

How to Defeat the Coronavirus: Quarantine Wall Street

The following is adapted from remarks delivered by Dennis Small to the LaRouche PAC's Manhattan Project meeting of March 7, 2020.

If you look at what's being said around the COVID-19 crisis, the coronavirus crisis, you'll find a lot of people in the United States and in Europe trying to blame China for it. They're even calling it the "China virus," and wagging their finger at the Chinese, saying: "Oh, my goodness, you missed the boat, you delayed by two weeks; you could have known three weeks ahead of time," and so on. Or, much worse, you get people like Secretary of State Mike Pompeo, who say that China is responsible for infecting the world, and that they've got to pay the price for this.

Whether or not it's the case that China could have known a couple of weeks earlier, how about the fact that the United States, Europe and so on, were informed about this, in all essential details, 35 or 40 years ago, and failed to act! Because Lyndon LaRouche warned, in some conceptual detail, that this is exactly what was going to happen if we did not change our ways, if we did not change our policies. How about missing the boat for 35 years? What about that? Why did that happen?

Back in 1985, in a document called "Economic Breakdown and the Threat of Global Pandemics," Lyndon LaRouche warned:

The conditions for economically determined pandemics may be either the instance in which the average consumption is determined by a fall of potential relative population-density below the level of requirements for the existing population, or the special case, that the differential rates of the households' goods "market-basket" falls

below the level of energy of the system for a large part of the population. We are most concerned with the effects on health, as the nutritional throughput per-capita falls below some relative biological minimum, and also the effect of collapse of sanitation and other relevant aspects of basic economic infrastructure upon the conditions of an undernourished population.

These are precisely the conditions we're seeing today, 35 years later. We're seeing it in the dry tinder which exists in most of the population of the world,



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Commodity speculation: Houston oil traders' office.

which permits problems such as the COVID-19 to spin out of control. It's the same problem that exists with the locust plagues, which are totally destroying the Horn of Africa, and is threatening to spread to other parts of Africa, as well as elsewhere. There are locusts in Pakistan and India, in significant numbers; in South America, in Bolivia and elsewhere.

Through what we have done, or rather what we have *not* done, in terms of the physical economy of the planet, we are allowing more retrograde forms of the biosphere to prevail, under conditions in which the noö-sphere, man's creative activity, should actually be dominant.

We're looking at a situation which is actually far more profound than most people want to admit. In fact

I think that the proper byword for our current circumstances is: “Don’t panic, things are actually far worse than you think.”

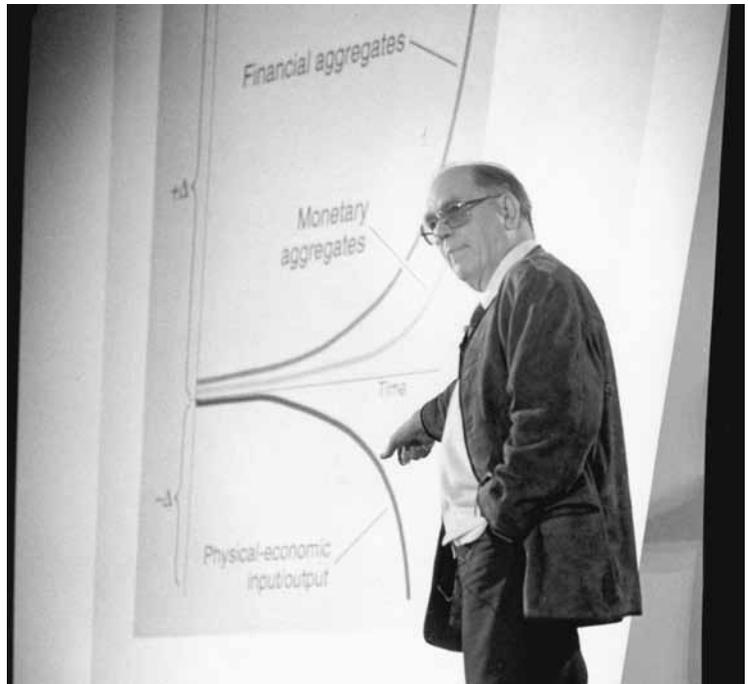
What has happened with COVID-19 is that it has simply brought to the fore a whole series of problems, which all have the same cause, and therefore the same solution. The crisis which is today exploding upon us with COVID-19; the related crisis of the blowout of the world financial system; and the more fundamental of all of these crises, which is the collapse of the physical economy of the planet in overall terms; all of this is actually a function of the same, underlying cause. And therefore, for that very reason—for the very reason that it is far more serious than most people are prepared to look at—it is susceptible of solution.

