fallen upon me,” from my observations of what I recognized as being an exemplary definition of the meaning of “physical science,” rather than the relative silliness of a mere Euclidean geometry. The latter conclusion had been expressed in observations which I had made, initially, as an outcome of a series of what were repeated as occasional, and somewhat inspired visits to the site of the intrinsically high-rise construction in progress at Boston’s Charlestown Navy Yard.

Physics does not find any natural alternative in either plane, or solid geometry, when either, or both are considered as merely mathematics as such.

The relevant point of what I have stated in this report this far, had had the effect, of planting in me a strong, and growing, systemic kind of hostility to the legacy of the Newtonian dogma which was customarily prescribed in the secondary schools which I attended, and, also, my qualms concerning mathematics as such at the

university at which I was instructed to repeat what I had already experienced in the settings defined directly, or implicitly, by a Senior High School education.

More important than those concerns, was the fact that I was virtually “driven” into emphasis on Classical artistic culture as the needed escape from that in which I could never permit myself to believe as a mere mathematics. It was not to be considered as a flight from the “linear” basis of commonplace entries into a linearized physics, which had prompted that preference. My reaction was one of sensing an inherent fraud in what my contemporaries and relevant others seemed to believe, believed essentially because what most among us had been induced to “really believe,” was the importance of

submitting to demands for showing respect for whatever sort of “popularized opinion” which a virtual “mere luck of the draw” had supplied. It was real physics, not the prattle attributed to the silly witchcraft doctor, Isaac Newton, which I desired most passionately. Nicholas of Cusa supplied an enriched confidence in such matters.

Now, at my present age, many things have tended to become much clearer. It is here, that that mission, not mere sense-perception, supplies the definition of one’s actually efficient purpose in life. My stunning experience with the work of the famous Nicolas of Cusa, and of the connection of Cusa’s discoveries to the solution for the essential principle of physics presented by the great discoveries of principle by Johannes Kepler, and the found distinctions lurking still in the discoveries of Bernhard Riemann, and, then Max Planck and Albert Einstein, most readily locate the implications of Riemann’s crucially needed contributions to the cause of humanity.

As in all which I have repeatedly emphasized on this account, the most significant fraud against which I have contended, has been that located in my experienced association with the reductionists’ attacks on such followers of Cusa, as Kepler, Leibniz, et al. The latter’s discoveries had been already accomplished “as fundamental,” as prior in authority to the great hoax of Newtonian delusions which had waited upon the delivery of news of a certified death of Leibniz, before launching that complete hoax which had become “Newtonian physics.” There is no actually competent basis

for attempted rejection of the specific fact which I have emphasized here and now on that account.

The summary proof runs as follows.

The crucial error underlying the modern systemic blunders inherent in any reliance on a so-called “principle of sense-perception,” is the credulous “believer’s” desire to be accepted as sharing the corruption implicit in a common folly of the Newtonian tradition. The actually criminal aspect of that Newtonian fraud, has been a commonplace attempt by the standards of today’s world, an attempt to derive physical science from experiments located within the mere presumption that universal principles must depend upon experience bounded within the fancied domain of mere tastes in sense-perception.

That credulousness to which I have just pointed, has been the popular great idiocy which may be justly attributed to the antecedents and consequences of a reductionist dogma introduced by the likes of such oligarchists as Aristotle and Euclid. It has been chiefly the discoveries of Cardinal Nicholas of Cusa, and of his faithful student Johannes Kepler, in which the history of an actual physical science is to be centered, as in the entire sweep of an anti-Newtonian, actual progress situated within the context of a type of modern physical science exemplified by the explicit arguments of such notable true physicists and “Kings of Science” as Gottfried Leibniz, and such among his followers as Gauss, Lejeune Dirichlet, Bernhard Riemann, Max Planck, and Albert Einstein, all to be summoned against the plague of the Twentieth-century reductionists.

It is not “sense-perception” which defines the actual “laws of the universe,” but the laws of the universe are those which must be recognized as properly determining the nature of the principles on which a correct assumption respecting the shadowy mere experience of sense-perception must be founded.

The root of the confusion against which I am objecting here, is the intrinsically Newtonian error of defining physical science as a substratum of what is merely mathematics, rather than the physical science of a Nicholas of Cusa, a Johannes Kepler, a Gottfried Leibniz, et al. The crucial quality of arbitrary error to be corrected, or simply recognized as foolishness and eliminated, is the presumption that mathematics defines physical science, whereas precisely the opposite is the actual case: mathematics must be defined as being primarily a subordinate of the primary lawfulness of the universe, rather than being the ultimate futility of the practice of worship of the mere shadows cast as sense-perceptions.



NASA/Hubble Heritage Team

The exploration of Mars now coincides with “the crucially essential notion of a defense of Earth against deadly asteroids and comets.”

Enter the Case for Mars

Finally, on the same point emphasized here so far, mankind has scarcely begun to understand the more profound significance of the existence of Mars for mankind. “Curiosity” was not, by any fair standard, the first unmanned Mars-landing to gain significance along what had become standard lines; but, the justified concern of the threats to mankind on Earth, from what might be regarded as loose asteroids and comparable cases, has prompted a qualitative shift in the way in which the relationship between Earth’s and Mars’ orbits must now be redefined for the needs of defense of mankind. A certain consequence of the success of “Curiosity” now coincides with the crucially essential notion of a defense of Earth against deadly asteroids and comets. That practical concern changes essentially everything considered until now.

Now, the relationships expressed in terms of the speed of light between Earth and Mars, and also the reverse, assumes a foremost significance for devising a functional network of counterposed motions, at “the speed of light,” to be used by mankind, from, and to Earth.

Since present technologies in relatively immediate foresight, now threaten to be limited to those lapsed times of transit from Moon to Mars (and return) which fall critically short of the goal projected for thermonuclear-fusion-directed ascent-descent in the course of transit from Moon to Mars, and return: In the mean-

while, we must rely upon more modest goals of actually functional forms of a *transit of effects* between the two planets. It is the mapping of the contents of, and in the space between the Mars and Venus orbits, which has been already known by some relevant leading scientists of recent times, to be the most urgent goal required for developing a systematic pre-mapping for a systematic “defense of Earth.”

The most challenging threat to such early and later achievements in such directions, is presented to mankind, not by the notion of travel defined by systems connecting us to Mars, but in respect to the forced collapse of a scientific technology which is already represented by the corrupting influence of the so-called “Green Disease” represented by a reduction of the human population which already threatens a case for the vulnerability of mankind’s scientific potentials under the regime of human-population exterminations, exterminations which are currently prescribed by the British monarchy, and are spreading like a hyperactive cancer, or like the role of the wooden horse at Troy, into the other regions of our planet.

On this account, the present threat of the mass-exterminations which are now recommended so forcefully by Her Britannic Majesty’s pro-genocidal programs, now threatens, and that rather immediately, the extinction of our human species. No known species has been known to be enabled to survive the rigors of a reversal of all living species’ dependency on the indispensable increase of the energy-flux density required for the existence of all living species.

The typical examples of this threat to our human species, are to be located in the systemically absurd presumption that the laws of the universe might be adduced from simply those shadows cast for us as being merely sense-perceptions. It is the universe which casts the shadows in some mere part, which impresses the virtual footprints of sense-perception, if not the foot itself.

II. Against Current Reductionism

The beginning of actual science, is, therefore, to be located in the most essential of the distinctions of mankind from all other known species of living creatures: mankind’s specifically voluntary reliance on the ordering principle of successively higher energy-flux densities in the use of the equivalents of fire. A kindred functional characteristic is expressed in all successful

modes of life: any species which develops in an “undirection” of successively lower equivalents in the standard for what are “characteristically,” successively lower orders of “fire,” as Her Majesty the Queen of England has specified, is an inherently self-endangered species of any system of mixed kinds so measured in terms of lowered mean levels of relative energy-flux density.

In the special case of our human species, we soar toward the highest of the yet-conceived ontological levels of energy-flux density, as from chemical fuels, to nuclear, thence to thermonuclear, and thence to matter-antimatter standards, each and all of which energy-flux densities, are to be controlled by the willful intervention of mankind.

The case of Mars, as to be reconsidered from the standards required for the defense of Earth against asteroids and, hopefully, comets, already conveys a notion of the distinction of our human species of being implicitly an immortal species, if not actually as biologically immortal individual persons, in contrast to other qualities of presently knowable cases of forms of life.

This specific point of distinction of our human species, is complemented by another crucial distinction. Mankind is the only species presently known to us, which is potentially immortal as a species of ever-higher qualities of development within the universe, as, for example, the form of expression of immortality presented in **I Corinthians 13**. Or, to restate the same essential point, mankind is the only presently known type of living species, for our present experience, which is potentially capable of outliving, as a species, our essentially all-too-mortal, local Sun.

This ostensibly unique characteristic of our human species, is distinguished by its natural powers of qualitative creativity expressed in and of itself. The qualitative evolution inherent as a specifically natural quality of the human species-type itself, prescribes an infectious quality of the human mind as such, rather than the inherently mortal mere brain—a conception already touched upon in the definition of the human mind by Wolfgang Köhler and his senior Max Planck. It is the human mind, in its role as intrinsically a creatively evolutionary species, which encompasses and enriches the self-evolution of our human species. The mortal body wears out, or expires by other means; the effect of human progress through creativity, is an immortal quality of our species, in essential fact.

LAROUCHE WEBCAST

No to the Green Policy; Revive Our Credit System

Here is Lyndon LaRouche's opening presentation to his Dec. 7 Friday Webcast. The complete webcast, including the discussion which followed LaRouche's remarks, is archived at <http://larouhepac.com/webcasts2012>.

What I'm going to say today will cause a certain amount of difficulty in the audience, unless we pay close attention to some concepts which are not commonly recognized, which are actually crucial in this particular situation.

Now, the principal subject we're launching at this event today, is, we are taking the preconditions which are required to prevent the United States from going bankrupt. First of all is Glass-Steagall. But Glass-Steagall alone, by itself, cannot do anything miraculous in terms of changing things. But it *is* necessary to protect the banking system—that is the honest banking system—and prevent that from being corrupted by the kind of speculation which is being done now, for example, in terms of everything that the Federal government is doing which is wrong. Unless those things are changed, we are in trouble.

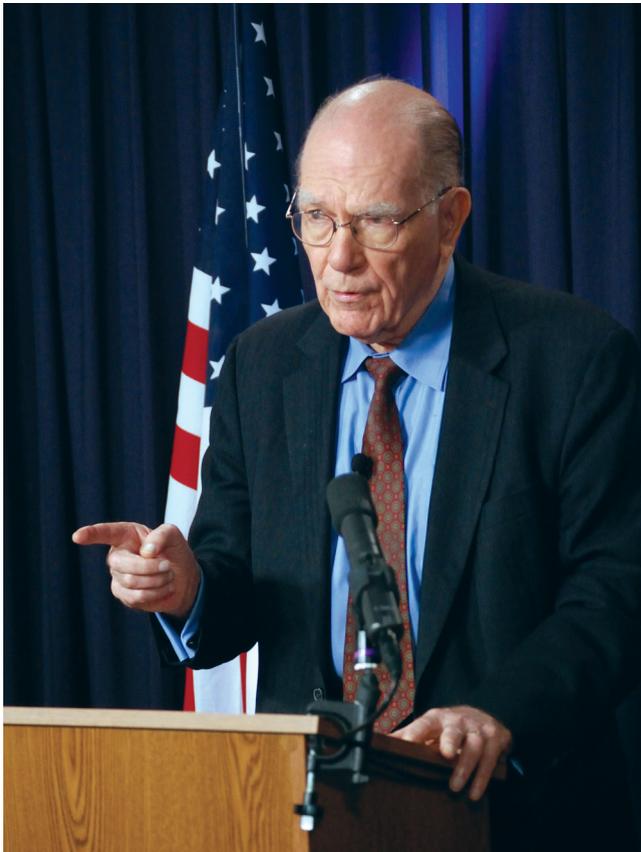
So Glass-Steagall is the actually indispensable action without which the United States' economy is not going to survive. And by not surviving, I mean something relatively immediate. The whole system is now going into the breaking-point of hectic irrationality, in which everything becomes chaotic. And this is the bail-out point which corresponds to what happened to Ger-

many, in October, approximately, of 1923, where everything went bankrupt. That's where we are.

However, as I say, Glass-Steagall is indispensable, but it does not contain a cure. It contains a preventive of gambling, and it is necessary. But here's where the problem comes in: We're going to be operating, not on the basis of the present system. That is, if the United States is going to survive; if the U.S. economy is not going to disintegrate entirely, what's going to have to happen, relatively immediately, now, is the installation of a credit system as the basis of actually creating the potential growth of the U.S. economy. That is, an inflation-free form of growth, or hyperinflation-free form of growth, as the matter is now.

And most people don't understand that, because they think that money placed in a bank, or a denomination of money placed in a bank or some other kind of institution—represents credit, the basis for credit. It does not. A credit system is based on the growth of per capita wealth, per person in society, or household per society. And that's very poorly understood, because the assumption that's made by all the people who are incompetent, ever since they were swallowed by whatever happened years ago, decades ago, is they assume that money deposited in a bank, or attributed to be deposited in a bank, represents value. *It does not.*

Money is a very tricky thing, money as such, because it has no intrinsic means of defending itself



EIRNS/Stuart Lewis

Glass-Steagall is the first step required to prevent the U.S. from going bankrupt, LaRouche said. But that must be followed immediately by the creation of a credit system to fuel the growth of the U.S. economy.

against hyperinflation, or other kinds of problems. So only a certain credit system is the key to this process.

What Is Meant by a ‘Credit System’?

Now, what happens is this. We have now three categories we’re considering. First of all, Glass-Steagall; that is an absolute. Glass-Steagall must be imposed as the original Glass-Steagall form. The Franklin Roosevelt Glass-Steagall is what must be done. Anything different than that should get somebody shot, because things are getting that bad these days.

The credit system: What do we mean by a credit system? That the Federal government organizes a system under which credit is uttered, and the anticipation is that there is a time factor, that if we assign a certain value to something as credit, we must assume that by the time that credit has been collected, or realized, that there will be growth in the value of the product, and growth in the value of the credit itself.

This can be interpreted in various ways—it can mean that things become cheaper, and therefore you have a gain, which is margin for profit, because things became cheaper, through productivity, for example, that kind of method. But otherwise, there is no other source of value in terms of money as such, merely as circulated, as is being done now with this hyperinflationary process which is going on now, which is about to destroy the United States. That cannot be tolerated.

So therefore, the value lies in what? It lies in physical values per capita. Now, this also includes the increase of the value of work, the value of production. Because what happens is as we become more efficient, we tend to go into higher technologies, these are more productive. And therefore, we have a difference between the point that the credit was issued first, and the time that it’s matured when the pay-off has to come.

So the assumption is, that an increase in productivity can take place in two ways—either in terms of the actual productivity, or the combination of an increase in productivity and also a decrease in the relative cost of the same item. We become more efficient; we can produce the same thing more cheaply. That’s another source. But the point is, the key to the whole system, is that you must realize that there must be an *increase* in the physical productive powers of labor, as expressed in terms of net production. That that must occur, and that’s the basis of the credit system. That’s where the question of the determination of value lies.

Now, if you want a stable system, you’ve got to have growth—physical growth—or improvement in efficiency of physical growth. So therefore, what you have is, by advancing credit, as if you were loaning money, this money must increase in value. Well, the money doesn’t actually increase in value; the cost of the product decreases in value, in terms of relative value. And that’s the basis of credit.

Credit does not lie in letting money sit in a bank; it must *do* something. It must change its character; it must be more *efficient*, or it must be more *enriching*. It means technological progress; it means higher rates of energy-flux density, which is an essential part of this. People are more skilled; they do a job which is a more skilled job; they produce more value with the same amount of nominal labor. That’s the system. *We must generate growth*. We must increase the productive power of labor. We must advance technology—absolutely. We must increase the energy-flux density flowing through the entire system.

So, all the myths which Republicans and Democrats alike believe in, with a kind of religious, or, shall we say, Satanic passion, are *wrong*. The generation of credit, as *real* credit, occurs *only* by the increase of the productive power of labor, as measured in *physical* terms. This means physical terms in the sense that people doing the same thing do it more efficiently, or do it at higher technology.

