

# LaRouche: Urgent Project To Refine Our Forecasting Method

*July 14—Lyndon LaRouche was the featured guest on LPAC-TV's Weekly Report today, hosted by John Hoefle; EIR Counterintelligence Director Jeffrey Steinberg also joined the discussion. A video of the complete dialogue can be found at: <http://larouchepac.com/node/15189>.*

**Hoefle:** Welcome to the LaRouche PAC-TV Weekly report.

**LaRouche:** We have just started a new project in the Basement,<sup>1</sup> in the past couple of days. As many people who follow *EIR* and LPAC will know, I have refined the forecast for the Summer season, to say there is a point somewhere between sometime in July, and sometime in September, at which, unless there is a radical change in U.S. policy, the entire world system will come down in the worst depression since the 14th-Century New Dark Age. Not just the U.S., but the world as a whole.

The preconditions for that are already fully established, and have been established in a series of post-World War II developments. Since the death of Franklin Roosevelt, and especially since the termination of the war in the Pacific, in August of 1945, we have never really had a net long-term growth—I specified, net *long-term* growth, as opposed to net *short-term* growth, which are two different concepts—in the United States.

Since 1971, especially as a result of the period of 1968 to '71, under the conditions of the Indo-China War, the United States has lost its leading position in the world, and has been replaced increasingly by Lord



LPAC-TV videograb

*On LPAC-TV's Weekly Report July 14, Lyndon LaRouche discussed his refinement of his economic forecast for the Summer months: Sometime, before October—unless there is a radical change in U.S. policy—the entire world system will come down. Left to right: Jeffrey Steinberg, John Hoefle, LaRouche.*

Jacob Rothschild's Inter-Alpha Group, which now controls—directly and indirectly—an estimated 70% of the world's banking. That is the British Empire, which now dominates the world. And we have adapted to that British Empire, with two George Bush presidencies, and the Obama Presidency, in particular. We have been destroyed, largely by Alan Greenspan's role, when he took over, after August of 1987, at the Fed. We have been in a long wave of destruction of the United States, and the policy-making, under the indicated Presidents, has been one to destroy the United States, and to enhance the relative imperial power of Britain.

Now, Britain is a lost cause as an economy, in and of itself, but you have to distinguish between a kingdom, which is one thing, and a higher order of power, which is called an empire. And the British empire is not an empire as one would think of conquering other countries. It is an empire of ruling the world, through the imposition of an international monetary system. And the international monetary system, since 1971, has been

1. LaRouche is working with a group of scientific researchers in the LaRouche Youth Movement, who have come to be known as the "Basement Team." (See *EIR*, July 16, p. 9.)

controlled by the British imperial interests, typified by the Inter-Alpha group of Lord Jacob Rothschild, whose group was formed at that time.

So, now we have come to the point that the entire world, which has been operating on the basis of a blood-sucker principle, which is another name for imperialism—we have been draining the world. You will find that most nations of the world, with a few exceptions here and there, which are quasi-exceptions, such as China, which up until recently, until the developments of 2007, was apparently on a secure footing; and India, which has been making some slow rates of progress, without attacking the fundamental problem of 70-80% of the population of India as a whole.

So, we have been running down. Europe has been destroyed, especially since 1989-90, in that period where the euro policy was imposed, by a combination of France's François Mitterrand, by Margaret Thatcher of Britain, and by George H.W. Bush. And this set into motion the destruction of the entire economy of western and central Europe, and also set into motion the looting of the former Soviet Union, and Russia in particular. So, we have been in a long wave of decline, of the physical economy—that is, up to the present time.

We have now reached the point where the dilution of our productivity, the loss of our automobile industry, for example, which was voluntary—this was not something that had to happen; this was something that was chosen to happen, in a deliberate wrecking of the U.S. economy. We have lost most of our machine-tool capability. We are losing our aircraft industry right now, under Obama. So we have a process where everything is breaking down.