If it were merely the crisis that people are talking about today, there’s not a solution at hand. If it were merely a question of doing the arithmetic on the numbers of masks or hospital beds, as important as such calculations are to define the problem, if you try to extend such thinking linearly outward, you will not find a solution to the problem; it will blow up in your face.

The only way to deal with this is by thorough change in the axioms of the way we are thinking, and in particular in the way we are approaching the whole question of physical economy. And, what is most significant about Lyndon LaRouche, is not simply that he pointed to the nature of the problem, which he did, and he forecast it decades ago. But as with all of his forecasts, these are not predictions of what the future is going to be; these are forecasts of the course of action that we must take to make sure that these problems do not happen.

The Venue for LaRouche’s Policy

Now, let’s look at the question of a summit of the four powers—the U.S., China, Russia and India—that LaRouche proposed. If it is the case, and it is, that only the ideas in physical economy that LaRouche presented in the modern period—harking back to Leibniz and to the implementation of some of those ideas by Alexander Hamilton and others—are adequate to address the crisis today, and if LaRouche’s exoneration is needed for just that reason, I ask you: What is the venue, the political venue, the institutional venue—what is the pathway, to actually getting those ideas of Lyndon LaRouche adopted?



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In 1995, LaRouche released his heuristic graph of the Triple Curve economic collapse function. As the rate of emission of monetary and financial aggregates increases exponentially, physical production is driven exponentially downward.

Who’s going to do it? How’s it going to happen? Is it going to happen simply by the Congress of the United States voting legislation? I don’t think so. Is it going to happen by the parliaments in Europe adopting such policies? Not likely. Is it going to happen from trade unions? No. Is it going to happen from business associations? Absolutely not.

Is it going to come from mass demonstrations in the street? No—they may be very justified about what they’re protesting, but that is not a vehicle, that is not a venue, that is not an institution that is actually going to get the revolutionary policies associated with LaRouche adopted.

There’s only one pathway that actually could function: So we damned well better make sure that it works. And that is, a “sit-down-and-let’s-talk-about-these-issues-seriously” kind of summit, or series of summits, as Helga Zepp-LaRouche has called for, among that combination of powers and institutions internationally that are capable of destroying the enemy that is sponsoring the Malthusian genocide threatening the human species today.

And that’s why, and not for any other reason, LaRouche’s proposal for a Four Powers summit is required. If you look at the world, the combination of the presidencies—and the prime ministry in the case of

India—of the United States, China, Russia and India, is precisely the kind of unified force, which can and must sit down to make sure that policies such as LaRouche’s are adopted.

Is that going to happen automatically? Are they going to set an agenda tomorrow, where they sit down and Russia’s President Vladimir Putin says, “Hey Donald, let’s talk about Lyndon LaRouche?” No, it’s not going to happen that way—that’s not how the world works. Rather, because this crisis around the coronavirus is so deadly serious; because the locust crisis is so deadly serious; these crises provide an opportunity to actually change the fundamental axioms on which the world has worked, and messed things up over the last 50 years. For that reason, Helga Zepp-LaRouche issued an urgent call from the very first days of this year, on January 3, for such a summit to be convened, to address a series of issues—the security issue, the economic issue, the public health issue and so on—which are each reflections of an underlying civilizational breakdown crisis.

The COVID-19 Crisis

Let’s look at three of these crises: the COVID-19 pandemic; the question of the financial crisis as such; and then the issue of the underlying collapse of the physical economy. We will then draw some conclusions for action.

On the COVID-19 crisis, *we do not have the necessary health infrastructure* in the U.S. to address what’s coming. As things now stand, unless we change our policies, our system will be overwhelmed by what is barreling down the path at us.