For example, increase of energy-flux density, in terms of higher density of power per capita. All these factors can lead to the creation of *credit potential*, on which real credit is based.

So, the basic reform, first of all, is that. The generation of credit is associated with the *credit system*, not with the simple Glass-Steagall system as such. Therefore, the Glass-Steagall system's function is to give us a *fixed* reference point from which to make the comparisons on which growth is determined. And that is something which is *not* understood, except by a rare few individuals on both sides of the Atlantic. And that's what the problem is.

So, therefore, the credit system as such: What does that mean? It means that the Federal government organizes transactions in society, such that the credit is being generated. In other words, if you are increasing productivity by new technologies, you're increasing the *value* of production; you're increasing the *value* of labor. And it's that growth in value associated with improvements in employment.

For example, when we employ people for doing nothing—which is what we tend to do these days, if we employ people at all—we're not really increasing credit, we're increasing hyperinflation, as is the case today. But the typical Republican of these times believes that money sitting in the bank, or sitting in someone's account—*sitting* there—is just sitting there, waiting to “grow.” And what they find out is they end up with inflation, but not an increase in actual value. And there's no real *increase* in credit.

Early Examples of Credit Systems

Let's take the case of—a nice, hard one: Let's go back to the middle of the period of the settlement of the Massachusetts Bay Colony. Then we had a system of credit which was set up in that colony, that you would make a commitment to complete something,



U.S. Navy/Specialist 3rd Class Jared King

The key to a sound economy, LaRouche stated, is that there must be an increase in the physical productive powers of labor, as expressed in terms of net production. Shown: a worker uses a cutting torch to fabricate a bracket.

which would be an increase in technology. Then you would find that that improvement in technology had increased the *value* of the outgoing credit which had been established. So, the Massachusetts Bay Colony, during this heyday of its growth, was actually the fastest-growing nation in the world, in terms of technology and in terms of its economic measurement. And only after the Massachusetts Bay Colony was crushed by the British interests, then it went back into a poorer condition.

The same thing was started in Pennsylvania, after Massachusetts had been pretty much crushed. And in Pennsylvania, with the influence of Benjamin Franklin, a number of things were done, based on the con-

cept of *paper credit*, paper money, because the paper money represented *credit*, but the credit did not lie in the money *as such*; it lay in the fact of the *improvement* in the productive powers of labor, either through just the improvement of skill as such, the improvement of working on the basis of a *productive* product, as opposed to a *useless* product; and so forth.

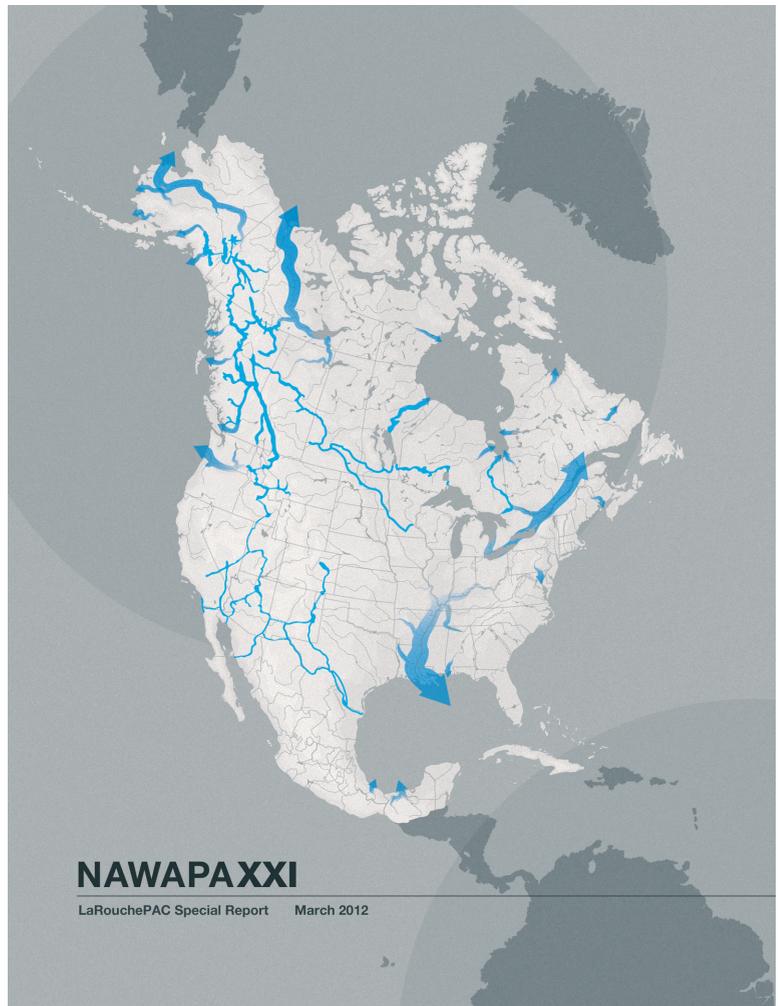
So it was actually a *physical* value in all cases: to increase the productivity of labor, relative to an earlier point in time, and some averaging of the whole process, of the productive circulation process, was to do that.

We're now in a hyperinflationary system, and it's about to crash. We're about to have the highest rate of inflation the United States has probably ever been through. And the problem is that people, including the Republican Party leaders, who are supposed to be hard-boiled, rational people—they're actually nuts! Their conception of the way the money system works is absolutely looney! The only thing that's more looney is the Democrats. Which means we do have a few improvements to make in our product.

Now, I mentioned these things so far: I emphasized credit, the credit *system*, and the credit system has been the basis for every successful period of growth of the United States, from its beginning—from *before* its beginning, from the Massachusetts Bay Colony, in its heyday. So, credit is the difference between the productivity of labor per capita *now*, and what it will be in the improvement over some point in time. So, it's the ratio of the improvement in *potential*, of *physical* potential, represented by advances in technology, or improvement in the rate of technology per capita of the population. And that's the basis.

NAWAPA, and the 'Make-Everything' Industry

Now, we have another aspect of this thing. The credit system as such works in terms of the money system; but the money system only works when it's treated as a credit system—then it works. But now we have—knowing that we get nothing out of Glass-Steagall in terms of gain—we don't get anything out of that as such, except to the degree we generate more credit,



LPAC

Under the reestablished national credit system, credit from the Federal government will flow into great projects, such as NAWAPA XXI, which will create millions of new productive jobs.

the realization of more credit. But in the case of the United States, we are so bankrupt, as the result of what has happened, particularly since 2007, but actually earlier—much earlier. But the worst period now has been since 2007, when the take-off occurred, leading into 2008, which led to the bailout money.

So, since that time, since 2007-2008, the United States has been on the road to an increasing rate of *bankruptcy*. And the result of that is a corresponding, increasing rate of *hyperinflation*.

We have a lot of labor we can't employ right now, under present conditions. The banking system does not have the capital to bring this labor, or the production, into being, as such. So, therefore, we have to find some projects which we're going to give credit to *from the*

Federal government. New Federal credit is going to be supplied to these projects.

These projects will employ some millions, actually, of people. One will be NAWAPA [the North American Water and Power Alliance]. NAWAPA is essential, not only because it *does* generate a lot of true value and growth; it changes the character of the water system of the United States; it improves the productive power of labor in every way you can imagine. And we're talking about 6 million jobs, right off the bat. They may not be too *efficient* at first. We have a few old hands who are now near retirement, or are into retirement actually, who are capable of organizing labor employed for this purpose, in order to get the thing rolling, to get this process of growth rolling. So, the NAWAPA, that's a big one.

Then we also have another category. You know what happened some years ago? We shut down the auto industry, essentially, inside the United States. Now, at that point, I was in the middle of this process, on policy. It was obvious to me—and we were boosting that at the time—Ford and some of the other industries were aware of this thing. What we had to do was go to what we did in World War II.

In World War II, the automobile industry, as it became known, was the *make-everything* industry. Airplanes, submarines, torpedoes—anything you wanted to mention—was made by the automobile industry. The greatest amount of *working-space* for this kind of production was under the heading of the auto industry. So, the auto industry, during this period of World War II, was the make-everything industry, and it became that as part of the build-up for fighting the war.

At the end of the war, we had this great potential, but what had happened is, you had a terrible President—Harry Truman—and this creep destroyed pretty much everything. He got so disgusting, that the citizens of the United States became disgusted with him, and they decided to dump him. So, we had a better, we had a real President then, after getting rid of this bum. But still it was not—

There was a lot there, but the auto industry of the 1950s also became *insane*—totally insane. And I was an expert sitting in the middle of this, and forecasting where this thing was going to go. And I had an early date in that period, in which I said it was going to collapse. And it did: The auto industry, and several other industries, went into a sudden collapse, exactly on the day I forecast it would happen.

Well, it was easy for me to forecast, because this involved a lot of contracts, and therefore if you know that something's going to crash, and you have the number of contracts, and the location of the contracts which are subject to this crash, then you can do a pretty good job of forecasting. But I specialize in the future; it's more interesting than the present or past. Sometimes it's worse, but sometimes it's a better experience.

So, therefore, the development of the *machine-tool driver*: What we lack is an expansion of the general category of a machine-tool driver. And with that, as a supplement to, or complement to what NAWAPA will do as a project, means that we can immediately move into—and I say immediately move *into*—an end to this chaos, and this insanity of the U.S. economy now. And we can move into a gradual but accelerating rate of recovery of the U.S. physical economy.

Therefore, we can generate the *credit* on the basis of that recovery. That credit will enable us to rebuild the U.S. economy. But we have to *earn* our way, by physical increments of real value. And that's the solution we need definitely.

Now, we have a real problem in agriculture. We have *deliberately*, intentionally, destroyed much of U.S. agriculture. On one part, this destruction of the U.S. economy, its agricultural sector, is a failure to respond to challenges in certain parts of the country. On the other part, it's actually a deliberate process of mass murder of the population.

Let me explain.

The Queen's 'Green Genocide' Program

The mass murder of the U.S. population which is now in progress, is a product of the British Empire, and it's a product of the Queen, herself. Because the Queen herself has adopted, as her responsibility—or her culpability, I guess, better said—in which she's saying “We've got to reduce the population of the planet; we've got to increase the death-rates of people; we've got to reduce the world's population from an estimated 7 billion people now, rapidly to slightly more than 1 billion.” And that's the genocide program. The “green” program is a genocide program! The green program means, “Don't do anything that's going to increase productivity!”

Now this is a sure recipe for one of two things: either hyperinflation, or mass murder—one of the two. And that's the policy of Obama. Mass murder and hyperin-

flation—both. And that’s going to become evident in a few weeks—if not *next* week. But in this immediate period, going into the next year, next calendar year, we’re headed for this kind of crisis: a hyperinflationary crisis.

Now, people are denying it, from the press circles and so forth, the usual gossip circles, but everyone at the same time knows it.

We’re also headed for the threat of a thermonuclear war. And everyone who’s in the military department, and really knows what’s going on in that department, among nations, knows we’re headed for a *thermonuclear war*, unless we change our policies. And the combination of the green policy—which is a mass-murder policy—together with this threat of thermonuclear war, which is now coming down upon us, means a general threat to the human species as a whole. You’re talking, as the Queen is talking about, a *sudden, rapid reduction* of the world’s population.

And mass murder is now occurring; it’s accelerated greatly under Obama already. The policies of Obama are actually policies of mass murder against the population: the canceling of health care, the elimination of whole categories of health care, and the acceleration of the death rate, by withholding medical facilities, withholding technology, withholding all kinds of defense against health problems.

So, that’s where we are now.

Mars, and the Defense of Earth

So, we have also something else to consider. It’s a very practical problem, which only a few people are paying attention to much now. And that is Mars.

Now, Mars is very important in this process, despite what some people don’t know. The Solar System of which we’re a part, is not a fixed system in a fixed position, doing the same-old, same-old, same-old, same-old from year to year to year.

The Solar System itself has a limit to its calculated pre-existence. Within 2 billion years, the Sun will go



The policy of the British Empire and its “green” shocktroops is population reduction worldwide by billions of people. Shown: Addle-brained greenies—these are in the Philippines—doing the Queen’s dirty work

away—that’s the general estimate of the trend right now. And when the Sun goes away, the brightness is going to go out of the universe, for people. So, therefore, we have to have a long-term consideration of what is happening.

We’re now getting an increase in the danger to mankind on Earth and elsewhere, from asteroids and comets, which are becoming an increasing menace to the continued existence of mankind, within the range, say, from the Mars orbit down to the Venus orbit. And this had been worked on for some time by some geniuses of the past, who understood the need to organize a defense of humanity on Earth in particular, against these kinds of dangers, these kinds of threats.

And therefore, it’s important for us, for this, and related reasons, that we look at the Mars project as we’ve defined it, as a *defense of Earth* project. That is, we are limited in our capability at present, even to *locate* the asteroid which may kill you in the morning. That’s the situation.

Now, obviously, we can do things about this, but it means a technological acceleration in that direction. And therefore, we have to say that mankind is no longer limited, as a matter of policy, to Earth itself. Because in order to defend Earth from mass killings—which are on the agenda—we don’t know when they’re going to hit in each case, because of the known objects out there,



NASA/JPL

The danger to Earth from asteroids and comets is a challenge that can be met by mankind's increasing mastery of the Solar System and beyond. Here, an artist's concept of NASA's Dawn satellite in orbit around the giant asteroid Vesta.

only a small fraction are actually known to us, identifiable to us, today—it's a tiny fraction. And therefore, we have a major effort to build up a system of detection and defense for mankind, operating within the range of the Mars orbit, and down to the Venus orbit, where all these most significant kinds of things are there. (Comets are a little bit different problem.)

So, therefore, we've reached the point that mankind must *move* from a limitation on living on Earth, to beginning to take over places like Mars.

Now, Curiosity is an example of something in that direction. Curiosity itself is not a solution to this problem, but it's a necessary step in the process of trying to deal with it. So, therefore, we're now going to have to think about integrating Man into the functions of the Solar System, at least in the region between the Mars orbit and the Venus orbit. Because that's the area we've got to solve.

So, all of these processes, therefore, come together in one thing: Mankind is now about to depart from the limitations on Earth habitation. Mankind is going into the Moon, to develop tunnels under the Moon's surface—the preparations for the mass attack

on the mission to Mars. Once we do that—once, say, a generation from now, with a hyper-density of energy-flux density—then we will be able to do that within, say, a week—a week between Moon and Mars landing. Once that is reached, mankind will have a more personally important role, direct role, in terms of this process.

But in the meantime, our job is to prepare the way for that process, and do as much as we can now, in trying to detect the threats to Earth, threats to mankind on Earth, in order to stave off the worst threats we face to now.

So that's the nature of our real task. We have a real task, and this tiddly-wink kind of thing about,

“We're going to fix that with this, with that scheme or other,” forget it! It's nonsense! Mankind's increase of the productive powers of labor, in terms of improved technology, increased energy-flux density! Everything about mankind's survival means energy-flux density increases. Without that, no luck, no survival.

Increasing Man's Intelligence

So mankind has to change his policy: Dump the Green policy, which is presently the greatest single threat to humanity, that's a killer! And we have to understand that it is the increase of man's intelligence, which means also scientific intelligence, the ability to create, the ability to generate higher energy-flux densities per capita and per square kilometer of territory—these are the standards on which credit is generated. It's to increase the population of the planet: increase it! Stop this killing people: increase it! Because we need more work done. We need, also, increases of the energy-flux density of the work being done. These are absolute necessities for us.

And the crap that's been shoved into us, all this

green crap, has just got to end. We have a population of the planet, and we need every damned individual on this planet: We need 'em! They have a purpose in existing, because they can become more productive, and as they become more productive, then their children become more productive, and so forth; mankind's ability to cope with these problems increases.

There is no such thing as overpopulation. There's *under-mentation*, and that's what the problem is.

So these are the considerations. You have to think of money as something of fixed value. You walk in with this *money*: "I got my *money*! My *money*! My *money*!" Right? "This is *my* money! I'm going to spend it the way I want to! You don't get any of my money!" That kind of thing. The Andrew Jackson kind of nonsense.

So the point is, we need every human being. We need them to live longer and better. We need them to become more creative. We need to have their children better educated, and developed. We need an increase of the potential productivity of the human force, per capita and per square kilometer, and those are the missions that we must fulfill.