You say, where is U.S. industry? Where is our great productivity? Where's our imagination? Where is our skill? And the United States, the present economy is disintegrating. It is disintegrating for most of the people, at a rapid rate, at an accelerating rate.

So, under these conditions, the point was reached that, unless we eliminate the Obama Administration—now. If the Obama Administration were to go away today, I would have to give you a different forecast. Because, with Obama out, a certain degree of sanity would take over the Federal government. Maybe not the Congress, but the Federal government as such. Take out the Obama people, who are specifically Obama, out of the U.S. Federal government, and you will find that there are elements in the U.S. government, from the vice President on down, who would be capable, as a group,



White House/Pete Souza

*As long as Barack Obama is President, there is no hope for the United States, and by extension, for the world as a whole. It's time for Obama to say good-bye, and give serious thought to his next career move.*

of responding to that situation, and considering measures that might get us out of this mess.

But as long as Obama is President, there is no hope for the United States. And if there is no hope for the United States, there is no hope for the trans-Atlantic world. And if there is no hope for the trans-Atlantic world, there is no hope for the world as a whole. Because China, India, and a few other countries on the Pacific side, can not make up for the loss of the entire trans-Atlantic economy.

That is where we are.

### **The July-September Forecast**

So, therefore, on that basis, I was able to say—and I do have a record as the most successful forecaster; I'm not a predictor. Only idiots predict. Because especially in human life, the human will, the human creative will, or lack of creative will, is always the determinant of variations in what is otherwise a long-term trend. You can not bet on economies the way idiots bet at horse-tracks. That is not the way. And people who use statistical financial forecasting are utterly incompetent. Every statistical financial forecast for the U.S. economy I have ever seen, is a piece of idiocy.

I, on the other hand, have been successful, since I

made my first forecast, which was a relatively short-term forecast, in the Summer of 1956, when I forecast the date of a February-March 1957 breakdown into a recession, a serious, deep recession, which happened exactly on schedule, and had all the characteristics I described for it.

Since that time, I have made a number of long-term forecasts, and adjusted reports on the status of the forecasts. And these have always been correct. Every time I made a forecast, the opposition has been wrong. The competition has been wrong.

So therefore, on the basis of the refinement of that experience, which I have as a forecaster, I made the forecast that, as of now, we are stuck, without a fundamental change in policy—and all these changes in policy would remind us of the need to eliminate President Obama from his office. Without Obama out of office, the United States has not got a chance of surviving.

Now, there is some point, between early July, or middle of July, and middle of September, or so, at which, if Obama is not out of office, and if the policies of the United States are not changed—and they can not be changed, and have Obama in there—the United States is going to go out of existence. That does not mean we are going to disappear. It means we will be on a slippery slope from which we can never recover. We have got to get this President out, quickly, before we reach the turning point, at which it is no longer possible to organize a recovery in any ordinary sense of the term.

So this is the case now, under present conditions, between somewhere in July, and somewhere in September. That is your branch point.

Now, it is very important, since we have an election coming up in November, at which the Democratic ranks of the Congress will be probably wiped out—not entirely, but mostly. And similar things are going to happen in the Republican Party, because the only thing good about a Republican today, is that it's not a Democrat. At least that is a typical American opinion.

Also, at the same time, the fact is, that the estimated report, which actually has spilled into the press: 60% of the U.S. population wants Obama out, now! An additional 25-30% have said, reported in the polls, an additional 25%, above the 60%, is virtually on the edge of saying the same thing. They are saying that they have been seriously disappointed by the performance of the Obama Administration, relative to what they thought at the time of Obama's election.

So you have a situation where the most unpopular President in recent history, is trying to be a dictator. And he is a really lunatic dictator, who is not only like Nero, in general, in his personality, but he's getting more and more, as his popularity shrinks to almost nothing, where he's behaving like Adolf Hitler in the bunker, in the last days of Hitler in Berlin. That is where we are.

So, therefore, it is important that we understand exactly what the range of options are for getting the United States, at least, out of the present mess. Which means getting rid of the Obama Presidency. We do not want him dead. We want him shipped off some place where he is protected from harm, so we do not have a crisis, or anything of that sort, but he is out! And the whole pack of fools goes with him. The whole clown show.