Let’s look at the United States in comparison with other countries, on the question of hospital beds per thousand inhabitants. **Figure 1** covers the period from 1970 through 2015, based on data from the World Bank. You can see from 1970 to the present, there has been a dramatic reduction in the number of hospital beds per 1,000 inhabitants in the U.S., down to the level of something like 2.3 today. The horizontal line is what the Hill-Burton legislation established as the necessary, physical-economic requirement to have basic public health infrastructure, which is about 4.5 hospital beds per 1,000. We crossed that threshold in 1993, heading south—and haven’t recovered since. Our hospitals have been taken down, as Wall Street speculation reigned supreme.

FIGURE 1
Hospital Beds
(per thousand)

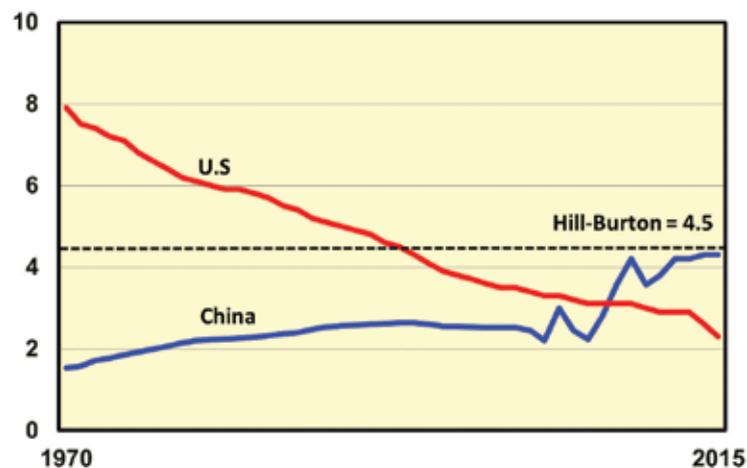
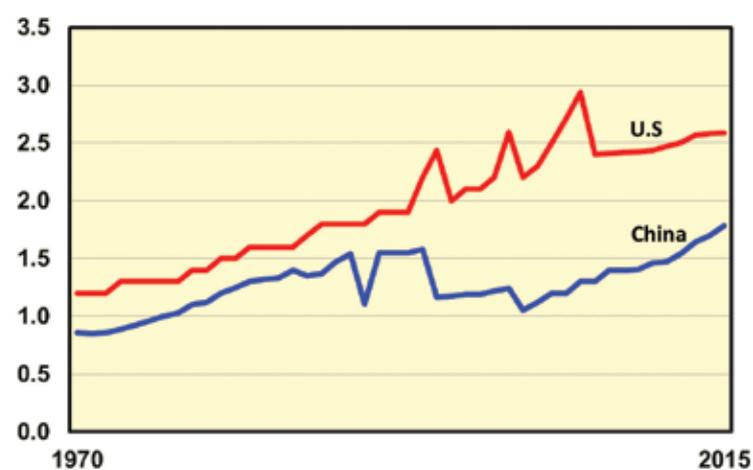


FIGURE 2
Doctors
(per thousand)



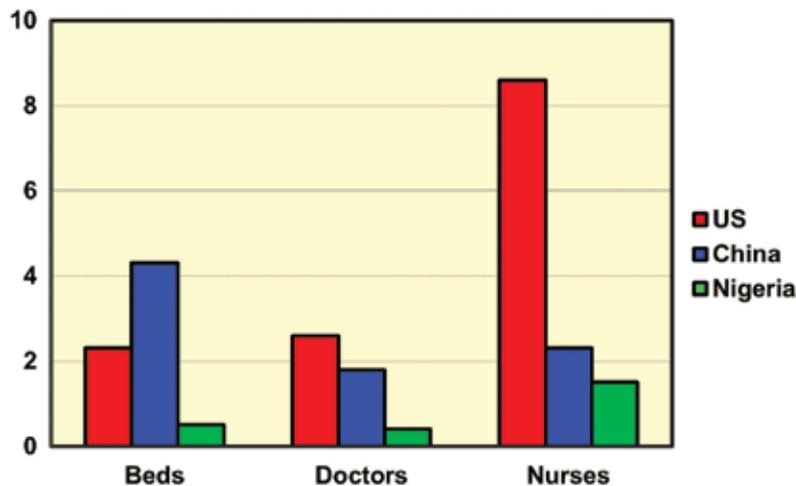
If you look at the trajectory in China’s case, and especially since the period of the late 1990s forward, you will see first a gradual growth, and then a very dramatic rise in this aspect of public health capabilities. Today, they have approximately 4.3 hospital beds per 1,000; and that’s pretty good when you’re talking about a population of 1.4 billion people.