There are many things we don't know yet, but these things we do know: The increase of productivity of labor per capita, with an increasing population, is the absolute necessity, which has to be coupled with the fact that mankind is no longer going to be content to sit on Earth and gossip about the neighbors.

At this point, mankind is going to take an active role in taking over the Mars orbit. We are going to be inhabiting it with all kinds of instruments and so forth that we put there. We're going to learn how to control these asteroids that threaten us. We have a very poor track on it now. We're going to learn how to use planets as communications devices, in this process.

These are the things that we must do. And every step we take in this matter increases the productive powers of labor, makes people smarter, makes them more capable, gives them greater incentive, makes them happier. And that's what we must do.

And all these solutions—which are not solutions, they're actually threats. The Green problem is not a solution to anything. It's a threat to humanity! Green people are a threat to humanity.

Have fun!

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A CHRISTMAS MESSAGE: PEACE ON EARTH?

Will Humanity Have Any Future at All?

by Helga Zepp-LaRouche

Dec. 14—It was the same before the two world wars of the 20th Century: The preparations for the great war were going full blast, and everyone should have recognized the handwriting on the wall. But the masses of people were busy living their day-to-day lives, going along to get along. Those who sounded the alarm were few, and their words were ignored.

It is the same, or even worse, today: Western civilization is driving at full speed over the cliff. The deteriorating situation in the Middle East brings us closer every day to a thermonuclear World War III, but governments and parties are making increasingly insane decisions and are apparently unable to think through the consequences of their actions, like sleepwalkers who totter blindfolded on a tightrope over the abyss. Unless we change the direction of politics fundamentally, this Christmas may perhaps be the last.

No image but that of the sleepwalkers could aptly characterize the vote in the Bun-

destag for deployment to Turkey of two Patriot air defense systems, AWACS reconnaissance aircraft, and 400 German soldiers. The Bundestag members were apparently intoxicated by their own political slogans and once again proved that they will not allow themselves to be confused by the facts. If there really were



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Zepp-LaRouche's Christmas message: If you want peace on Earth, mobilize to stop thermonuclear war. While many wrap themselves in holiday fantasies at this time of year, thinking people realize that urgent solutions have to be implemented fast. Shown is a Christmas market in Germany.

only a threat from Syria, the Mantis short-range protection system would be much more suitable, whereas the deployment of the Patriot air defense systems—there will also be two batteries from the U.S. and the Netherlands moved to Turkey—is part of the NATO forward strategy, in preparation for an imminent confrontation with Iran. And this, as every Middle East expert worthy of the name knows, a war against Iran means a great war with Russia and China. If this war occurs, it will be thermonuclear, and will probably wipe out all mankind, in just an hour and a half.

Escalation Against Syria

The fact that the U.S., British, and French governments have recognized the Syrian opposition as the legitimate representative of Syria, has also opened the possibility for a much more direct intervention into the fighting in Syria. *Russia Today* quoted in this context one of the editors of *Foreign Policy*, Conn Hallinan: “This means that heavy weapons will be deployed. Potentially, there will be a no-fly zone. So it’s really an open declaration of war against the Assad regime.” A no-fly zone can of course only be enforced by military means. Therefore, the argument that the deployment of the Patriots is a purely defensive measure is an incredible sham.

But who is this Syrian opposition? After the U.S. State Department finally put the Islamist al-Nusra Front, an offshoot of al-Qaeda in Iraq, on the list of terrorist organizations this week, the recently designated leader of the Syrian opposition, Mouaz Alkhatib, announced to the participants at the conference of the “Friends of Syria” in Morocco that this characterization of al-Nusra must be reversed. The only thing that counts, he maintained, is that the guns of rebels be directed at the Assad regime.

Opponents of the regime organized solidarity rallies for al-Nusra after the Friday prayers in several cities in Syria, and shouted slogans such as: “The people want the Islamic Caliphate,” and “God save the al-Nusra Front.” Many had called for these rallies with the slogan: “No to U.S. intervention—we are all Jabhet al-Nusra.” The al-Nusra Front claims credit for more than 500 armed attacks.

The fact is that all Western governments know that the so-called Syrian opposition consists largely of members of al-Qaeda, radical Islamist Salafists, and mercenaries from over 100 countries, which are funded by Saudi Arabia and Qatar. It is also true that the policy



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Christian Democratic parliamentarian Andreas Schockenhoff outrageously avows that since Russia and China keep vetoing UN Security Council resolutions against Syria, NATO has no choice but to supply the rebels with weapons.

of Zbigniew Brzezinski from the 1970s and 80s, to build up the mujahideen in Afghanistan to fight the Soviet Union, created a hydra which has produced since then many new heads and radical Islamist organizations. It is also the fact that the British government and the Obama Administration unscrupulously use these organizations to continue the policy of regime change, which, since the collapse of the Soviet Union in 1991, has attempted to sweep aside all governments that oppose the establishment of an Anglo-American empire.

A Rubicon for Germany?

It is all the more egregious that the outrageous CDU parliamentarian Andreas Schockenhoff, who makes every effort to ruin the relationship between Germany and Russia, and has already been accused by the Russian government of undermining basic norms of international law, demonstrated once again during the Bundestag debate over the deployment of Patriot missiles that he is entirely indifferent to international law. He said, “Since the UN Security Council remains deadlocked and has been unable to take effective action, no other course was possible than to supply the

Syrian opposition with weapons to stop the Syrian regime.”

Hello, Mr. Schockenhoff! The design of the UN Security Council may not be perfect, but whoever circumvents the competence of this supreme body of the international community to decide on war or peace, in order to supply the opposition to a sovereign state with weapons, has identified himself as a follower of a legal concept that is neither in accordance with the UN Charter nor with the German Constitution. Where is the *Verfassungsschutz* [German equivalent of the FBI] when we need it?

Since Schockenhoff has the nerve to charge that Russia’s and China’s use of their vetoes has led in effect to the activity in Syria of “forces such as al-Qaeda,” then we have to ask whose business Schockenhoff is actually conducting—he certainly does not represent the interests of Germany. His party colleagues should take a closer look at the results of the hearings in the U.S. Congress on the Benghazi scandal, pertaining to the role of al-Qaeda in Iraq, Libya, and Syria, or the articles and speeches of real patriots in the U.S., such as Republican Congressman Walter Jones, Colin Powell’s former chief of staff Lawrence Wilkerson, and the lawyers Bruce Fein and Francis Boyle. They are among the brave people sounding the alarm who should be listened to if a third, thermonuclear, world war is to be prevented.

The parliamentary vote on the Patriot deployment has not been mentioned once, even in some of the “alternative” online media, although it may well have been the Rubicon for Germany’s active participation in a policy that is a shortcut to disaster. [Former Chancellor Gerhard] Schröder and [Foreign Minister Guido] Westerwelle at least had the good sense to refuse to participate in the wars against Iraq and Libya. This inattention by the press is symptomatic of the methods by which politicians and the “politically correct” media make scandalous efforts to disguise the fact that we are on the verge of losing all the accomplishments of modern society, of sovereign republics as nations that are committed to the common good and the dignity of free individuals.

International law, as it developed from the Peace of Westphalia to the UN Charter, is currently being trampled on around the globe by the so-called Blair Doctrine and the idea of imperial “humanitarian” interventions, without even so much as a public debate. The freedom of collective bargaining for the unions of the

EU was also laid to rest by the Troika [IMF, European Central Bank, EU Commission], as in the United States by the newly adopted “right to work” law in Michigan, without the same unions taking to the streets.

In the health systems of the U.S. and the EU there is blatant triage in the tradition of Hitler’s “Tiergarten 4” arrangement, by which certain groups—newborns with birth defects or the elderly or the sick—are cut off from life-saving care, without the legislators who are responsible being hauled before the Nuremberg trials, even though we have long been on the “slippery slope” described by Dr. Leo Alexander.¹

For a long time, step by step, we have been stripped of everything for which many generations before us fought, so that their children and grandchildren might have a better life; everything is being sacrificed on the great altar of maximum profit. The quality of our food is getting worse, except at the gourmet shops for the wealthy. The quality of our clothing is increasingly determined by “one euro” shops and cheap production in Third World countries, where modern-day slavery is the rule. The entertainment industry designs our leisure products, which are more and more on the “one-euro standard.”

Another symptom is the descent of television’s Thomas Gottschalk as the nation’s leading mind-killing airhead, from the program “Wetten, dass?” [the German equivalent of the American game show “Wanna Bet?”] to the even more banal “Das Supertalent” show with Dieter Bohlen. Anyone who thought that the youth culture had hit bottom with Britney Spears has to experience the cult of ugliness with Lady Gaga and now the consummate stupidity of “Psy.”

While the masses march over the cliff like lemmings, nestled comfortably in the mainstream of public opinion, more and more of our thinking contemporaries realize that we in a systemic collapse. Everything depends on that 5%, or at best, 10% of the population turning in time to the solutions offered by the BüSo [Civil Rights Solidarity Movement]: a two-tier banking system, a credit system, an economic development program, and renaissance of Classical culture.

Take advantage of Christmas to reflect on that. Work with us!

Translated from German by Daniel Platt

1. See Nancy Spannaus, “Nazi Precedent for Obama Health Plan: Its Now Time To Insist—Never Again!” *EIR*, May 22, 2009.

Putin Tells Nation, World Faces Watershed

by Rachel Douglas

Dec. 12—Russian President Vladimir Putin today delivered a fiercely patriotic speech to the Russian nation, in his first annual Message to the Federal Assembly since resuming office as President last Spring. At the outset of the 80-minute presentation, Putin announced that he would not repeat his policy program, outlined in Presidential decrees issued in May, nor report on its implementation. Rather, he said he would address “certain matters of principle for our moving forward—matters of principle not only for the medium term, but for the long term, for the present and the future of Russia.” He said that this was the proper approach because, “I want us all to understand distinctly, that the years immediately ahead will be watershed years, not only for us, but for the entire world, which is entering a period of fundamental changes and perhaps even shocks.”

In a 21st Century fraught with “grounds for new economic, geopolitical, and ethnic conflicts,” said Putin, “Russia must be a sovereign and influential nation.” He went on to discuss the cultural, moral, demographic, and economic dimensions of this challenge.

Reaffirming Russian Identity

Putin devoted the first half of the speech to Russia’s survival, sovereignty, and identity, with a focus on demography and moral values.

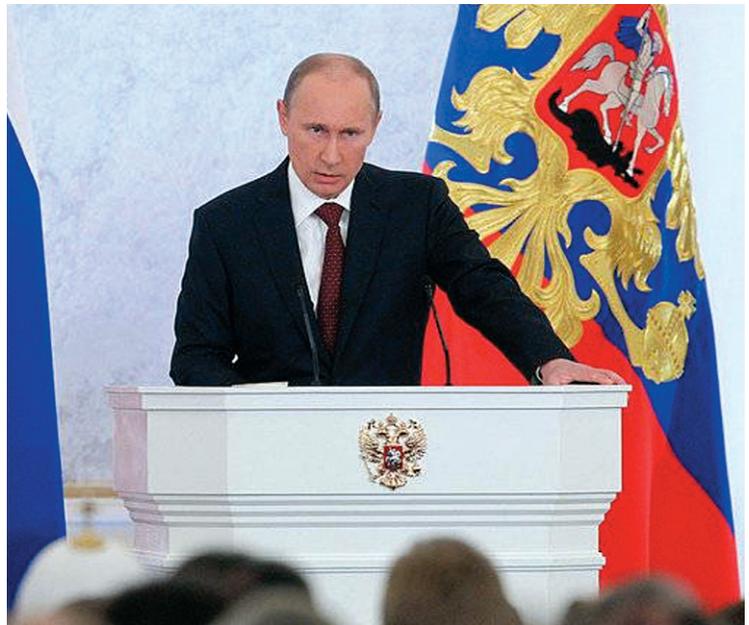
A recurring polemic was that a patriot aims to serve society and the nation, above all, and not merely as a byproduct of seeking personal gain. He lamented that when the ideology of the Soviet Union was discarded after 1991, “we threw the baby out with the dirty bathwater,” so that “on the streets of our cities and towns today, we see the results of what happened in the state, in society, in the schools, in the media, and even in our heads, over the past 15-20 years. . . . Many moral

guidelines were lost. . . . Today, that is manifested in the form of indifference to public affairs, readiness to accept corruption, blatant money-grubbing, extremism, and offensive behavior.”

These things are a long-term threat to Russia’s security and integrity as a nation. Putin outlined a range of areas—from the teaching of Russian literature in the schools, to perpetuation of the memory of the country’s military ordeals and heroes—in which action should be taken to maintain the moral foundations of society.

He declared that population growth is a national security priority. This year, for the first time in two decades, births have begun to surpass deaths in Russia, he said, but mortality from working conditions, road accidents, smoking, alcohol, and drug addiction are still causing “hundreds of thousands” of premature deaths. He stated a commitment to ongoing measures to make young people want to stay in Russia, and to create conditions for family-formation, with a norm of three children per family.

Putin discussed both his commitment to rooting out corruption (which, in a Dec. 9 meeting with his former campaign supporters, he said was not an “anti-corruption campaign,” but rather “it’s our policy”), and combining greater access to the media and political activity in Russia, with strict legality. “What kind of confidence



Presidential Press and Information Office

“Russia,” Putin stated in his address to the nation, “stands for principles of coordinated collective actions to solve the problems of our time.”

will people have in an official or a politician,” he asked, “who makes loud proclamations about the good of Russia, but tries to keep his own resources and money abroad? I ask your support for legislation limiting the right of officials and politicians to hold accounts, securities, or shares abroad. Don’t applaud yet. You may not like everything here.” He added that the restrictions should apply to the immediate family members of officials, as well.

Economic Policy Shift?

Besides opposing personal financial holdings abroad, Putin, in the economic section of his report also set forth a perspective of starting a radical and long-overdue change in Russia’s economy, for which he used a new Russian word, *deoffshorizatsiya*—meaning, “de-offshore-ing” of the economy. Currently, he acknowledged, 90% of all major deals done by Russian companies, including state-owned companies, are conducted in offshore jurisdictions, so that they are not subject to Russian law! (This is the “Pirates of the Caribbean” phenomenon, featured in *EIR*, April 30, 2010.) Putin demanded that the government present laws for *deoffshorizatsiya* in the near future. Prime Minister Dmitri Medvedev and Deputy Prime Ministers Igor Shuvalov and Arkady Dvorkovich, the latter two of whom have championed the offshore cause—listened somberly and intently.

Putin developed several important lines of discussion of economic policy, implying some major changes, although not all the implications were spelled out. He introduced this section by saying, “We cannot be satisfied with the current situation, when Russia’s budget and social spending are essentially held hostage to the financial and raw materials markets of other countries. We have said many times that a preponderantly raw-materials economy is not only vulnerable to external shocks.” It also, he elaborated, blocks the development of Russia and its population. Furthermore, “the potential of the raw-materials model has been exhausted, at a time when Russia needs annual growth of at least 5 or 6% in the coming decades.”

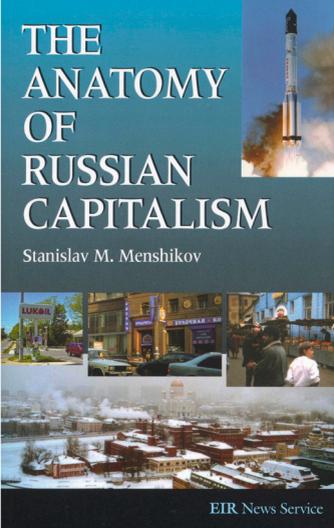
While not challenging the practice of setting aside oil and gas export earnings in a Reserve Fund and a National Welfare Fund (a monetarist practice that has actually been revamped and consolidated in recent months), Putin said that at least any Welfare Fund accumulations in excess of 7% of GDP should begin to be invested in government securities to finance infrastruc-

ture. This could start in 2013, he said, albeit at the low level of 100 billion rubles (around \$3.2 billion).

Demonstrating the lack of a full credit-system concept in Russia today, Putin otherwise said that Russia needed to forge ahead with making the country “more attractive for investors,” in order to get the “long-term money” needed for development.