And it is not just Chicago. Yes, Chicago is a clown show. But the clown show here is Wall Street and Boston. The Boston Vault and the Wall Street gang and London—that is the problem. *That is the enemy.*

If that were to happen, we would get out. But we must reach the point that we get Obama out, before the breaking point of the complete collapse of the system, chain-reaction style, goes into place. It is very important to have a clear understanding that that point is out there. That flowing point, which is coming upon us fairly rapidly, over the Summer months.

## **Our Statistical Method vs. Wall Street's**

Now, to this effect, I, just in the past days, made a decision on how to refine our insight into this forecast. And therefore, I turned to some work we have been doing in the Basement, scientific work, on Gauss's method for defining the orbit of a particular asteroid, Ceres, and the other Asteroid Belt as such. We had done two of these, which were produced as an example, on the website [[www.larouchepac.com](http://www.larouchepac.com)], a video production, on the question of Gauss's forecast, on the Ceres project. Which is a study in a special kind of mathematical operation, which we are now setting into motion, to do a refinement on the characteristics of the present crisis. What is the internal structure of the crisis, and how can we more precisely define, from the standpoint of statistical methods—*our* statistical methods, not the usual Wall Street type—where the danger point, the maximum option for getting the President out, and replacing him—where we could save the United States, for example, and therefore, civilization. We are at that point.

So, the work is being done on that. And I am confident, because I know the people who are doing this

work, at my behest, and I know their competence, and I know the examples they have done of this kind of forecasting.

Now, there are two aspects to this kind of forecasting. On the one side, we are not predicting, like some stupid gambler at a racetrack, or Wall Street, which is the same thing. Wall Street is a bunch of gamblers who gamble like idiots at a racetrack. And they usually lose. So, statistical forecasting, statistical economic forecasting has always been incompetent. All forecasting, of that usually done, is very short-term, and short-term forecasting is absolutely incompetent, for considering long-term results.

Short-term forecasting is absolutely incompetent for determining a breaking point in the U.S. economy.

So, most economists out there, most members of government who are specializing in forecasting, right now, are completely incompetent, completely idiots, when it comes to this kind of question.

It's obvious that our experts—and there are experts in the United States, who can understand this sort of thing—but we have to develop a tool, an instrument, which makes clear to them exactly what the situation is, and what remedies will work, and what will not.

Now, the first problem we have to consider in forecasting, is the difference between short-term forecasting—you know, Jimmy comes in and screams, “Hey, the market just turned!”

“Down, or up?”

“Well, I do not know. It's turned!”

So, that idiot, we get him out of the way. We must know exactly where we are going, and what the remedies are for what we see coming at us. And there is no one in government right now that has a general policy to address this particular question. They're stumbling along, saying, “Well, Obama is still popular.” Here's a guy with practically 90% dislike against him, the most unpopular President on record, until they were shot, or something. Or thrown out. And you say, we have to listen to the most incompetent, the most maliciously incompetent, President on record? When 90% of the population really doesn't like him? Doesn't like his policy any more?

So therefore, that is the problem. People say, “Well, you have got to be practical. You have got to go with the flow.” What is the flow? It's the sewage on top. That is not a good flow. So, therefore, we have to give to people who are sane—and there are sane economists in this country, some very talented economists—and in other

countries. We have to give a clearer, scientifically valid picture of what the potential is, for various kinds of results. And what the remedies are which might be required, to deal with those results.

Basically, we have to look first at *long-term* trends first.

## The 2004-05 Strategy

For example: As I reported before, in 2004, we were stuck with a loss in the election, in the Democratic candidacy for the President. And we had a meeting in November of that year, reviewing this election result. And I said, in this webcast [*EIR* Nov. 19, 2004]: “Get up off the floor. Do not crawl. Do not whimper. Do not cry. What we have got to do is mobilize the American population, around defending Social Security, as a Democratic Party initiative.” And we did that.