Not all such indicators point to the same thing: **Figure 2** looks at the numbers of doctors per 1,000 inhabitants. In this case, the number of doctors per 1,000 in the United States has been rising, with some ups and downs, although in absolute terms it is still completely inadequate. Furthermore, large areas of the country have levels far below the national average. It’s interest-

FIGURE 3

Health Care Comparison

(per thousand, 2015)



ing that this is still substantially higher than the level in China.

But this isn't the main problem we are facing. The United States is not the problem. It's certainly our problem, as Americans, but it is nowhere as serious as most of the planet. If you look at the planet, we are talking about a single, interconnected global population of some 7.8 billion people. We are seeing, under conditions of crisis, just how interconnected we are. So the problem isn't the United States: the problem is Brazil; the problem is the refugee camps on the Turkish-Greek border; the problem is Nigeria; the problem is Haiti! The problem is places—including pockets inside the U.S. as well—that are going to be petri dishes of disease, nations that have absolutely no way of controlling the situation under current circumstances.

Figure 3 shows a comparison in three categories: (1) hospital beds per 1,000 inhabitants; (2) doctors per 1,000; and then (3) nurses per 1,000.

In the case of hospital beds per 1,000, China is doing better than we are; on doctors, they're not doing as well as we are. In the case of nurses, the U.S. seems to be doing quite well, one would think, at least compared to China.

But look at Nigeria, as one comparison among many, in terms of hospital beds per 1,000. Does this matter? Well, you bet it matters! Nigeria is the most populous nation on the continent of Africa, with just shy of 200 million people. There are cases of COVID-19 that have already surfaced in Nigeria's commercial capital, Lagos, population 20 million. This disease is going to be com-

pletely out of control, if it isn't already, in Nigeria, and in fact in most of the nations on the planet. So far, we haven't heard much about it, because there's no testing. Look at doctors, look at nurses in Nigeria: this is *our* problem! The planetary problem is *our* problem! And it has to be solved, in the only way that it can be, with a global reindustrialization strategy.

Now, lest you think that the U.S. is in good shape on the nurses front, consider what the National Nurses Union (NNU) has said—one of the largest and most politically active nurses' associations in the United States: After a survey of various thousands of nurses all across the country, the NNU found the following: 71% of those interviewed said that the places where they work have no plan in place for

COVID-19; 37% of those interviewed, said they do not have sufficient masks for the crisis they're facing right now, let alone what they see coming; 70% say they don't have adequate PPE (personal protection equipment), the gowns, gloves and so on that go along with the masks; 70% don't have adequate supplies; 35% of those nurses have not received training in how you don and doff—put on and take off—that protective equipment, and unless you do that very carefully, you're going to have all sorts of real problems.

Anyone who has visited a loved one in a hospital for a contagious disease like *C. diff.* [*clostridium difficile*] or things of this sort, knows what's involved in this kind of protective operation. And mind you, *C. diff.* is not airborne. But COVID-19 is, which is why you have to have Airborne Infection Isolation Rooms (AIIRs), which have negative pressure. If you don't have that, you don't control this disease.

The Limits of Linear Thinking

The COVID-19 situation is leading people around the world to look at what the physical requirements are to deal with the problem. They are starting to ask: What do we have available? That's positive; that's productive. But it does not yet get to the underlying issue of what you have to *do*, what's the underlying problem that caused this, and how do you go about solving it?

If you only look at the numbers, if you only extend to its logical conclusion where we stand today, based on the numbers as they exist, you can use the Method of Exhaustion to prove the absurdity of this approach, and

show that it's not going to function. And at that point, you look at how bad it is, and you either say: "Realistically speaking, we're all gone bunnies," or you say, "We've got to figure a way to kick over the chessboard. We have to think in a completely revolutionary way. This way is not going to work!"

