

WSJ Editor Reveals Synarchist Plan For World Currency and Super-Bank

by Richard Freeman

Wall Street Journal editor emeritus Robert Bartley, only three weeks after his angry editorial attack on Lyndon LaRouche for exposing the “Straussian” fascist cabal in Washington, has used his *Journal* column to propose Synarchist measures for the economic collapse—a single, global central bank and a single world currency.

Thus Bartley, coming from a secret meeting of international bankers and financiers in Siena, Italy, let out exactly what Presidential candidate LaRouche had just warned of—a plan to create an “economic Sept. 11” with a collapse of U.S. credit and the dollar, allowing them to then impose emergency rule of international finance (see *EIR*, June 13). In his warning, LaRouche put his finger on what many had begun to suspect, that the colossal incompetence of especially the U.S. government and Federal Reserve, in rapidly worsening the pace of economic collapse, may reveal an underlying *intent* among central bank circles. Bartley’s announcement is virtually a “Synarchists’ answer to LaRouche” on that point.

Bartley’s call for the creation of a one-world single currency, to be issued by a powerful “supranational central bank,” created at the same time, appeared on June 30 in the *Wall Street Journal*, where Bartley was an editor for 15 years. This would be underpinned by a British 19th-Century-type gold standard. Bartley’s raving attack on LaRouche had been published on June 9, seeking to discredit the Presidential candidate’s campaign pamphlet, *The Children of Satan*, of which nearly 1 million copies are circulating. It exposes the Synarchist network around Vice President Dick Cheney, which has taken control of the White House on behalf of a policy of perpetual global warfare, and the common allegiance of that network to the ideas of German emigré fascist philosopher Leo Strauss.

In that tirade, Bartley proclaimed himself a long-time promoter of the Straussian war-hawks. In his June 30 proposal, he promotes the Synarchist financier crowd closely linked to Cheneys Straussians, which wants a supranational central bank imposed in an economic emergency or “end-game.”

An ‘Interest-Rate Trap,’ Then Deflation

The connection Bartley and the *Journal* have exposed is lawful, as the breakdown of the world economic-financial system is accelerating. On June 25, the Federal Reserve Board of Governors, led by Chairman Alan Greenspan, lowered the

Federal funds rate by one-quarter percent, to 1%—its lowest level since 1958. The objective of bringing interest rates down to near zero, is to accelerate the huge central bank money-printing binge to unprecedented levels, in an attempt to prop up the remaining international financial bubbles, especially the real estate asset bubble in the United States. This money-printing approach will further a Weimar-style hyperinflationary upsurge. Then it is likely, as LaRouche warned in early June, that Greenspan would suddenly reverse course and jack interest rates up, pulling the plug on an “interest-rate trap” which would set off deflation and bankrupt millions of investors.

Speaking before some 400 people at a June 29 campaign event in Queens, LaRouche explained the dire consequences of this one-two punch: “There are a group of financier interests, who . . . using their agent Alan Greenspan, have a certain plan for your financial future. What they’ve now done, is drop the Federal [funds] rate toward as close to zero as they can get; and they’re about to drop it further. The reason for this dropping of the . . . rate, is to try to sucker money into financial markets, by saying, ‘the markets are going up, therefore, please suckers, come invest your money in this wonderful future, which is being created by Alan Greenspan.’

“What will happen? In a short period ahead, this financial bubble will collapse. Bankruptcy will spread. Alan Greenspan will run the discount rate up to, maybe, between 7% and 8%, and all the suckers will be wiped out. Mortgage owners will be wiped out; businesses will be wiped out; pensions will be wiped out; insurance plans will be wiped out, and so forth. This is the kind of people we are dealing with . . . who want world war. And these are the people who own, and are using, a group of people who are Synarchists, who are called in this country, ‘neo-conservatives.’ ”

Robert Mundell and Siena Bank

Springing this trap would cause a financial train wreck, and deflation, in which environment the financial oligarchy could create an institution like the Bank for International Settlements (BIS), but even stronger. In the 1930s Depression crisis, the BIS was created to apply genocidal austerity and helped bring to power and extend the rule of the universal Synarchist-fascist movement, including Adolf Hitler’s dictatorship in Germany.

Bartley's June 30 op-ed described the proceedings of a conference entitled, "Does the Global Economy Need a Global Currency?" which had just been held at a 15th-Century castle near Siena, owned by the conference's sponsor, Robert Mundell. Mundell, who has been a mentor of Bartley's for decades, is a leading spokesman for the older elements of the international financier oligarchy, grouped around the Mont Pelerin Society, but also other institutions (more on him below). Bartley reported that one participant at this small, but strategic gathering, was former Federal Reserve Chairman Paul Volcker, who openly voiced his support for a one-world currency. Starting in 1979, Volcker applied a policy of "controlled disintegration of the economy," that devastated the U.S. economy.