The economic discussion in the speech also touched on the “Eastern vector”—the development of Siberia and the Far East—which was the subject of a recent State Council session; the importance of upgrading the Northern Sea Route along the Arctic Coast, the Baikal-Amur Railway, and the Trans-Siberian Railroad; the importance of the Eurasian integration programs of the Customs Union (Russia—Belarus—Kazakhstan) and the Eurasian Union now being formed.

Near the conclusion, Putin said that some people believe that “chaos management” is the right approach to conflicts in a multipolar world. “Russia,” he countered, “stands for principles of coordinated collective actions to solve the problems of our time.”



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Obama Follows British Lead Toward Igniting World War

by Jeffrey Steinberg

Dec. 16—British Prime Minister David Cameron continued to play the role of leading provocateur for World War III this week, pressing for the European Union heads of state to end the arms embargo of Syria in order to provide full military support for the Western-backed rebels seeking to overthrow the Bashar al-Assad government. Cameron pressed for EU military aid, and has already declared that Britain is prepared to provide naval and air support to the rebels, which is tantamount to a declaration of war.

At the Dec. 10 EU meeting, Cameron met with strong resistance from a number of heads of state, including German Chancellor Angela Merkel. Yet, on Dec. 14 the German Bundestag approved the deployment of Patriot missile batteries to southern Turkey.

But on this side of the Atlantic, Her Majesty's Prime Minister had no problems. Cameron's strongest ally continues to be President Barack Obama, who had Defense Secretary Leon Panetta announce Dec. 14 that the U.S. will also deploy Patriot missile batteries to Turkey. Unlike Germany and the Netherlands, where parliamentary approval was obtained, President Obama has once again effectively torn up the U.S. Constitution by deploying American troops (expected to number 400) into combat without getting permission from Congress, as mandated by Article I, Section 8 of the Constitution, which gives Congress the exclusive authority to declare war.

For Obama, Syria is a replay of his flagrant refusal to go to Congress for war authorization during the Libya no-fly zone and air war, which led to the over-

throw and assassination of Muammar Qaddafi and the virtual takeover of the country by al-Qaeda terrorist networks bankrolled and supported from Britain and Saudi Arabia.

Black Propaganda

No one in his right mind can buy the line that the deployment of the Patriot batteries to southern Turkey is a purely defensive move to “protect a NATO ally.” For the past month, the Western media has been conducting a wartime-style black-propaganda campaign against the Assad government, accusing it of plotting the use of chemical weapons against its own people, and then charging Assad with firing Scud missiles into rebel-held areas near the Turkish border. After a week, even Panetta admitted that there was “evidence” that movements of Syrian chemical-weapons stockpiles had stopped, but the Blair-like lie about the threat of weapons of mass destruction continues.

Claims that the Syrian government had fired Scud missiles was another attempt to provoke intervention. The claims were officially denied by the Assad government, and well-known military analyst Col. Patrick Lang (USA-ret.), former head of the Defense Intelligence Agency's Middle East section, who ran all DIA human intelligence operations, pointed out that photos of the alleged Scud missiles, published in the Murdoch press were not Scuds, but American-made multiple-launch rockets—which Syria does not even possess.

The escalation of wartime propaganda is, in part,



White House/Pete Souza

Prime Minister Cameron and President Obama outside 10 Downing Street in May 2011. They are pushing for war against Syria, and courting World War III with Russia and China.

aimed at diverting attention from the fact that the armed Syrian opposition, backed by Washington, London, Paris, and Ankara, is dominated by al-Qaeda fighters. Last week, the U.S. State Department placed the Syrian-based al-Qaeda group, the al-Nusra Front, on its list of Foreign Terrorist Organizations, in what was seen widely as an effort to distance Washington from al-Qaeda elements in the Syrian rebel force. The effort backfired when the Western-backed head of the opposition coalition that has been recognized by Washington, London, and Paris as the legitimate representative of the Syrian people, publicly attacked the Obama Administration for classifying al-Nusra as terrorist.

Ahmed Moaz al-Khatib, the new head of the anti-Assad coalition, who met with the EU heads of state at a special meeting over the weekend, and is due to visit Washington in the coming days, vowed to continue to work closely with al-Nusra, and announced he would lobby the Obama Administration to reverse the decision.

Al-Nusra has been identified by the State Department as a direct offshoot of al-Qaeda in Iraq. It is made up predominantly of Syrian and Iraqi jihadists who fought against the American occupation of Iraq for years, and more recently crossed into Syria to fight against Assad. The group is widely admitted to be the only effective fighting force against the Syrian Army, carrying out suicide bombings that have killed top regime officials, and conducting massacres of civilians.

In a direct blow to the Obama Administration, demonstrations took place all across Syria Dec. 14, in support of al-Nusra and denouncing the American President.

Determined Opposition

Russian Foreign Minister Sergei Lavrov strongly denounced the support for the jihadists by NATO countries, and accused the United States and others of violating the very Geneva agreement that they all signed in June 2012, vowing to seek a ceasefire and a political settlement to the Syrian crisis. As Lyndon LaRouche has repeatedly warned for the past year, the real target of the Libya and Syria regime-change invasions has been Russia and China. In a Dec. 8 interview with *Russia Today*, Col. Lawrence Wilkerson, former chief of staff to Secretary of State Colin Powell, similarly warned that a direct U.S. or NATO intervention into Syria would lead to a conflict with Russia and China,

which could lead to general world war. LaRouche has said that any conflict involving the United States, Russia, and China would lead to the use of thermonuclear weapons and possible extinction of the human race in a matter of hours of war.

Wilkerson also warned that the Syrian war is also part of a larger regional showdown against Iran. He noted that some Members of Congress are furious at the fact that Obama brought the nation to war in Libya without Congressional approval, and is now moving toward doing the same thing in Syria, that they are openly discussing impeachment.

University of Illinois Law School professor Francis Boyle, speaking Dec. 9 at a human rights conference in Puerto Rico, also presented a bill of impeachment against Obama, citing his illegal Libya war, his assassinations of at least three American citizens without due process, and the drone killings as violations of the Constitution, and war crimes under the Nuremberg principles and the UN Charter.

The U.S. Joint Chiefs of Staff remain adamantly opposed to any military action in Syria by American forces. So far, this has impeded President Obama from taking direct military action against the Assad government to install the al-Qaeda-tainted rebels in power in Damascus. But war-avoidance efforts can only go so far. The only durable war prevention option is the removal of President Obama from office by impeachment.

LaRouchePAC Videos: Obama, the New Osama

by Nancy Spannaus

Dec. 18—In three hard-hitting videos released last week, LaRouchePAC-TV presents a picture of the hard evidence available in the public domain, showing that President Barack Obama is working hand-in-glove with al-Qaeda, to carry out the British Empire's plan for regime change in Syria, and a near-term confrontation with Russia and China that could lead rapidly toward thermonuclear war.¹

These videos, which complement and update *EIR*'s October 2012 Special Report, "Obama's War on America: 9/11 Two," come at a crucial juncture, when Congress is finally scheduled to receive the official State Department report on the Benghazi 9/11 incident. While Obama clearly hopes that he will limit the blowback on the incident by taking his partner-in-lies Susan Rice out of the running for Secretary of State, this is not likely to be the case. And LaRouchePAC is determined that the issues the Congress has focussed on so far—the lack of security in Benghazi, the failure to come to the aid of the U.S. personnel, and the lies about the nature of the attack—be expanded to deal with the larger picture: Obama's alliance with the British and Saudis in a drive toward World War III.

All three videos feature interviews with *Executive Intelligence Review* editors, who detail the shocking case of the Obama Administration's collaboration with al-Qaeda in Libya, a collaboration which led to the murder of Amb. Chris Stevens, but which now continues in Syria, where Obama is supporting the *same* al-Qaeda terrorists in their attack on President Bashar al-Assad.

The video **Obama, the al-Qaeda President** features an interview with *EIR*'s William Wertz. "The elephant in the room," Wertz stresses, "is that Obama is allied with the British-Saudi empire which was behind the original 9/11 and 9/11 Two, in which individuals

identified in the U.S. government's own documents as leaders in al-Qaeda carried out the murders in Benghazi." Wertz focusses on both the British role in setting up al-Qaeda in Libya, and the firmly documented evidence that the groups that the U.S. backed in its war against Qaddafi are led by prominent al-Qaeda operatives, whose pedigree he reviews in some detail.

The video **The al-Qaeda Executive: President Obama** presents an interview with *EIR*'s Jeffrey Steinberg, who provides the background on Obama's relationship with al-Qaeda going back to 2008, with his continued coverup of the Saudi role in 9/11/01. He then focusses on the way in which the NATO-U.S. operation which put al-Qaeda in a position of power in Libya, is now proceeding to do the same in Syria, with its de facto backing of Jabhat al-Nusra, now admitted by the State Department to be a branch of al-Qaeda in Iraq.

Both interviews pose the obvious question: Why hasn't Congress moved on this scandalous alliance, which in fact, puts the United States on a road to thermonuclear confrontation with Russia and China, as well as contributing to the explosion of terrorism around the world?

The third video in the series, **The al-Qaeda Executive**, takes significant elements from the other two, and puts together an airtight argument that President Obama, who endlessly bragged that he had killed Osama bin Laden, has become one of the greatest protectors of the expanded al-Qaeda network. As LPAC describes it:

"Financed and used by the British-Saudi Empire, al-Qaeda has been protected under the Obama Administration to accomplish the Empire's policy of global war. In this feature we document President's Obama's use of al-Qaeda networks to overthrow Qaddafi in Libya, the attempt to overthrow Bashar al-Assad in Syria, who were the same forces who attacked the U.S. consulate in Benghazi."

The video details the pedigree of the major collaborators of the Obama Administration in Libya and Syria, showing them to be indisputably part of the al-Qaeda network, and *known* to have been so by official agencies of the U.S. government. Indeed, every Libyan militia which the United States identified as its allies in Libya, was headed by an individual who had been schooled in terrorism in Afghanistan with Osama bin Laden, and brags about his support for jihadis to this very day.

1. The three videos described here can be found at www.larouchepac.com.

British Asset Obama Pushes For Legalization of Drugs

by EIR Staff

Dec. 14—On the heels of the obscene deal cut by the U.S. Justice Department with Britain’s flagship drug-pushing Hong Kong and Shanghai Banking Corporation—now called HSBC—to not prosecute a single individual for tens of billions of dollars of money laundering, British asset President Barack Obama announced that the Federal government will *not* go after marijuana operations in Colorado and Washington state, because “the people” have voted for legal recreational marijuana.

Obama said that the “tough problem” about these new state laws is that “Congress has not yet changed the law” which currently makes marijuana use and sale a Federal crime. The President’s formulation makes it absolutely clear that he wants that law changed, to make the use of mind-destroying drugs legal.

Obama’s announcement came in the course of an interview with ABC-TV’s Barbara Walters, of which the part on marijuana was pre-released Dec. 14.

“It would not make sense from a prioritization point of view for us to focus on recreational drug users in a state that has already said that under state law that’s legal,” Obama said.

Since “Congress has not yet changed the law,” the Federal law, Obama has asked Attorney General Eric Holder to “examine” the issue. Obama said that we need “to have a conversation about” how to reconcile Federal and state laws!

Obama told Walters he does not “at this point” support universal legalization of marijuana, but the message is clear that the pot market will not be disturbed by Obama’s Feds. The dope lobby, run by billionaire drug-legalizer George Soros and his minions, who were already ecstatic about the Obama Administration’s refusal to oppose the drug-legalization referenda that passed in Colorado and Washington

State, is now even further encouraged that they can push legalization further and faster.

Not Just the Users

But to understand the significance of Obama’s decision, you have to take into consideration the other recent major step taken by his Administration on the matter of drugs, specifically the plea agreement reached between the DoJ and the British empire’s drug bank HSBC, the biggest universal bank in Europe, and the bank that the LaRouche movement fought a sustained battle to keep out of the United States in the 1970s.

On Dec. 11, the Obama Administration announced that HSBC could keep its U.S. banking license, despite wholesale and serious violations of U.S. laws, involving billions, if not trillions of dollars of “suspicious” transactions. Earlier this year, a Senate committee found that HSBC has been the favored money-laundering bank of the murderous Mexican drug cartels, and the preferred correspondent bank of Saudi terrorist financiers.

The bank agreed with U.S. regulators and the De-



The dope bank that gets away with murder.

partment of Justice to pay a fine of \$1.92 billion for the drug- and terror-money-laundering crimes, found by Senate investigators to be on the order of \$10 billion/year from 2002 to 2009. HSBC piously claimed, in announcing the settlement, that it was now “a different organization than in those years.” While receiving a large rap on the knuckles, the settlement gets HSBC a “deferred prosecution” agreement from the DoJ (i.e., no prosecution); the end of a criminal investigation by the Manhattan District Attorney’s office; and it keeps its banking license in the United States. Neither the bank holding company nor any officers or executives will be prosecuted for the crimes.

The regulators and prosecutors, in a press conference in New York City Dec. 11, defended the Obama Administration’s decision by saying that prosecuting HSBC or lifting its banking license “would have had too much collateral damage.” In other words, the threat of bank panic was again the excuse for allowing the banksters to avoid any consequences for their speculations and crimes.

Thus the Levin-Coburn Senate Permanent Investigation Subcommittee’s findings and referrals for prosecution are ignored once again by Obama and the DoJ, as in the case of Goldman Sachs’s massive securities fraud. Sen. Carl Levin (D-Mich.), however, made no criticism of the settlement, saying in a statement that it “sent a powerful wake-up call to multinational banks.”

Veteran expert in money-laundering Jack Blum, on the other hand, said, “These people managed to cross virtually every line that could be crossed. It was an astonishing amount of criminal behavior. I’d say this is a signal to other banks that if you do this kind of stuff you’ll get a parking ticket. You pay the fine, and you move on. And that’s unacceptable.”

The London-based HSBC may settle soon for additional fines in the U.K. Ironically, the bank’s stock shares have increased 31% in price in the year since “investors” found out it was again (still) dealing in serious drugs and crime.

Dope Banks ‘Too Big To Fail’?

It was left to Lannie Breuer, the head of the Justice Department’s Criminal Division and the man who led the coverup of Operation Fast and Furious—through which the DoJ armed the Mexican drug cartels—to pro-

vide the rationale for letting the dope bank off the hook.

It’s not that the DoJ lacked evidence of HSBC’s dope and narco-terror money laundering. As documented in the 330-page report by the Senate Permanent Investigations Subcommittee, HSBC was the number one dope-money-laundering entity in the world. It has blood on its hands.

But, to hear Breuer explain it, it was precisely because of HSBC’s prominence in the global dope business that the Obama Justice Department settled for a civil plea by the bank and a \$2 billion fine. And while lip service was given to the idea that the bank had “cleaned up its act,” no bank official went to jail, and HSBC was allowed to maintain its charter to conduct banking in the United States—i.e., to continue committing the crime.

When, in a recent interview with Bloomberg TV, Breuer was confronted with the DoJ’s complicity, by failing to criminally prosecute the flagship bank of Dope, Inc., he let the cat out of the bag. First, he lied that it would have been too difficult to pick some HSBC officials to prosecute, since the policy of laundering dope money and other criminal proceeds was so institutionalized at HSBC, and had gone on for so long, that no single individual or group of individuals could be singled out. (Since when has this been a problem in other organized crime prosecutions?) After telling this incredible whopper, Breuer argued that the DoJ had decided that a crackdown on HSBC would have brought about so much “collateral damage,” that the financial markets themselves would have been horribly disrupted, threatening to bring down the financial system itself.

Breuer is right in that regard. As *EIR*’s studies of the global drug trade, known as *Dope, Inc.*, have shown, and numerous experts have confirmed, the world’s banking system depends for its very survival on the flow of up to a trillion dollars in drug money, and increasingly so since the collapse of 2007-08. But, should such a system be saved? Especially when a credit system that would actually invest in the productive powers of the economy could easily be put in place, to the benefit of all mankind?

Lyndon LaRouche has consistently argued that Obama is a tool of the drug lobby, starting from the Queen of England, down to George Soros. If Obama wanted to prove LaRouche right, he couldn’t have done any better than his actions this past week.