Under these conditions of crisis, that transformation is beginning to happen. You will see that, increasingly, people will either act like total swine and say: "To hell with everybody else!" They'll say, as happened with the Black Death in Europe: "I don't care what happens tomorrow, we're all dead tomorrow, let's party tonight," and you will have the crazy hedonism described by Boccaccio in *The Decameron*. Or you will have people like the Flagellants, who were the flip side of the same coin, who turned to mysticism and irrationalism and said: "Well, this is God's punishment of man; we have sinned; we have no way of figuring this out, so why don't we just flagellate ourselves, and travel all over Europe"—which they did, further spreading the plague.

You have the same kind of problem going on today. There's a Belgian intensivist or critical care doctor, Dr. Philippe Devos, the head of the national trade union of doctors in Belgium, who wrote a very interesting article, taking this arithmetic approach to its logical conclusion to argue: Listen, we don't have the beds to handle this thing. There are 30,000 hospital beds for 117,000 people who will have to be hospitalized, and 1,400 ICU beds for 52,000 people that will need ICU treatment. He said: "You don't need to be a rocket scientist to understand that if we don't do something, we're going to have a problem!"

Well, that's true. So, what does he then say? We're going to have to start doubling up on hospital rooms, and other things. And then he says, we're going to have to do something else: "We will have to apply the ethical principle of distributive justice: Between a young man of 40 with a heart attack, and an older person of 90 with coronavirus. The young man will get priority, and the senior citizen will be sent home. No other choice will be available."

This gets you very, very quickly on the slippery slope, as was described in the Nuremberg Tribunals, where the Nazis, and modern Nazis like Obamacare and its exponents like Ezekiel Emanuel, decide that certain lives are too expensive to maintain, that the principle of life is not what's involved here, but you've got to make "bitter choices." And it will reach the extreme, as described by Boccaccio, in which he said, after looking at what was

going on with the Black Death in the 14th century:

This scourge had implanted so great a terror in the hearts of men and women, that brothers abandoned brothers, uncles their nephews, sisters their brothers, and in many cases, wives deserted their husbands; but even worse, and almost incredible, was the fact that fathers and mothers refused to nurse and assist their own children, as though they did not belong to them.

So, you don't have to be a rocket scientist to look at what is happening today, and see, among many of the responses around us, the kind of moral insanity that could take us to exactly these kinds of conclusions. And the answers have to be developed now, and developed rapidly, to preserve our morality, our humanity, and our species. And nothing less than that is actually at stake.

Quarantine \$2 Quadrillion

Now let's turn to the financial problem. Since the explosion of the coronavirus internationally, the financial system has gone into extreme shock, not because of the coronavirus, but because of underlying bankruptcy and the perception of where this thing is headed. Two weeks ago, we had the single largest fall in the stock market since 2008. This week, although there was not such a sharp drop in the stock market (it had wild ups and downs on a daily basis), something equally dramatic and reflective of the problem occurred in the form of the plummeting of the yield on the 10-year U.S. Treasury bond to less than 1%.

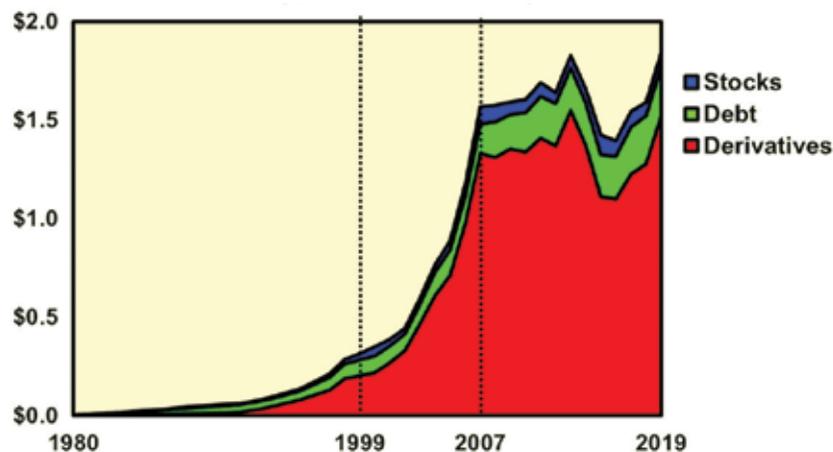
This is unheard of. And it has created a situation where people in the Federal Reserve are saying that the quantitative easing that "worked" in 2008, will no longer work. For example, Eric Rosengren, President and CEO of the Boston Fed, publicly called for the Fed's charter to be changed to allow the Fed to not only purchase government, or government-backed securities, as occurs with quantitative easing, but also any old piece of garbage that they run across in the street! From an individual, from a corporation—anything! Bail the hell out of them!