Other important participants, presently known of, were former Argentine Finance Minister Domingo Cavallo, notorious for destroying that country's economy; Steven Hanke, who abrogates national sovereignty by setting up currency boards; and former Israeli Central Bank head Jacob Frenkel.

Bartley described Mundell's policy, which dominated the conference, and which requires a strong central bank to control financial flows and a world currency. Bartley asserts, "If the euro can replace the franc, mark, and lira, why can't a new world currency merge the dollar, euro, and yen?" Such a new world currency, he avers, could be called the "dey" (short for "dollar, euro, yen"). "This suggests success for the grandest reform of all, a supranational central bank."

What makes this plan even more dangerous, is that Mundell favors linking currencies, in this case a new world currency, to a 19th-Century British gold standard. That standard is harshly deflationary: It sends economies into a downward spiral, and makes societies defenseless against moves toward supranational dictatorial rule.

Robert Mundell's prominence in this venture, playing the ventriloquist role of Edgar Bergen to Robert Bartley's wooden dummy Charley McCarthy, is an indisputable marker that a very nasty operation is afoot, emanating from the bowels of the financial oligarchy. Though the average man in the street knows nothing about Mundell, *EIR* has watched his career very closely. There is a lizard-like slitheriness to it, as he has carries out sensitive missions for the oldest, dirtiest branches of that oligarchy.

Born in 1932 in Canada, Mundell did his graduate work at the London School of Economics in the 1950s, where, he told a reporter, his ideas were shaped by Lord Lionel Robbins. A key figure in the City of London banking establishment, Robbins and his colleague Friedrich Von Hayek were leading lights in the oligarchy's Mont Pelerin Society, which was founded in 1947, meets secretly, and provides much of the economic policy for the neo-conservatives and fascist Synarchists. After a stint as chief international economist at the International Monetary Fund, Mundell was steered, during the 1960s, to the "Siena Group," which is controlled by the Monte dei Paschi Bank of Siena. This, created in 1472, is

the world's oldest continuously functioning bank. Monte dei Paschi is apparently a policy control point for the old and also dirty-money financier networks—what are sometimes called *fondi*. Mundell was so impressed with Siena, that in 1969, he bought the five-story castle once owned by Pandolfo Petrucci, who ruled Siena from 1487-1512.

After working with Milton Friedman at the University of Chicago, Mundell moved to Columbia University in 1974. There he concocted the entire "supply-side economics" fraud, which he taught to Robert Bartley, Jude Wanniski, Art Laffer, and former Rep. Jack Kemp (R-N.Y.), all of whom then peddled it to the Reagan Administration, with disastrous results. As a paid consultant to the European Monetary Authority, Mundell also spent several decades in pushing his version of the euro currency. In an article in the July/August 1990 edition of the Italian journal *Revista di Politica Economica*, Mundell called for the creation of a world central bank. Certifying that he is completely insane, in 1999, the oligarchy had him awarded the Nobel Prize in Economics.

Strategic Showdown

Mounting evidence points to the fact that the world financial system is on its last legs. In the June 30 issue of a leading German daily, *Die Welt*, Swiss fund manager Marc Faber warned that central bankers are engaged in "extreme monetary expansion, in particular in the U.S. and Japan," which is courting calamity. In its June 30 annual report, the BIS itself warned about the increasing dangers of highly leveraged, risky financial instruments, such as derivatives, which, it said, "are increasingly traded" among large financial institutions. Trading among "large players" could "move markets in ways that could affect the cost and availability of needed hedging. In this way, idiosyncratic shocks could conceivably turn systemic," said the BIS report.

Freddie Mac, one of the dominant lending institutions in the U.S. housing bubble, is a major case of where shocks "could turn systemic." In a similar vein, the insurance industry in several of the world's leading nations, is in dire straits. On June 25, the German Insurance Association (GDV), after meeting in Frankfurt, declined to bail out Mannheimer Versicherung, a medium-sized insurer, which had lost massively on the stock markets during the recent three years. This is the association's first large bankruptcy in 50 years. Some of the larger insurers in the GDV are experiencing significant difficulties themselves, and do not want to use up funds saving smaller companies.

The pace of the financial system's disintegration is registering with many bankers. In attacking LaRouche in the June 9 *Journal*, Bartley was defending the Cheney-led network and policy currently controlling the Bush Administration. More directly, he was attacking LaRouche's alternative, his New Bretton Woods policy for bankruptcy reorganization, and rebuilding the world economy. Bartley's controllers' policy is diametrically opposed.