Banks Need Drugs More Than Cartels Need Banks

Dec. 14—Victor Ivanov, head of the Russian Federal Drug Control Service (FDSC), made a three-day visit to the Boston area this week for the Seventh Session of the Working Group on Illegal Drug Control, under the U.S.-Russia Bilateral Presidential Commission. In a speech after the meeting, and, in response to a question from *EIR*, Ivanov once again presented his devastating briefing on how the “ultimate beneficiary” of the drug trafficking that kills millions is the international banking system, voraciously seeking liquidity.

The Working Group session, convened at the John F. Kennedy Presidential Library, was co-chaired by Ivanov and his U.S. counterpart, Director of the Office of National Drug Control Policy Gil Kerlikowske. The agenda covered drug trafficking as such, demand-reduction measures, the fight against drug money-laundering, and online promotion of narcotics.

The recent wave of pro-legalization actions in the U.S.A. was not officially on the agenda, although Ivanov remarked on the influence of “new, pro-drug quasicultural models.” Ivanov cited several successful joint FDSC and U.S. Drug Enforcement Agency operations with Afghanistan’s anti-drug forces during 2010-12, as exemplary of international cooperation against dope.

On Dec. 12, Ivanov and Kerlikowske addressed a public meeting on Drugs and Security, held at the Belfer Center of Harvard University. In his speech, Ivanov said that “the entire globe is covered with drug-trafficking routes and logistics infrastructure for deliveries and sales.” The raw drugs are produced in only a few countries, while dozens of countries are involved in transit. In the world today, he went on, “no processes can be viewed apart from drug flows: not political processes, military, or even cultural ones, since new pro-drug quasicultural models are constantly being developed.”

Mentioning the scandalous drug-money cases of Wachovia and HSBC, Ivanov showed his now-famous slides of a huge financial bubble crushing the real econ-



World Federation Against Drugs

In the world today, Ivanov said, “no processes can be viewed apart from drug flows: not political processes, military, or even cultural ones, since new pro-drug quasicultural models are constantly being developed.”

omy (see *EIR*, Dec. 2, 2011). He emphasized that the international banks need criminal drug-money flows more than the drug cartels need the banks.

An Enormous Shadow Over the Planet

Ivanov further elaborated this idea, in response to a question from Myles Robinson of LaRouchePAC and *EIR*, concerning how the drug trade props up the financial system:

“If we look at the financial component of drug crimes, there are indeed several different areas. Taking a producer country, Afghanistan, it produces heroin which is sold in foreign markets for about \$100 billion annually. No more than \$4 billion of that remains in Afghanistan, while the remainder represents sales abroad. The peasants in Afghanistan receive around \$1.5 billion. The Taliban exacts on the order of \$150 million. All the rest is sold in either the distribution countries or the transit countries, but the result is that the ultimate beneficiary is the world banking system.

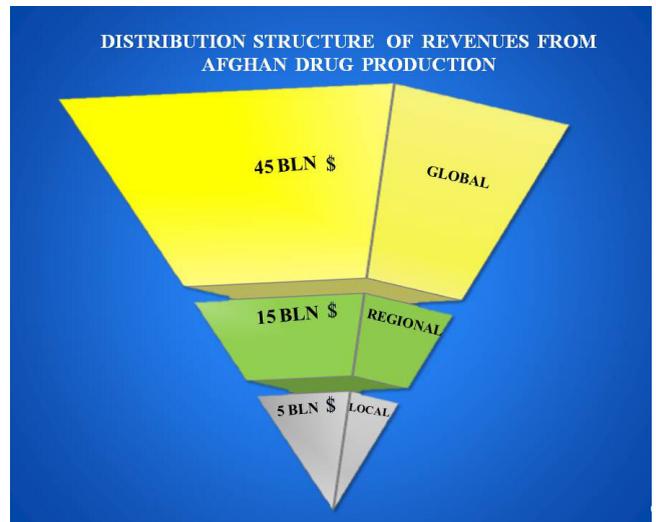
“If we look at a pyramid showing the distribution of the flows of the narcotics themselves (**Figures 1 and 2**), we can see that on the distribution level we have a broad layer, then regional transit involving the drug cartels, and then above are the global drug streams. If we take the distribution of the monies involved, you have exactly the reverse proportionality. The pyramid is turned

FIGURE 1



FDCS

FIGURE 2



FDCS

upside down. Here you can see that the smallest portion of the money remains in Afghanistan, then further up you have the multiplication of these criminal-origin monies.

“Thus the producer, who receives a relatively small amount of money, essentially organizes a process of exporting instability, criminal monies, and the growth of organized crime itself. If the world community expresses concern over what is going on, but focusses efforts not here at the point of the pyramid, but here [where it’s global], then we have to see that this is an enormous shadow being cast over a huge region of the planet, and it clearly becomes extremely difficult to eliminate this problem. But if, from the outset, we focus our efforts on the very heart of the matter, on the duck’s egg of ‘Koshchey the Deathless’ [a Russian fairy tale monster who can only be killed by accessing his “death,” which resides in a needle inside a duck’s egg—ed.], and take it and crush it, then we’ll have things completely free of criminal monies.

“Nonetheless, we are working in all areas at once. And, in that sense, the question also arises of interdicting money flows and catching criminals by following their money through the banking system where it circulates and is laundered. But this is a laborious task, because the level of seizures is no greater than 1% of the money being laundered. This has to do both with banking secrecy and with the way the entire financial system is organized.

“So, we are working closely with our American partners, which allows us to uncover certain specific features of the primary phases of the money-laundering, and to try and go after it more effectively.”

DOPE, INC.

Is Back In Print!

Dope, Inc., first commissioned by Lyndon LaRouche, and the underground bestseller since 1978, is back in print for the first time since 1992. The 320-page paperback, includes reprints from the third edition, and in-depth studies from *EIR*, analyzing the scope and size of the international illegal drug-trafficking empire known as Dope, Inc., including its latest incarnation in the drug wars being waged out of, and against Russia and Europe today.

*This edition, published by Progressive Independent Media, is currently available in limited numbers, so there is no time to waste in buying yours today. The cost is \$25 per book, with \$4 for shipping and handling. It is available through www.larouchepub.com, and *EIR*, at 1-800-278-3135.*

by the Editors of the Executive Intelligence Review

JACQUES CHEMINADE

The Mission of Europe Vs. the British Empire

Jacques Cheminade, former French Presidential candidate and former president of Solidarité et Progrès, the LaRouche movement in France, gave the keynote address, immediately below, on the second day, Nov. 25, of the Schiller Institute conference in Flörsheim, Germany. Following that, we publish three additional conference presentations, by speakers from Greece, Germany, and Italy, all dealing with the economic crisis in Europe.

Additional speeches from the conference, including those of Lyndon and Helga LaRouche, can be found in EIR, Dec. 14, Dec. 7, and Nov. 30. Videos of the entire conference are posted on the Schiller Institute [website](#).

“Of course, one can jump onto one’s chair like a young goat, and repeat ‘Europe! Europe! Europe!’ But that leads nowhere and means nothing.” That is what Charles de Gaulle had to say on Dec. 14, 1965, provoking a great scandal among the Lady-Do-Rightlys of his day.

Today, 47 years later, those who dislike empty words or words pronounced to produce the opposite effect of what they should mean, have the absolute human right to despise the shadow of itself that Europe has become, as ugly as sin. There is no more Europe, because European states have given up their national sovereignty to two interrelated entities. First, to what de Gaulle relentlessly denounced as the British or Anglo-American Empire, a conglomerate of financial interests

based in the networks of the City of London; and secondly, to its mediation on our continent—this “thing” that José Manuel Barroso, the head of the European Union Commission, once called a “non-imperial empire.”

The collusion between these two entities is like a feudal Faustian pact: The British Empire has the power of finance—the money, intelligence services, and ideology—while the European Union destroys itself for such an imperial empire, thanks to the voluntary servitude of . . . ourselves, the subjects of this non-imperial empire. At this historic moment, we Europeans should all be ashamed to be in such an unpleasant position, where the systematic cost-cutting policy of the empire loots the very basis of our society, perverts the minds of our children with a culture of death, and wrecks the creative powers of human labor.

Despite that, subjects are slaves to their habits. Because what has been attacked is the best of our common cultures, the belief in the continuity of progress, which is the very meaning of the existence of mankind. We have been robbed of the social capacity to participate in, and lead that process, in the language of an artistically and scientifically creative imagination, in the human intention to discover principles. Europe has become an unprincipled, absurd chaos of discordant voices, with no sense of a community of purpose, or a unity.



Présidence de la République/Christelle Aix

“The mission of Europe is to oppose both the British Empire and its own non-imperial empire, the failed euro system,” Cheminade said. He is shown here meeting with French President François Hollande at the Élysée Palace, Dec. 7, 2012.

‘Paris Games Week’

Let me give you two examples. Three weeks ago, I went to the “Paris Games Week,” the yearly celebration of videogames, because a journalist wanted to interview me there. It was a very crude experience, because you had all these very young kids, mostly under 25, who were swaying and screaming in front of screens, playing first-person shooter games, surrounded by an addictive environment of extremely loud noise purporting to be music, in a dark environment. Such chaos represents for me a black metaphor of what Europe has become: sounds without music, and words without sentences, images appealing to sense perceptions and people reduced to bestialized, addicted victims.

Secondly, just this week, there was an international colloquium in Paris titled: “Selection, sorting out and triage in medicine, logics, practices, and values.” Presentations were given on “The conditions of the possibilities for the concept of triage: 18th to 21st century perspective.” They promoted the Harvard Medical School, the Liverpool Care Pathway for aging patients, and Tony Blair’s NICE [National Institute for Health and Clinical Excellence].

Remember that Dr. Leo Alexander, at the Nuremberg Trials, said that when you put a price on human life, you commit a crime against humanity. I just mention these two examples to make it clear that new

Nuremberg criminals are banging down the doors, and that our mission in Europe is not just to correct some mistaken concepts and eventually find a refuge in the safe-houses of our respective nations, but to save mankind.

What goes under the name of Europe today is the relation between subservient subjects and the established institutions that are destroying them, rather than between citizens and a state of law, organized under consent to principles. This is precisely what the French author Étienne de La Boétie identified as “voluntary servitude” during the wars of religion of the 16th Century. And it leads us to a situation of economic collapse, which has always created the conditions for war, because war is the

most inhuman thing human beings can do to one another, and they do it when they have been turned into inhuman things.

The characteristic of this moment is that the threat of the oligarchy’s flight forward has thermonuclear teeth. Nuremberg and the threat of an escalation towards a thermonuclear confrontation is what defines our situation here and now.

Our mission is therefore to remove things that are a threat to the continued existence of mankind and our societies, i.e., not only the British Empire as such, but the principle of the British Empire that infects our way of thinking; or, better said, that undermines our capacity to think creatively. At the same time, we have to present a political composition, which is not defined by deducing something from where we are now, which could only bring disaster, but by stirring what gives the sense that better, higher orders of humanity can be reached.

Glass-Steagall: Key to the Future

For that purpose, which is a very concrete one, we, as Europeans, have to recover our national and individual sovereignties from the imperial and “non-imperial” empires. Because a community of purpose cannot be generated within a political cage, but to unite by freely combining different aspects of a single idea.

The best way to put it, I think, is that Europe should not be composed like a mathematical or romantic combination of sounds, such as piece by Strauss, Rameau or Elgar's "Pomp and Circumstances," but like a composition of Bach: as a language combining different statements of the same idea. These different statements are the contribution of our nations, throwing off the shackles of the oligarchic and imperial principle to drive the minds of all towards the future, through the common accomplishment of a great design.

First, we have to stop the empire from doing harm. This is all about the Glass-Steagall principle in economics. If you don't implement it, you cannot get the key to open the door to the future. It is only a key, but without it, you cannot open the door which leads to the walled garden, where lies the undiscovered principle of our common European future. In that sense, Glass-Steagall is both a political weapon and the expression of a leap of the mind. It puts an end to the universal bank—to those banks too big to fail, too big to manage, too big to control, and too big to jail. Because as long as the process of monetary creation inherent to a commercial bank is allowed within investment banks, the consequence will be to attract never ending quantities of new money into all kinds of spreading speculation, and to create financial bubbles that benefit those whom Roosevelt called the "economic royalists."

On the one side, there are the commercial or credit and deposit banks, and on the other side, market activities; if the two are not separated, money issuance finances speculation and destroys the economy. No more bailouts of investment banks! The derivatives folly should be stopped! A dozen mega-banks now control about 85% of the derivatives market, and 90% operate in the dark pools of shadow banking, with no public control, a market amounting to more than ten times the GNP of the planet. The obvious first mission of Europe should be to shut down such a volcano instead of feeding it.

Once we have sorted out and cleaned up the mess, we have to build the future. To do so, we have to understand what the word "economics" really means. It does not mean buying monetary products cheap and selling them dear, and then adding up the profits made to come up with a GNP. It is defined by the capacity to ensure the lives of more human beings, with better skilled jobs, and the ability to master ever more advanced technologies.

The idea of density is crucial: a growing energy-flux

density enables society to produce more and better with less physical effort, per square kilometer and per capita. This allows the long-term survival of humanity at higher and higher levels of intervention, with the mission being to increase the development of the human mind over generations.

A Platform of Development

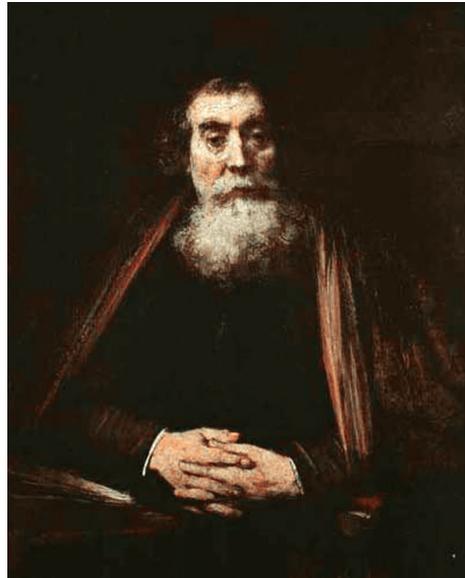
The lift-off to the future means creating a platform of development: physical infrastructure (water management, energy, high-speed transportation), and human infrastructure (education, public health, R&D, innovation), as well as exchanges of men, goods, and ideas through development corridors. You heard yesterday about a "Revolutionary Development Plan for the Near and Middle East,"¹ our fight for a Eurasian Land-Bridge reaching into the Mediterranean and Africa, to become an East-West and North-South World Land-Bridge. We must stop, once and for all, the suicidal policies of cost-cutting, austerity, and human destruction, and go back to the spirit of the policies of Franklin Roosevelt and of the post-World War II reconstruction of Europe.

The enemies of such a policy argue: "Let's be realistic, let's be practical; there is no money for such idealistic projects." That is where the concept of credit comes in. Economies are not built on the basis of "savings" or money issuance per se; they are built with credit for investments which yield the means to pay back that credit! Credit, as people in the German Kreditanstalt für Wiederaufbau [Reconstruction Credit Agency], and in the French planning commissions after World War II knew, is a wager on the future. The alternative is destruction.

The proof of that, is that a Europe with no savings or income, but with funds from the Marshall Plan, was rebuilt by following such a political approach, while today we are destroying ourselves under a monetary system. European nations, to ensure their future, must hark back to such policies, together with Eurasia, the Mediterranean area, the Middle and Near East, and Africa, as touchstones of our identity and survival. What we need is enthusiasm, what the Greeks called "the inner God." Here is the source, and to wait is a crime.

But such a credit system is incompatible with the

1. Speeches by Helga Zepp-LaRouche, *EIR*, Nov. 30, 2012, and Hussein Askary, *EIR*, Dec. 7, 2012.



Instead of the death culture, exemplified in the “Paris Games Week,” we should revive the Classical culture of Leonardo, Comenius, and Erasmus, Cheminade urged. Left to right: Leonardo, self-portrait (c. 1505); Comenius, portrait by Rembrandt (1664-65); Erasmus, portrait by Holbein the Younger (1497-98).

euro system, which is, by political intention, a monetary system in the service of the oligarchy. It cannot be changed, it cannot be repaired from the inside, because its very purpose is to abolish those national and individual sovereignties that are responsible for the future. Bodies emptied of their souls and their culture cannot guarantee the future.