This is what Milton Friedman, and later Alan Greenspan and Ben Bernanke, promoted as "helicopter money": just throw money out of helicopters, and hope that people will pick it up and bail out the financial system. That's the point that we're at today. We are at a blowout point, not simply because of the COVID-19—that's kind of been a trigger—but because the system

FIGURE 4

World Financial Aggregates

(quadrillions of dollars)



itself is absolutely bankrupt.

Figure 4 shows the actual growth of world financial aggregates, with derivatives leading the way. As you can see, we’re on a rapid course towards hitting \$2 quadrillion in global financial aggregates. This is completely unsustainable, it’s completely illiquid, completely bankrupt, and completely cancerous. If you want to start addressing the underlying problem of the COVID-19 virus, and everything that means in terms of reviving the physical economy, the first thing you’ve got to do is, you’ve got to *quarantine* this stuff!

The name for quarantining this speculative cancer is called the Glass-Steagall law. You simply put it all in quarantine, and you don’t let it out until it’s cured—and in the case of most of these derivatives contracts, it will never be cured, because it doesn’t represent any actual productive value.

Then, of course, other steps need to be taken related to the physical economy. Here we are guided by the concept that Lyndon LaRouche, and LaRouche alone, developed, of potential relative population-density. For 50 years, LaRouche explained that if you allow your society’s potential relative population-density to drop below the actual population, you are going to get a holocaust. Why? What does potential relative population-density mean? Well, it simply means the power of an economy over a society to maintain a growing population at an increasing standard of living, to permit the ongoing creative breakthroughs that are needed for that society. In other words: What is the power of a society to maintain

its population? Not just a stagnant population at a stagnant longevity, but a growing population, an anti-entropic population. That’s what potential relative population-density means.

If it drops to a level under the actual population, what do you think happens? The only issue is which of the Four Horsemen of the Apocalypse takes over first.

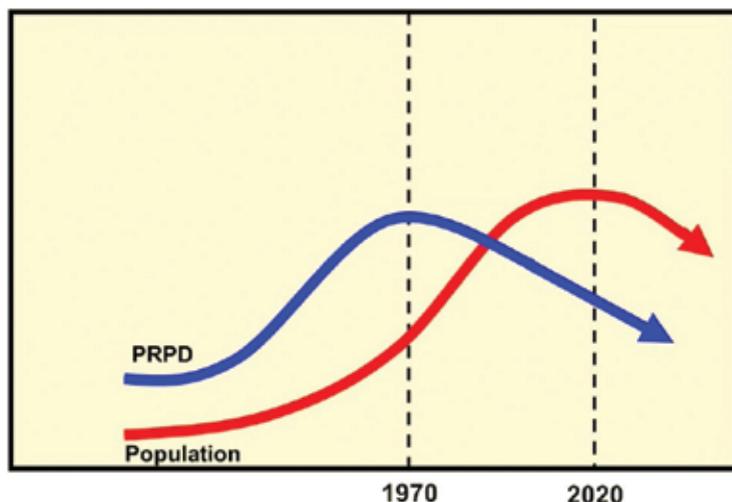
Take a look at **Figure 5**. These are not actual numbers, but this is a diagram of LaRouche’s concept of potential relative population-density, with an approximation of when these things happened. The top curve is your potential relative population-density. If your economy’s potential continues to grow and have

breakthroughs through science and technology, if you have technological leaps, if you develop new platforms, if you develop fusion power, if you colonize space, if you develop optical biophysics, then your potential relative population-density will allow for a continuous, unending increase of your population. There is *no room* for Malthus in an actual universe, where your potential relative population-density is growing, and your population did, in fact, grow, and was growing.