In January of 2005, the Democratic Party leadership set such a projected goal in motion.

That worked all through the year. However, in the meantime, also in January and February of 2005, I warned that we were in danger of losing the auto industry. And I pointed out that it's not the auto industry as such, which is our concern. What we have out there, which is now confined largely, to the auto and aircraft industry, is a vast productive capability, which was organized under Franklin Roosevelt, to deal with the threat of World War II, and the conduct of it. We had vast acreages of factory floor space, and traditions of skills, in making aircraft, railway systems, ships, everything, built in to what we now call the auto industry—which is almost gone now, from the United States—and the shrinking aircraft industry.

Look at Boeing, for example, with its large aircraft. Look what has happened to the program that they used to have for that.

So, we are losing the capability, the industrial capability, of the United States. We are not only losing the places; we are losing the very capability to do that kind of work.

And the real problem that we suffer, as a physical economy, is, our education system is not worth anything. It is not the teachers; it is the whole program. It is also the motivation of the students. We have a generation of people under 20, which, in large part, is not qualified for any kind of work. It's a broken population, with no capacity for survival, unless somebody from the top comes down and gives it to them.

We have generations—maybe two-thirds of the





NASA

*The shrinking aircraft industry in the United States is exemplified by the Boeing company. Indicative of its capabilities, under a Glass-Steagall reorganization of the U.S. economy, however, Boeing is the prime contractor on the International Space Station (shown here), and has built several of the major components.*

population, still, has some more or less smell of what a real economy *was*. That is about it. And we have to restore that. The only way we are going to restore is by building up long-term infrastructure. And we are talking about investments which cover a period of up to 100 years, a century. We are talking about investments in machine tools, and things like that, 25 years or more. We are talking about investments in manufacturing, of 50 years or more.

So, what we are looking at—the economy is based on the centenary considerations, not on what happened last week. Not on what happened on Wall Street. Wall Street is a side show. And it's one that should not be shown to children.

So, we set into motion now, a program whose function is, to project, taking into account the contrast between short-term current developments, and the long-term effects and trends, in the productivity of the U.S. economy. Which will indicate to us, more accurately, what the nature of the Summer breaking point in the U.S. economy, will be. And this, I think, is essential information, because, if we make clear to people, we are not talking about somebody coming out with a magic bullet, or coming out with some magic scheme—"I got the formula"—that is not what we need. We do not need a statistical formula, a so-called prediction. Throw all

predictions out the window. We are out to *change* the prediction. And we are looking at the exact action we require, and the timing we require, to *change* what people would call the prediction.

Those who are predicting economy, are idiots. Only animals can predict, because animals have a fixed behavior. Human beings are not animals. Human beings are able to *change* their behavior, wilfully. And we are now behaving in a way, as a nation, we are not going to survive. So, you want that prediction? If you postpone it, we are not going to survive. The civilization is not going to survive.

Do you want to *change* what you would consider the predic-

tion? Do you want to determine what the change in behavior of our economy is, which can rescue us in the short term, from the long-term collapse we are undergoing?

And therefore we are doing this computer study, which is based on a model of Gauss's discovery of the orbit of Ceres, and Gauss's general discovery of the characteristics of the Asteroid Belt. And we are applying that to the factor of the variability of human choices, voluntary choices, like scientific choices.

The general conclusion is obvious: We have no industrial base to invoke, as such. We can not find factories and farms and so forth, out there in large numbers, whose potential we can evoke to revive the economy. The economy has been destroyed. We have been sent into the bushes—and even worse, into the Obamas. So therefore, you can not simply try to stimulate this economy. A stimulant is not what you need. You need something more fundamental. A change to a Glass-Steagall standard.

### A Glass-Steagall Standard

A Glass-Steagall standard will automatically, immediately, wipe out most of the bailout. It will wipe out most of the financial debt associated with the bailout, because you will put it into a separate category from

real commercial banks, and savings banks, and things like that. And therefore, Wall Street, and its equivalent in Europe, will be forced to struggle along on its own resources, not ours.