The very people who shout today “Europe! Europe! Europe!” are the ones who are sabotaging the Erasmus, Leonardo da Vinci, and Comenius programs for European cultural exchanges and studies! There is no money for them, there is only money in the euro system, to bail out the banks and destroy peoples and nations. It is not only, of course, a matter of money; it is a matter of social selection. The average grants or scholarships amount to EU200 a month, so they only benefit those young people whose families can afford to pay their living expenses. On a deeper level, the programs are not based on an exchange of the best Classical cultures of our respective nations, but more and more on commercial, financial, or social studies, amounting to the proverbial Spanish inn where “pot-luck” is served.

Therefore, the mission of Europe is to oppose both the British Empire and its own “non-imperial” empire, the failed euro system. We don’t want to shut ourselves off within national borders, but rather bring to Europe and the world what is needed for the future. As it was

shown yesterday,² the space policy is the science driver toward our future. Mars is what compels us to change on Earth. Curiosity and the ExoMars European/Russian missions are the pathways toward not only the much needed Strategic Defense of Earth [proposed by the Russians] against the dangers coming from space, but steps toward mastery of the Solar System and beyond by man, to secure a future for humanity, when the Sun begins to collapse in about a billion years. But our commitment to act is in no way ensured; rather it is now stalled. The ExoMars program was designed well before the existence of the euro system, and now, the euro system threatens to kill it!

It’s the System, Stupid!

Curiosity and ExoMars will be dead-ends unless we fulfill our political mission. Europe and the United States, under the rule of the British Empire, will either end or lower their space policies to inadequate levels. “It is the system, stupid!” It is indeed a system which, if you look at its shadows on videogame screens, is a cult of death. Space, on the contrary, means a culture of life, to re-establish the knowledge of science because it asks those questions for which answers have not yet been found. In that sense, work on space programs is the most

2. A reference to the conference panel on “Space Cooperation and Other Common Aims of Mankind.”



NASA/ESA

NASA's Curiosity and the ExoMars European/Russian missions are the pathway to both the Strategic Defense of Earth, and to mastery of the Solar System and beyond by man. Shown an artist's concept of an ExoMars mission robot on Mars.

advanced form of what the nature of labor for men in the future will become: cognitive labor to confront the unknown, and deal with what has never happened before.

But, again, it cannot be done without an in-depth mobilization of the economic systems, which can only be achieved with a global credit system.

In 2012, we had the celebrations of the 50th anniversary of the Élysée Treaty between France and Germany, and the year 2013 has been named the year of Franco-German friendship. We cannot look at our present governments without a deep feeling of shame. The French want to continue bailing out the banks, because they lack the courage to confront them. Even worse, the government is about to present, on Dec. 19, a fake banking reform to the Council of Ministers in order to preempt the European debate on a Glass-Steagall principle. The German government wants to impose austerity on all its partners in the euro system, destroying, by the same means, their capacity to import German goods, on which the so-called German economic model depends! Such criminal stupidity should be stopped.

Yesterday, we saw that the clouds of the financial storm are bringing war to the world. The time is overdue for change. It is time to seize the opportunity, with the British about to leave the European Union, to free ourselves of the rule of the City of London, and to re-establish the principles of the postwar European founding fathers.

It is long past time to look at the world from the standpoint of Mars and beyond. During my campaign for the French Presidency, the journalists were not mistaken, from their standpoint. They eventually focused all the attacks against me as being the “hair-brained eccentric” who wanted to split the banks in two, and develop a space program. Both subjects, as well as the ideas of Lyndon LaRouche, were taboo. They succeeded in siphoning off the vote, but they failed to control the development of the ideas. Those ideas are more than ever on the table of a threatened world, because what is at stake is the very idea of European culture.

We are now at the point where European Central Bank president Mario Draghi has announced that, in May 2013, the Bank is going to issue a new series of eurobills with the face of the Phoenician princess Europa, the woman abducted by Zeus. Intelligent people noted that she is not a goddess, but a mortal, and that it is bad omen for the euro.

It is time for us to move, in tune with what is going to happen in the United States around the fate of Barack Obama, with things to come from there that can uniquely shift the situation we have here. Let's stay tuned. The eyes of true European culture are not parochial, but look from the top down, from the standpoint of Mars.

With such eyes of the mind, our challenge, the challenge for us all in this room, is to mobilize for a new paradigm of world peace much, much more than what has been mobilized for the continuous process of world wars in the course of the ominous 20th Century. It is our task, because there could not be another one at the dimension of the challenge—except having no future. Let's fulfill it, here and now, because it would be suicidal to wait.

Thank you, thank you for what you are going to do henceforth, for what you are going to mobilize within yourselves tomorrow, which would have appeared impossible before this conference. Thank you for understanding the future, and acting accordingly.

Greek Crisis: Impact On Society at Large

Professor Tsobanoglou of Greece is president of the International Sociological Association's Research Committee on Sociotechnics and Sociological Practice. He spoke at the Schiller Institute [conference](#) on Nov. 25, on "The Greek Crisis Dynamics: Institutional Emergencies Acting Against Society at Large." This is an abridged transcript.

It's a very complex situation to describe regarding Greece. There is a confluence of events that one can try to address, and I will try to be as brief as possible.

One thing is that it's established in the world of social science, and in the World Bank and world institutions, that development has to be social—that is, that social capital is important in order to also have economic capital. And you can see what is happening in Greece, what kind of economic development we're enjoying at present.

Second, when we're talking about a system of states, as the European Union claims to be, we have to understand that the strength of the chain is equal to the strength of its weakest link; Greece is part of the chain and the strength of European Union is exemplified by exactly what is happening right now in Greece. This shows not only the fragility of the situation, but perhaps also the end of a policy that so far has failed.

And third, regarding Greece, we have to take into account that we have a peculiar situation, with regard to the so-called "hidden society." Most of the Mediterranean states, when they entered the EU—particularly Portugal, Spain, and Greece—had experienced military rule. They were exceptional states, and of course, the southern part of Italy is also, in a way, exceptional, it has a lot of informal structures that are parallel to the state.

Therefore, we witnessed a very weak representation of civil society institutions. It's not Sweden; it's something different. Therefore, with entry into the European Union, civil society institutions and analysis started growing slowing, and Catalonia [Spain] exemplifies



EIRNS

Prof. George Tsobanoglou: "The Glass-Steagall [reform] has to start with Greece, because we are the epitome of exactly what you've been describing, but we have it in a much more pure form."

that, as does the southern part of Italy. This did not happen in Greece.

The opposition to the military regime wanted social science to be a way of documenting and organizing social institutions, such as a welfare system, social support, and social organization. But this never happened in Greece, in reality.

A lot of religious institutions developed a social theology, but social science—sociology, social geography, psychology, demography, for instance, and social statistics—are very weak subjects at the main universities of the country, such as in Thessaloniki and Athens. Athens is the only university in Europe that has no sociology department, has no geography department; the psychology department is part of education, and it has a lot of other things that deal with social administration, the social aspect of the state, rather than the police, or other forms. Criminology basically does not exist, nor does sociology of law. These are essential elements of defining social governance.

The Greek local governments are probably the only ones in Europe that have no social fund administration. So when a mayor wants to give money to poor people or give them a meal, there's no code in the Greek administration: He has to rely either on the Church, or take money from road construction. So, a social need is subsumed to a physical thing.



Creative Commons/Ed Yourdon

money from public institutions, like my university: They took 80% of our research budget, in order to pay the debt to the banks. They took from welfare institutions the money they had deposited, and also from private social security organizations that deal with handicapped children. They were forced to pay taxes on their property, even though they have donated property. A colleague who works there told me they had to pay EU600,000 as a private, corporate agency; the fact that this is a welfare institution for poor children who are handicapped, doesn't make any difference.

So basically, what you have here is a catastrophe. And this catastrophe is of a global

The impact of the banker-dictated austerity program in Greece: an increasingly common scene on one of the main streets of Athens, in front of the National Library.

This inverted relationship, of course, created an anomaly, because if the whole social welfare system is secondary to a physical apparatus, you basically don't have any real welfare system. Therefore, poverty in Greece is a literary concept; everybody, of course, describes a poor person, but there are no institutional foundations to deal with poverty. When you have 30% poverty, and youth poverty at 35%, you have to have cheaper prices for milk, you have to distribute milk in the schools, because it's essential, and it's part of a welfare system. But in Greece this hasn't been articulated at all.

A National Catastrophe

So, what do we have now? Why does this happen?

The debt in Greece was 120% of its GDP when the crisis started. Now the debt is 190%. At the same time, 25% of the country's wealth has been wiped out, and what we have is a forcible extraction of surplus that is leaving the country. The bailout policy is using Greece as an empty vessel that is going to pay the debt, turning a lot of profits for outside sources.

What we have is a total privatization of basic biological and social needs, and all these are being cut off, in the name of austerity. In the Spring, they took

nature; but because, I think if anyone in the world understands what is going on—it has nothing to do with our being in Europe—anywhere in the world, if something like that had happened, people should have been protesting. But in Greece, we have a very different expression of this crisis, because we also have a very corrupt political system. Nobody pays taxes; tax evasion is actually managed by the administration! Our taxation has doubled, because they are taxing us to deal with all these social crises. But our money is not going where it's supposed to go! It's certainly leaving the country.

And I can foresee that Greece might explode like Argentina did, in 2001, if this continues, because of the corrupt political system. Taxation: We're being bled white by those who can pay; and at the same time, you have 1,000 [new] unemployed a day, and officially unemployment is something like 25%, but that doesn't include the people who work and don't get paid—a half-million people are working, and don't get paid, in enterprises to which the state owes money. EU10 billion is owed by the state to Greek businesses, but the government is waiting for the bailout to pay them. But the bailout is not going to give them what they want; it's going to give a half-

percent of what the state needs to bump it into the real economy.

The high unemployment and the high inflation are leading the people to exasperation; 150,000 people have left; 5,000 Greek doctors are in Germany; 25-50,000 people are trying to find a job in Berlin. Everywhere you find Greeks trying to find a job, because they also had to abandon their businesses. This year 30% of business is closing down! So, technically, the investment climate can be compared only with Iraq and Afghanistan. The business community doesn't think that Greece is a credible place for business, because, basically, there's no grounds for investment. Even the money that we were supposed to be borrowing is not being directed to creating infrastructure. Investing in what? In education? No! My university's closed, why? Because they fired 40 people, and they had to disappear.

Basically, Greece is in paralysis at the present. And irrespective of what will happen—whether the funding will be released [by the Eurogroup]—Greece is in an emergency situation.¹

And I believe everything that the people have been saying here, about reforming the banks. The Glass-Steagall [reform] has to start with Greece, because we are the epitome of exactly what you've been describing, but we have it in a much more pure form.

In Greece, skills are defined by personal interests. Skilled labor left. And if we had not had the opening of free movement [across borders] in Europe, Greece would have been either like Egypt or Tunisia, there's no question about it, because the pressures in the country have been so high. But skilled labor and those who could make the change moved somewhere else, therefore letting off steam, and therefore we didn't have the explosion and the regime change that other countries in the Mediterranean have experienced.

There is a limit however, to how long this can continue. They privatized the Agricultural Bank, with all its debts, for a fraction of its value. It was sold to a pri-

1. The Eurogroup of Eurozone finance ministers on Dec. 13 authorized the release to Greece of EU34.3 billion, out of a total promised amount of EU49.1 billion. Of this, EU16 billion is supposed to be used for bank recapitalization, EU7 billion for budget financing, and around EU11 billion to finance "debt buyback." The Eurogroup wants the Greek government to repurchase at least EU40 billion of its own bonds from private investors—ed.

vate bank, the Bank of Piraeus, for EU95 million. And the idea had been, before the crisis, to set up a public bank, including the Agricultural Bank and the Post Office Bank, but the banking lobby won!

Greece's Economic Potential—Looted

Greece, as you probably know, has a lot of minerals, a lot of gold, for instance; it could be the top producer of gold in Europe, thanks to Canadian investments. It has also the strategic advantage of being in South Europe and linking Asia with Europe and the [transport] corridor to Kiev and Moscow.

In the middle of Greece, we have a region called Thessaly, which used to be Greece's "green belt," producing wheat, animal feed, corn. Under the European Union, it has been transformed into a cotton belt. Greece produces probably more cotton than Egypt. But this created an ecological catastrophe [because cotton-production requires a great deal of water]: The water level is now so low that they have to dig as deep as 600 meters now to get water, and this part of Greece became like the Netherlands; it's 20 centimeters below sea level because of the problem of subsidence. They also wanted to divert resources from the Acheloos River that also supplies water to Athens. They spent a lot of money to divert the river in order to supply water to Thessaly for cotton production.

At the same time, Greece is importing wheat, is importing animal feed—and all the factories that we had for processing cotton and textiles are closed. Ninety percent of our clothes are now imported. So, we are a country like India in the 19th Century compared to England: We export cotton to global agents, where it is processed, and then it is re-imported into Greece. We import a lot of food, like wheat; we import EU2.5 billion in meat from France, for instance, because we destroyed also our animal husbandry. And our tourist industry imports 80% of the food. Basically, we have been transformed into a Third World country, because we export raw materials, and we import [food and other goods].

And this has been the situation for our agricultural industry. EU100 billion was given to Greek cooperatives, but most of them are very corrupt. They used to employ political cadres, and they used to use foreign labor to take the fruits. And the European Union was paying us to destroy the crop because they want to keep farmers happy, or, because the same food was imported

in processed form from other countries.

And now, as a result of the collapse, because the subsidies are terminating next year, Greece has a food crisis!

The government is selling the successful industries for nothing! For instance, one of the biggest dairy farming companies, Dodoni, in northern Greece, was classified by the Minister of Economics as being “not viable.” It’s a profit-making industry, because it exports feta all over the world; it’s one of the real flag-bearers of Greek food. It was sold to a company which is based in the British Virgin Islands, which has nothing to do with it.

Because the Agricultural Bank was privatized, so all the successful [agricultural] cooperatives have to be sold. But in many cases the workers wanted to buy them, in order to manage them themselves, or to use any means available in a European Union institution. But they were blocked! You now have 7,000 farmers in northern Greece, which is poorest part of the European Union, who are actually occupying the factory. They want to see who bought the factory, and find out

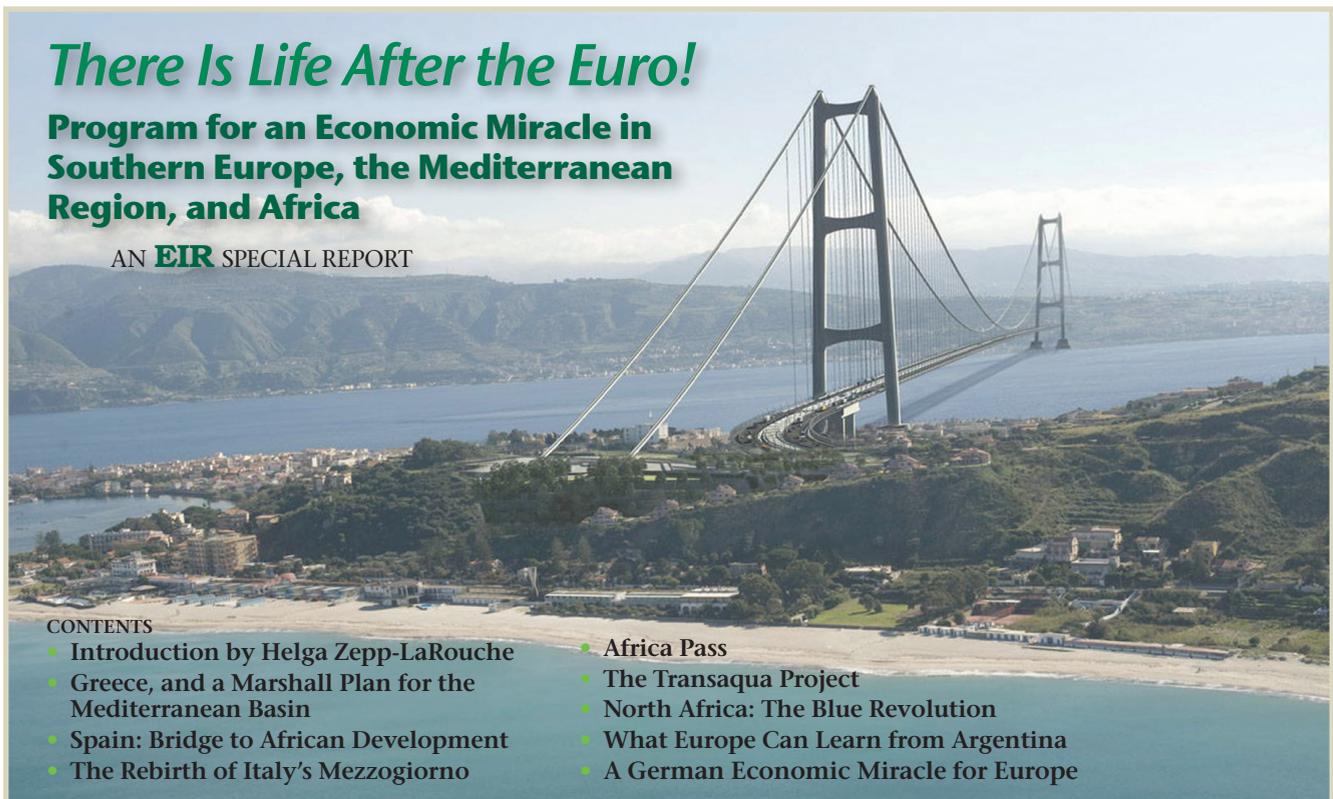
why he bought it the moment they had come up with the money to buy it themselves!