However, if, as has occurred over the last 50 years, the actual physical potential of our economy starts stagnating and then begins its descent, as it did begin approximately in 1970 (if you look at the rate of introduction of new technologies, which is what actually creates

FIGURE 5

Potential Relative Population Density



rising potential relative population-density), then at a certain point those two curves will cross: you will have a potential relative population-density insufficient to maintain the actual population. And what happens at a certain point, which is a politically determined point, the population crashes, whether it be through wars, whether it be through menticide and drugs, whether it be through viruses, whether it be through other forms of ecological holocaust.

And it must be said, that it is the intentional policy of the British Empire to produce that result. They do this knowingly. They are Malthusians, not because they think that theory describes what is happening scientifically. They are Malthusians because it is their *intent* to make sure this kind of demographic collapse occurs.

So when you see this occurring, this is not a policy failure. This is a policy *success*—for these oligarchs. And that’s the situation we’re in today. We are dealing with the kind of collapse which LaRouche forecast back in the ’70s: He said this would happen, if the potential relative population-density continued to collapse. And that is, of course, what happened, and now that is what we are looking at.

The 10¢ Cup of Coffee

Now let’s take a look at how this works internationally. There’s all this discussion these days about “value chains” and “production chains,” and people seem to have all of a sudden discovered that you can’t produce everything that you need to live by, in your own backyard or with your neighbors. That, lo and behold, there’s an interlocking international system.

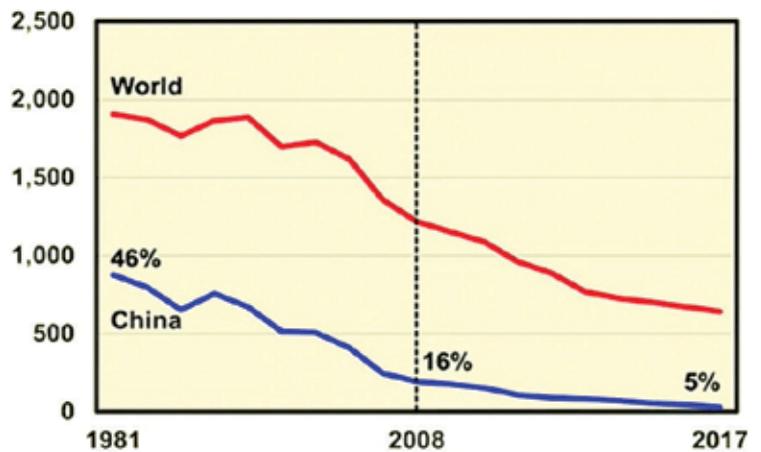
Back in the old days, when LaRouche was first teaching his classes in the late ’60s and ’70s, he would talk about “the 10¢ cup of coffee”—and it did cost 10¢ then, I can tell you that. LaRouche would ask: Where does your cup of coffee come from? Where does the actual coffee come from? Where are the beans grown? Well, they came from Brazil. What does it take to produce coffee beans in Brazil? Well, you have to have a certain amount of fertilizer to produce it. What about the machinery? Well, yes, that came from Japan. What about processing equipment? What about the sales equipment?

When you actually trace back the bill of materials—forget “value chains”—from a simple industrial engineering standpoint, and you ask, where your 10¢ cup of coffee came from, you will find that you have gone around the planet two or three times, just to produce

FIGURE 6

Extreme Poverty: China and World

(millions, % of total)



that 10¢ cup of coffee! That’s how the world economy actually functions.

So what does it mean, when you have a breakdown in different parts of the world? Everything that happens in any part of the planet, that is detrimental to our species’ potential relative population-density, is a personal attack on me, as an individual—and on you. Anyplace where that potential is increased or benefitted, that is a benefit to all of humanity. We *do* have a common interest. It’s not just because we want to think, and be moral, and we have souls. All of that is true. But it’s also scientific for the exact same reason that our species is characterized by our having an immortal soul. It is why it is the case that charity and love of humanity is the actual, scientific human emotion.

That *is* how our species functions! It’s not the case with any other species. And of course, we depend upon creative advances, to make sure that that happens.

Now, what is the single most significant thing that has happened over the last 40-50 years in defense of the human species? Take a look at **Figure 6**. It’s what China did to eliminate poverty where, over the period from 1981 to 2017, over about a 35-40 year period, China lifted 850 million people out of poverty. Where previously, in ’81, they constituted 46% of all poor people in the world, they’re now less than 5%. And, they are going to eliminate poverty in China this year, Xi Jinping announced, *despite* the COVID-19 crisis (I would dare say, *because* of it), because of the way they’ve mobilized. And you can see, that the bulk of reduction in world poverty has come from the Chinese.

China lifted one-tenth of the human population out

of poverty in a little over a generation. Think of what that does to mankind's potential relative population-density. Or, think of the inverse: What would have happened with the spread of COVID-19, in China, and therefore in the entire world, had China not achieved this accomplishment over the last 40 years? What if China still had 80% of its population in poverty? What if, even had they adopted the same rigorous methods they adopted now against the virus, what would have happened? Today, we would have a global pandemic of proportions that would remind us, immediately, of the Black Death.

This is how the world actually works. Which is why I say: Don't panic over COVID-19, the crisis is actually far worse than you think it is.

The Strategic Defense of the Noösphere

What is required? We have to have a change in the way people think about this, and therefore act on it. Lyndon LaRouche's ideas of how to get mankind back on course of that rising curve of potential relative population-density, is the only thing we have at hand. Others are open to these ideas.

Look at what Trump said in his press conference a week ago, talking about COVID-19: He said, this is a terrible crisis, but this is really an opportunity for us to come together across the planet. We can do something to solve this, working together. Look at what Wang Yi, the foreign minister of China, said just a few days ago: The COVID-19 virus is the common enemy of mankind. We must unite against it. Look at what Michele Geraci, the former undersecretary of economic development in Italy, who is a good friend of the Schiller Institute, and has spoken at our conferences, said: This crisis which is upon us can lead us to the kind of infrastructure development and progress which we need, under the Belt and Road Initiative.

It is absolutely true: This is a moment which is both laced with enormous dangers and great potential. You can respond to it by denying the crisis exists; you can act like an ostrich and say: "Nah, it ain't gonna happen here." But I would remind you that when an ostrich sticks its head in the sand, it does leave another part of its anatomy exposed. So I don't recommend political "ostrichism." The ostrich is like the person who panics, and says: "Just do the math; it's obvious you can't do anything about this crisis."

But arithmetic is not the solution. We need a situation where the noösphere reestablishes its dominion

over the biosphere, when the biosphere goes haywire, as it is now doing.

Don't blame the locusts for the problem. Locusts are locusts, they're not going to change the way they behave. It's up to *us* to deal with it! Don't blame the virus, there are some viruses which are very good, and which we need. But it's up to us, to do what we have always done where we have been successful. We need to use this crisis, just as LaRouche pointed out in the situation of the arms race and the danger of thermonuclear war. He came up with the global solution of the Strategic Defense Initiative, and he proposed turning the entire world strategic situation on its head, breaking out of the arithmetic bounds, with a revolutionary change based on a common policy between the Soviet Union and the United States.

LaRouche later refined and elaborated on this, with the Strategic Defense of Earth, pointing out that we have a common enemy, we have the danger of comets and asteroids striking the planet. We can develop the technology and the political collaboration necessary to deal with this.

Well, today we are facing an even greater crisis. We have to have a Strategic Defense of the Noösphere, so that we retake dominion through our creative reason, over lesser processes that will always go haywire without Man's intervention. Over the last 50 years we have allowed things to go haywire.

We can solve this. We've done it before. We did it during the Black Plague, we did it with the Renaissance. Nothing less than a Renaissance will work today. The United States did it during World War II, with President Franklin Roosevelt's mobilization. Back then, people said it couldn't be done. But we did it! We mobilized! We did it under President John Kennedy. We said we were going to the Moon, that we could go to the Moon, and we did it! And we can do it again, today.

And we have in the institution of the U.S. Presidency, and in the occupant of the Presidency at this point, a vehicle, a person, a potential combination of forces internationally, which makes this doable. But the task has to be posed correctly: The ideas of LaRouche have to be exonerated and rigorously fought for, as the only policy that will function. If we do that under these conditions, although there are no guarantees of victory, we will have a fighting chance to actually ensure, as during the period of the Black Death, that humanity does not destroy itself, but rather creates a new Renaissance. That is exactly what our potential is—

Today!