An Economic Dictatorship

So you can call this an “economic dictatorship,” or whatever you want. In the media, it’s amazing that there is a sort of blackout, when it comes to Greece. Because, in Greece what is happening is exactly what you’ve been describing, these past two days, and it’s *in vivo*, in its most pure form. And I think this is why the Schiller Institute should become more focussed on what is happening in Greece. Not as something that is applied to Greece: It is exactly what you have been warning people of, that this is exactly what is happening.

I would like to end my presentation, by making a plea that we cooperate more clearly about the situation. And it’s not a kind of philanthropy for Greece. This is not about the future, it is happening now; this emergency situation, which is a complete failure of Europe, is happening right now, in the country that gave the name to Europe!

Thank you.



There Is Life After the Euro!

Program for an Economic Miracle in Southern Europe, the Mediterranean Region, and Africa

AN **EIR** SPECIAL REPORT

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Does the Euro Have a Chance of Surviving?

Professor Hankel is the former head of the Monetary Department and former head of German Banking Supervision of the German Economics Ministry, and was formerly the chief economist of the Kreditanstalt für Wiederaufbau (KfW, the Reconstruction Finance Agency). He addressed the conference on Nov. 25, introduced by Schiller Institute founder Helga Zepp-LaRouche. The video of his speech (in English) is at the Schiller Institute [website](#).

Helga Zepp-LaRouche: Let me just say, that for ordinary people, it's very difficult to conceptualize the amount of evil which manifests itself in

the present system of globalization. The subject of ever more wars, the question of throwing billions—and we are really talking about billions of people—into misery, for what? You know, you can say that it's a small group of parasites and banksters which are the profiteers, but I'm afraid that there is still an even more sinister dimension to it, and that is this question of population reduction! Because all of these policies do not make sense from an economic standpoint. They do make sense if you think there is a coherence between the policy of the Club of Rome, and the policy of the hedge-funds investing in CO₂ emission trade, which is like the modern times' trade in indulgences, *Ablasshandel*, which the Church used in the Middle Ages to make money.

So, we are really looking at a much more sinister system, which we call the oligarchy—people who believe that only they, the elite, have all the rights, and that the masses of the people are just cattle, whose num-

bers can be reduced from time to time, as was the case in Sparta, in ancient times. So, I think that people really have to conceptualize that, because I agree that only if you analyze the problem in the right way, can you find the right strategy.

So, now, we will hear the wise words of Professor Hankel.



Prof. Wilhelm Hankel: "State and currency form an identity, because any state needs a currency in order to formulate a rational policy."

Prof. Wilhelm Hankel: Thank you, Mrs. Chairman.

Ladies and gentlemen, the situation in Europe can be best characterized by a very old English poet, Mr. Shakespeare: "Though this be madness, there is method in it"—*Hamlet*, Act II.

Why is Europe, especially the Eurozone, in such a mess?

First of all, nearly all states of the Southern part of the Eurozone are in a state of bankruptcy, complete bankruptcy, and the same is true for their banks. But officially, governments and managers reject declaring bankruptcy, saying, "It's not our bankruptcy, it is the situation of the currency." But this is one of the greatest swindles in

labels that I have seen in my very long life. It's not the euro in danger, not the euro that is bankrupt, only the money invested in the euro, only the wrongly invested funds and assets which are denominated in this currency. And if we look at the real facts and figures, we see unbelievable, *unbelievable* magnitudes: The grand total of recorded debts in the southern part of the Eurozone is calculated to be EU12-13 trillion. *EU12-13 trillion!* This is four times the German GDP!

And the question is, how can it be redeemed? How can it be repaid? I think it cannot be redeemed and repaid, for the very simple reason that in order to repay debts, as a country, as a macroeconomic unity, you need export surpluses in the magnitude of EU12-13 trillion, export surpluses for a group of countries that never had export surpluses, living with nearly the same amount in *import* surpluses! So, the debt cannot be redeemed in real terms, because this group of countries cannot be

restructured and reorganized from import economies into export economies.

We had a similar situation in the 1930s, 80 years ago, with Germany and the gold standard. Only after Black Friday, in the 1930s, did the question come out: With countries overindebted like Germany in those days, by war repayments, is it possible for such a country to restructure the whole economy into a surplus economy? And there was a very famous debate in those days, between John Maynard Keynes and a Swedish economist, [Bertil Gotthard] Ohlin, the transfer debate, and the result was: The only chance for an economy to become a creditor nation and to repay its debts is if it is in a position to restructure the economy. This could be excluded then for Germany, and the same is true now for the Southern parts of the Eurozone.

So, the only way to handle this problem is in the financial sector, and the only way is to cancel those debts. But this, officially, is blocked by an unholy alliance of governments and banks, saying, “These are not our debts, this is the currency,” which is fraudulent labeling.

The Euro Cannot Be ‘Rescued’

The question now is, what will be the consequence of the impossibility of repaying the debts, and the blocking of the only rational way to deal with them namely, to cancel them? And this brings me to the policy of “rescuing” the euro.

This policy of rescuing the euro is Act II in the tragedy of Mr. Hamlet. Namely, it means, on the one hand, that for the non-overindebted countries in the North of the same monetary area, you need a lot of money in order to take over the debts. And this money, at the moment, and for the past two or three years, is offered by the European Central Bank. What we have seen in the last three and a half years is an oversupply of new, electronic money, created by the European Central Bank system, in different ways, which are very technically complicated, but can be summarized as follows:

- EU1 trillion more, nearly an open refinancing window for the European banking system, at an interest rate of 0.75%;
- Almost another trillion euros in the way of a so-called “target.” “Target” is a complicated word, and abbreviation for a very simple thing: The European central banks can have an open account with each other; every European central bank can get money from the

other. So, the central banks of Greece, Spain, and the other debtor countries got the money, via the ECB, more or less, from the only three or four countries in the whole system that have surpluses, namely Germany, the Netherlands, Finland, and Austria. This is the second trillion of newly created electronic euros;

- The next EU2 trillion are more or less credits of the ECB in the commercial sector. The balance sheet of the ECB has been extended in the last two years by more than EU2 trillion;

- And the last act in this program of money creation is now the announcement of [ECB President] Mr. Draghi to buy, in an unlimited amount, the bonds of the overindebted countries in the South.

Some colleagues of mine and myself have launched a complaint against this latest violation of the EU Treaty and the statutes of the ECB, the process that has just been underway since Nov. 15. And my contribution to this complaint was a very simple one, saying: If this new policy of the ECB is what has to be, namely, money policy—monetary policy, and not monetary financing of budgets—then the receipts of all those purchases of the ECB, the monetary counterpart, has to be sterilized, and therefore the sellers of the bonds, both states and banks, cannot get the money; it must be blocked in the accounts of the ECB.

I am very curious to see what our judges will say to this idea, but I’m sure they will say what they have said for the last 12 years to all the complaints we have made in this case: “German judges are not economists. They are not allowed to review either the economic or the political consequences of adjudication”—which is an impossible position, as you can imagine. A Justice of the Constitutional Court is not a lawyer and is not a notary. His job is not only, in a formal sense, to approve new paragraphs and new laws, but in a material sense, what are the consequences—what are the effects in political as well as in economic terms? What is the damage coming from such a new violation of the Constitution as well as of the treaties of the European Union? But, in this respect, in Germany we are more or less hopeless, faced with only formal legislation and adjudication, and not with real ones.

The question arises now: Given all the facts and figures we have—huge money creation on the one side, vis-à-vis more or less zero growth in real terms on the other side, thus a big, big overhang in money against real added value—that means inflation, at least the potential for inflation, in an unlimited amount. But on the



Youth, both to the north and the south of the Mediterranean, are fighting for a future, against the chaos we see today. Left: a demonstration during the Tunisian uprisings, Jan. 23, 2010. Right: Students in Paris demonstrate against the government's austerity, Jan. 15, 2009.

other hand (and this is part of the madness of the whole policy), the debtors, having no haircut,¹ and no chance to repay their debts, are obliged to save money in macro-economic terms, namely, to increase taxes, to decrease incomes, and from a smaller GDP, to pay more for repayment of debt. This is an impossibility, and some of the speakers before have demonstrated this for Spain, and even for Greece. It is a humiliation of the people in those countries to urge them and to force them to pay more from a reduced income and reduced ability to survive. But this is the reality.

And if you look at the Mediterranean world today, you see complete chaos. On the North African side, the Islamic side, you have rebellious youth, fighting for more freedom and liberty; and on the European side, you find a frustrated youth, facing no chances for a good life in the future.

I am melancholy, because some ten years ago, I wrote a book about the Mediterranean Sea as the center of the world economy 2,000 years ago. But now, this center of the ancient world economy is a separation between two regions that are undergoing a revolution for different reasons: One part is fighting for more freedom, and the other part is fighting for better opportuni-

1. The idea of the banks accepting a “haircut” refers to reducing the outstanding loans of nations that cannot pay—ed.

ties for life in a material sense, which they are able to have because Europe is not a developing or an underdeveloped part of the world.

The Euro and the Nation-State

Are there ways out of these messes? I think there are two very simple and very rational ways, if you understand what the real problem is behind the euro and the Eurozone. And the real problem behind this multinational currency, a currency in the beginning for 11, and now for 17 nations, shows us that the separation between a country, a state, on one side, and its currency on the other side, cannot be made. State and currency form an identity, because any state needs a currency in order to formulate a rational policy. A rational policy in terms of employment, in terms of social values, in terms of structural imbalances, can be done *only* with its own money, its own interest rate, and its own rules about the banking sector.

As a consequence of this multinational currency system, we have installed and introduced the euro. The euro for any country, for any economy—it doesn't matter whether it's in the North or in the South—is more or less foreign exchange; it's a foreign currency, a currency like a dollar for Europe, a renminbi for Europe, or a Swiss franc for Europe, or another currency. And this stupidity never happened in the 3,000 years of

monetary history that I know and I have studied.

So, the way out is to cancel the situation, and to come back to the identity of currency and state, and safeguard your currency by your national legislation and your national laws, as has been done since we first had money as a public good, and this has been a very long time.

And what about the euro? I think the euro has, in such a system, a real chance for surviving, which is good for face-saving for all politicians and European fanatics. What could be the role of the euro in such a system of a return to national currency? Very simple. If you remember the long, long, very successful story of monetary integration in Europe, Europe since the Second World War had at least three very successful monetary arrangements with its neighbors.

The first was the European Payments Union, directly after the war, in the years 1947-97, which was established with the help of the United States, with some funds from the Marshall Plan. This European Payments Union was transferred into European Monetary Agreement (EMA), with the beginning of the common domestic market, because the start of the domestic market was also the start for the capital market in postwar Europe.

But a payment union, just on the level of central banks, was not sufficient; therefore the EMA introduced and integrated the money market into the system. And this system was continued by the European exchange-rate mechanism of 1979, which was an idea of then French President Valéry Giscard d'Estaing and German Chancellor Helmut Schmidt. And the only difference from the former system was the introduction of a European Currency Unit, the ECU. And France was very proud of this name, because they could say "écu," and écu was the name of a very old-fashioned gold coin of Louis XIV, 300 years ago.

And what was the difference from the system with the euro? Very simple: In all the former systems, you had national currencies, and therefore the capability of states to formulate and execute their own policy, which is very important. Secondly, instead of the European Central Bank, you had an automatic mechanism of foreign exchange rates. Nearly every currency was linked with any other currency with an exchange-rate mechanism. If the country was making good policies, you had a trend of appreciation, and in the opposite case, a trend of depreciation.

And one of the good results of the danger of depre-

ciation was avoiding foreign indebtedness. In those days, no Greece, no Spain, no Italy was overindebted to its neighbors, because of the danger of possible depreciation. And depreciations happened very often. This was the best remedy against importing too many credits from the outside world, to avoid overindebtedness.

And the second element of the former system was that it needed a unit of account in order to calculate the foreign exchange rate. This was the ECU.

A Future Role for the Euro?

So, what will be the future chance of a euro in a revised system of national currency? Being a second ECU! Why not? A second ECU under the name of euro would make the euro enormously attractive, because you can depreciate a currency, but not a unit. Since all currencies have to depreciate against the unit, the unit is the only monetary entity, the only monetary unit which is stable, stable by definition. So, we could get a stable euro as a unit of account in a multi-currency system of Europe. This would be the best solution: the euro as a second ECU.

But if you wanted to have a stronger symbol of Europe, there would be the chance to give the unit the character of a real currency. Why not? Why should a federal Europe—a Europe of not only 17, but 28 nations—why should such a Europe not live with two currencies? A national one and a supranational one, namely a euro—not as a unit, but as a parallel currency to all national currencies in Europe? Even in such a system, the euro would become very stable, contrary to the past, because any trend for depreciation of the euro would force and urge the European Central Bank to issue such a currency, to strengthen it. So, we would have what we lack today in Europe (not in the world), a competition of currencies. And competition of the European currencies with the additional currency, namely, the euro, would, of course, stabilize the whole system, the euro as well as the other currencies.

To come to a conclusion: Even if this new euro is another sort of fraudulent labeling—namely, to say we *have* the euro and we *don't* have the euro—still in *this* case, the euro would have a chance to survive, and all the stupid governments in Europe could say, "We never capitulated to all our critics. We have been able to save and rescue Europe for a good aim, and to a good, happy end."

Thank you.

On What Does Italy's Future Depend?

Signora Presotto, an independent jurist, president of the National Civic Confederation, and chairwoman of the electoral list Si Siamo Italia in the upcoming national elections in Italy, addressed the Schiller Institute conference on Nov. 24. Her speech (slightly abridged here), was presented in Italian, and dubbed in English; it is available on the Schiller Institute [website](#).

Nineteen years after the establishment of the European Union, with the introduction of the subsequent Treaties, and also the abrogation of the Glass-Steagall Act in 1999 (which, from 1933 to that date, had provided protection from financial speculation), the scenario at the European level is, to say the least, disastrous.

Italy has seen its democracy and liberty taken away, against its will.

First, with the signing of the EU Treaties. In fact, articles 10 and 11 of the Italian Constitution allow limits to be placed on sovereignty only for purposes of peace, while there is no possibility of “transfer of sovereignty.”

It follows that the signing of all of the treaties of the European Union should have been subjected to popular referenda, and thus the signing of those Treaties represents an illegitimate act by a political class that betrayed its people and its mandate.

All of this took place with the complete silence of the media and the press, accomplices of a political ruling class that lacks any

moral scruples or love for its country.

The elections of 2008, which were very difficult for the country, saw the victory of the center-right bloc, whose leader Silvio Berlusconi formed the government that was to lead the country for the five-year period from 2008 to 2013.

Berlusconi's biggest mistake, in my view, was that he didn't tell the Italians the truth about what actually took place: the signing by the previous center-left governments of the binding Treaties of the European Union.

I think that the Prime Minister made the grave mistake of underestimating his political adversaries, and above all, of underestimating the power wielded by the leaders of Europe.

The Berlusconi government was born under an unlucky star, and the financial crisis that began in the United States hit Europe and Italy like a storm, starting in the initial months of the new government's term.

The continuous, unstoppable advance of the crisis created harsh conflicts in civil society and in the Parliament, between the two political poles.

In the meantime, the country's real economy was



EIRNS/Christopher Lewis

Lorella Presotto leads an Italian political movement based in Florence, which is running candidates for Parliament, and has placed Glass-Steagall and an end to all the anti-national-sovereignty EU treaties at the top of its program.

in serious danger. It was at that point in time that the small and medium-sized enterprises began to suffer greatly, and many closed down.

This was also due to the fact that the banks provided less and less credit in the market.

The Economic Crisis Hits Italy

In particular, between the end of 2009 and the beginning of 2011, the weight of the economic crisis was felt. The closure of many companies wiped out numerous jobs, impoverishing a large sector of the population.

Although social shock absorbers were implemented, this was not sufficient to stop the Italian recession, which appeared in its harshest form at the beginning of 2011.

The strong position of [German Chancellor] Angela Merkel and some of her allies, in favor of a strict budget policy, led to various clashes with the heads of government of other countries, including Italy.

The fact is, that at a certain point, the European Union imposed the replacement of the democratically elected Berlusconi government with the technocratic government of Mario Monti, appointed by the oligarchy.

Italian public opinion had been stunned in the previous months by a series of carefully manipulated actions and responses from the markets, and thus it welcomed the Monti government as “the solution to the problem.”

This perverse mechanism of “inducement” leads us to an initial, troubling reflection: a continent that came out of two World Wars, that had succeeded in establishing constitutional democracies, saw its democratic rights and basic laws violated in various forms. . . .

What is worse, is that these choices, which were entirely arbitrary, were driven by deceit, behind the backs of the European populations.



CGIL

“From the beginning of its oligarchical mandate, the Monti government began to raise taxes and cut spending in all primary sectors, directly affecting the weakest sectors of the population and the middle class in particular, which now no longer exists in Italy,” Presotto charged. Here, a CGIL union protest against attacks on pensions. The sign reads: “Workers without jobs or pension (esodati) . . . in search of a future.”

No man or woman of this continent, since the Maastricht Treaty, has *ever* had the right to make a choice.

Everything has always been decided artificially, by a high-level power with the complicity of the ruling class, which acts simply as the servants of financial interests and multinational corporations, which have decided to enrich themselves to the detriment of the European populations, robbing them of all of their wealth.

Coming back to the Italian situation specifically, from the beginning of its oligarchical mandate, the Monti government began to raise taxes and cut spending in all primary sectors, directly affecting the weakest sectors of the population and the middle class in particular, which now no longer exists in Italy.

What is certain—and this is a fact, not abstract conjecture—is that today, my country, Italy, is currently experiencing the darkest season of its life; not even the period of reconstruction after World War II can be compared to the social and economic disaster that today darkens my beloved land.

The welfare state is being dismantled: Funds for disabilities and people who are not self-sufficient have been cut; hospital beds, health and social services. In

some schools, students will attend school in freezing rooms, without heat, because their school is unable to pay electricity costs. In the name of the “necessary deregulation” to cover debts, created on purpose by criminal international speculation, the public goods that our forefathers had left to us have been almost entirely sold off.

Essential services, drinking water, and electricity are affected by unsustainable costs, that an increasing number of families can no longer pay.

Procedures for evictions and debt collection flood all of the civil courts. Many families live in cars, or makeshift lodgings. The segment of the population that is poor, indigent, has reached the historical level of almost 4 million people [out of a population of about 60 million—ed.]. Taxation has reached the highest level in the world, and the tax offices, the armed wing of the Monti government, seize everything they can, even from pensioners and families without income, thus exponentially increasing the number of the homeless.

In just this year, 2012, the number of Italians who were forced to eat free meals at the cafeterias run by the Caritas association or other volunteer groups increased by 9% (source: Coldiretti analysis).

To be precise, there are 3,686,942 Italians who must get food through non-profit organizations.

In 2010, the figure was 2.7 million; in 2011, 3.3 million; and in 2012, now almost 3.7 million (analysis conducted in collaboration with AGEA—the Agency for Agriculture Disbursements).

According to Coldiretti, the agriculture producers association, one out of four Italian families has economic difficulties, an increase of 3% over last year; 48% of Italians think that their situation is going to get worse. Fifty-one percent of families say that they are only able to cover their expenses, without any additional luxuries; 8% of families do not even have an income to cover what is indispensable.

In addition to a welfare state that has been eliminated, the state has become inhuman, we see an economy on its knees, which lacks the oxygen of liquidity and credit.

The End of Glass-Steagall

The abrogation of the Glass-Steagall Act in the U.S., and the legislative obligation created by the European Union to be listed on the stock market, have made all of

our commercial banks the prey of the speculative lobby. Once on the market, they are exposed to the raids of ruthless speculators, who acquire controlling interests, and have forced them to change their activities, making them subtract more and more credit from the real economy, from enterprises and families.

Without access to credit, small and medium-sized enterprises, the heart of the Italian real economy, have closed their doors one by one, and hundreds of thousands of jobs have been lost in a few years.

The food and agriculture sector has not been different.

Agriculture was our leading sector, our pride, our sense of belonging, handed down to us from our Roman ancestors.

The European Union has forced us to accept specific rules on production, our farmers have to throw products away because they are prohibited from putting more than a certain quota onto the market—a limit established by the European oligarchy.

We Italians accepted these harsh rules, thinking they were necessary to build a union of peoples. But now the goal is clear: to rid the Italian market of the small, high-quality producers, and make room for the multinational corporations which have invaded us with GMOs [genetically modified organisms], products that are often made with low-quality ingredients, that sometimes are even toxic for human health.

Their program:

- Bring back poverty, hunger, and desperation, in order to have low-cost labor always available.
- Generate diseases, because in turn, the multinational companies—the pharmaceuticals, for example—can distribute their products more broadly.

The goal is always the same: Enrich the 1% of the global population to the detriment of the other 99%.

It is a complex situation, with a thousand facets, that requires many national and international players to be effective.

A pyramid of power was built up consciously by the financial lobby, with its base consisting of the current European political system.

Dividi et Impera

Mario Monti, Angela Merkel, and all of their European colleagues, are pawns controlled by a power that manipulates and violates all of the equilibria of life and society.

Through the manipulation of media and the press, and the use of clichés, they are trying to set one people against another, and even to create internecine battles within each people.

Angela Merkel is very good at this. She is able to make the peoples of southern Europe—Italy, Greece, Spain, Portugal—appear as bearers of disasters that harm the peoples of northern Europe and Germany.

This leads the German people to believe that that the Latin populations of Europe are lazy and wasteful, and create debt.

This is not true at all. It is a stratagem, and the use of trickery carried out to fragment the strength of the European peoples, who together strike fear in those who wish to keep their power at all costs.

Some months ago, [IMF director] Christine Lagarde said: I don't care if Greek children are going hungry; their parents have to pay their taxes!¹

Greece, the cradle of civilization, of democracy, which gave birth to Socrates and Aristotle, is reduced to misery by imbalances created on purpose by legal monstrosities such as the Lisbon Treaty and the ESM!

Fathers and mothers in Greece are now forced to leave their children in orphanages, because they can no longer support them.

The same plan is being attempted in Italy, Spain, and Portugal, with the consent of the public opinion of Germany and the other peoples of northern Europe.

We want to tell the peoples of northern Europe that “Angela Merkel is deceiving you! She herself is working for the plan that will not stop with the so-called PIIGS [Portugal, Ireland, Italy, Greece, Spain] countries, but will be implemented in Germany as well, and in all the other countries of northern Europe.”

We Italians understand this; and although we detest Angela Merkel with all our strength, we still cherish the dream of seeing a true union of peoples, based on solidarity, brotherhood, the wealth of diverse cultures, the centrality of the human being, as a single species.

I am a woman like many others: I have a family and a profession. Until now, I never thought I would have to join the Agora of politics.

My sense of civic duty and responsibility towards future generations, the suffering I see around me, the arrogance and abuse by a European ruling class that

acts on a common denominator that harms my people—which is not only the Italian people, because I feel European—have not allowed me to turn my attention elsewhere.

Many new political movements and non-party electoral lists have sprouted up in Italy, and for these new popular forces, right and left no longer exist; human beings exist, along with a State that is seen as an aggregate of a people, a body with shared rules that recognizes all of those rights that the doctrine of natural law defines as “unfailing and unavoidable.”

I have made myself available, with all of my knowledge, and, with many other good-willed people, I have begun moving forward on this path, which I feel is right.

I am aware of how difficult it will be, of the many obstacles we will all meet, because power, that at the top of the pyramid, doesn't want people to progress, doesn't want liberty and well-being for them. Power wants only one thing: *dividi et impera*, divide and conquer. It will unleash its best servants, muddy the waters, fish in troubled waters in order to re-establish feudal power.

An Invisible War

It is no secret that the current Italian political class, of any persuasion (right, left, or center), is trying to pass a reform of the electoral system, to raise the threshold of votes to enter the Parliament and also increase the majority premium. This despite the prohibition that exists in national and European laws. The law is not equal for all.

They know well that the Italian people want to reclaim their sovereignty, and have decided to dethrone them all; none of them have been loyal to the social compact; and thus, they are thinking up some system to win the election by any means, in order to maintain their privileges.

Privileges that cost the Italian people blood, sweat, and tears. Italian parliamentarians have the highest salaries in the world (despite the fact that they have been asked to lower their pay many times by representatives of the people). At the end of only one term they have the right to a pension of several thousand euros a month, while from on high, they continue to raise the retirement age for ordinary people, even those who work in strenuous manual jobs.

They have taken over the legislative system which

1. The [Guardian](#), May 25, 2012.

they use for their own personal benefit; they are the legislators of themselves. They appoint the members of the Supreme Court of Cassation, the Auditors Court, and the Constitutional Court.

A continuous exercise of abuse of law, constitutional illegitimacy, the mandate of popular representation, for which they feel no shame whatsoever.

So, we are in a war. A subtle, invisible, almost intangible war, that is not fought with armies in the streets, but by much more sophisticated means: finance, which with its tentacles has by now reached every segment of social and political life, both nationally and internationally. A weapon able to trigger widespread extermination. Poverty, fear, the constant need to simply survive, finish the job.

Today, here, I want to call on all of you, who represent your countries, and in particular the representatives of the countries of Europe: We must embrace a single political philosophy, cancel all of the treaties of *this* European Union, create national banks; restore the separation between commercial banks and speculative investment banks in the private sector.

Restoring the Glass-Steagall Act as proposed by Mr. LaRouche and Movisol [the Italian LaRouche movement—ed.], can no longer be delayed. Mr. LaRouche's campaign has reached Italy as well, where three bills have been introduced in the Parliament.

Commercial banks are necessary for the economic system of a country, but if we don't succeed in separating them from speculative investment banks, all of the real economies will die.

We must sit around a table and conceive a *true European union of peoples*, drive out the servants of the financial lobby and the multinational corporations; free our lands, our peoples, from this oligarchy which has oppressed us for too long, and that by now has also spread throughout the European and national institutions.

We must reconstruct those values of peace, liberty, and democracy that are dear to us all; defend them, never again allow the repeat of the abominations we are currently seeing.

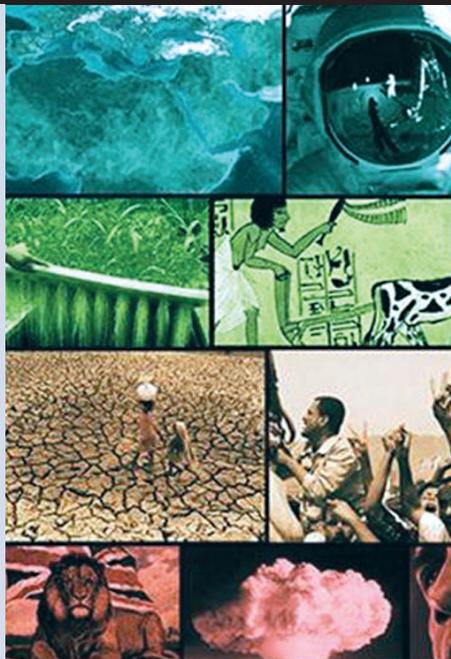
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Editorial

Effective War Avoidance

Two events occurring on Dec. 19 hold the promise of dramatically advancing the crucial step required to avoid the looming threat of world war—the removal of President Barack Obama from power. The first is the release of a detailed fact sheet by the LaRouche Political Action Committee, which presents exhaustive, specific evidence from the public record of President Obama’s alliance with al-Qaeda in overthrowing Libya’s Muammar Qaddafi, setting up Ambassador Stevens (and others) for assassination, and pursuing the war in Syria. The second is a press conference by Rep. Walter B. Jones (R-N.C.), who will address Obama’s moves toward war against Syria, moves which again threaten to violate the U.S. Constitution.

The LaRouchePAC fact sheet, coming at precisely the time that the State Department’s whitewash of the Sept. 11, 2012 Benghazi attacks was released, puts damning, incontrovertible facts on the table that can’t be ignored. Individual by individual, militia group by militia group, the groupings which the Obama Administration has supported, and relied on in Libya have been longtime leaders of al-Qaeda. Will the President claim he didn’t know? Not even that defense could acquit him of guilt for allying with enemies of the United States (themselves created and funded by Great Britain and Saudi Arabia), with the result of the murder of U.S. personnel.

We urge you to access the full fact sheet on www.larouchepac.com, and give it the maximum circulation among citizens of every nation who are concerned about bringing humanity back from the brink of extinction.

With this plethora of evidence, all from public sources, out in the open, will this President be per-

mitted to continue his alliance with the very same forces in pursuit of his regime-change operation in Syria? Even as that pursuit means violating international law, and putting the U.S., and its NATO allies onto a direct confrontation course with Russia and China?

At bottom, the challenge is posed to the U.S. Congress. Will it act to remove a President who collaborates with our nation’s proven enemies, and puts all of humanity at risk by doing so? Will it derail this madman’s drive for World War III, even before his scheduled re-inauguration?

It is in that context that the press conference of Representative Jones is significant. Jones will release a letter to President Obama, signed by a bipartisan group of Congressmen, “strongly urging him to come to Congress before committing American troops to combat in Syria. Congressman Jones stands by the fact that all Constitutional authority to commit troops lies with Congress, not the president.”

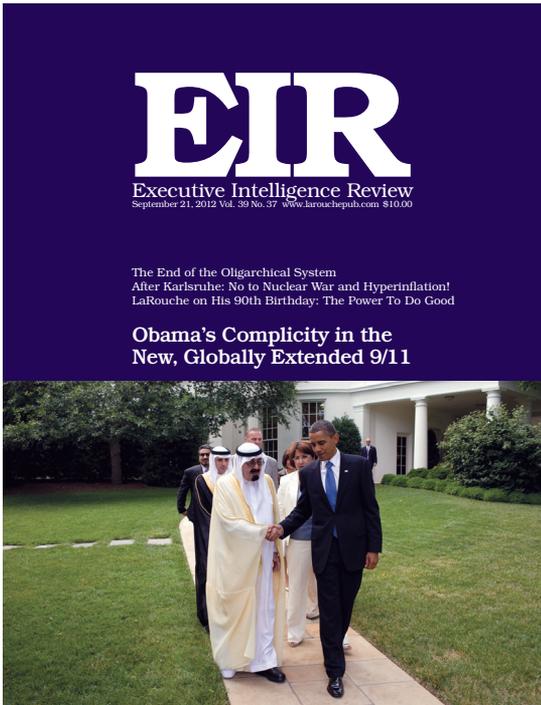
As Jones has pointed out in other locations, including his House Concurrent Resolution 107, action by any President to commit U.S. troops to military action is a violation of the U.S. Constitution, and should be an automatically impeachable offense. Now, in fact, President Obama has ordered the deployment of U.S. forces to the Syrian theater, through the authorization (without consultation with Congress) of sending two Patriot batteries to the Syrian-Turkish border. So far, no one has moved to stop him.

But to those not too afraid to think, it should be obvious: The only way the drive to war can be stopped is by using Constitutional means to remove British asset Barack Obama from his ability to wage war. Impeachment now!

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