Under those conditions, where you have cleared the deck of U.S. obligations to Wall Street and to the Boston Vault, at that point—you now have a shattered commercial banking system. It will be technically bankrupt. We will put it into bankruptcy protection, so it still functions. Since we have gotten rid of trillions of dollars of fake debt, imposed upon the nation and the government, we are now going to clear the decks for generating new credit, which the Federal government will use to put in the hands of the commercial banks, which are under government protection.

We will then use that fund of money, entrusted to the traditional commercial banks, which are now under Federal protection again, to stimulate what has to be stimulated. Apart from simple repair jobs to ensure that people survive under these conditions—the basic thing is, we are going to launch large-scale infrastructure. This means, we are going to stop this highway orientation, because commuting one hour, two hours a day, each way to work, is not a good way to maintain a family. Particularly when both adult members of the family are supposed to be working. You produce children you do not want to know about, which some of you have seen.

So, therefore, what you need is to build up the infrastructure program around what is needed, to fix our water systems, our river systems, our general water systems, and our drinking water systems. We need to go ahead with our NAWAPA [North American Water and Power Alliance] project, to solve the water problem of the North American region: in Alaska, down through Canada, down through the United States, and down into northern Mexico. It's a big project. It's already designed. It's ready to start work. Just mobilize the resources.

We are going to build a high-speed-rail system, which, in various ways, is going to eliminate the reliance on the highway system, as a way of commuting—except for short-term commuting, very short-term. Essentially my idea, people should go back to the time you could walk to work in 15 minutes, or, at most, a half



LPAC-TV videograb

*Among the urgently needed, and eminently doable infrastructure projects, is NAWAPA, the North American Water and Power Alliance, which is ready to go at any time, and has been for decades. It would bring freshwater down from Alaska, through the Western United States, and into Mexico.*

an hour. And you save family life. We are going to restore family life, by eliminating this commuting factor in society. We are going to put in high-speed transport systems, public transport systems, rail, magnetic levitation, and so forth.

We are going to rebuild, as I said, the water system. We are going to build similar kinds of essential infrastructure for the economy.

Now, when you build this infrastructure, you have an effect—these are fairly long-term—like the Tennessee Valley Authority project, which is typical of this kind of thing. You are also going to have to do some other things. You are going to have to supply some industries, to contribute to building the infrastructure. So, the Federal orientation should be to emphasize infrastructure, that is, large-scale infrastructure as *public* infrastructure. We can send some idiots out of the country, back to where they came from, and we go back to a U.S. system: public infrastructure; cities, towns, states, and the Federal government. And we support government on all levels, in assistance in doing this job, in infrastructure. We have no idea of privatization. We have no conception of public-private privatization, at all. We take these guys, and ship them out of the country. They're no damned good anyway; we do not need them.

And on that basis, now we create the demand for

industries, and agriculture, to support this infrastructure program. In other words, you generate the preconditions to generate the market for private industry, through large-scale public infrastructure. And that is the solution.

And therefore, we need to have a forecasting system, which is not a betting system. Not a predicting system, which is idiocy. Every economist who predicts, is an idiot, whether they intend to be such or no.

You can forecast, but you have to forecast on the basis of choices of alternative policies of practice. And you have to forecast on the basis of the role of government, of the Federal government especially. And on cooperation among governments internationally, to this end. And that we have already specified.

### **We Do Not Need Wall Street**

So, what is happening with this program that we are developing in the Basement now, which is already in progress; about 15 people are actually working on this thing. And this will enable us to map exactly what is needed, in order to understand the relationship between what we are looking at generally on the street—short-term considerations—by week and by month—as against the long-term considerations, which run up to a century.

We will look at this first from the United States standpoint. Then we will continue that to look at it from a trans-Atlantic standpoint. We will be going into a discussion of the trans-Pacific standpoint. We need an actually competent scientific view of how mankind can manage the future of the world as a whole, and nation-states in particular. We need a forecasting instrument which junks all of this so-called economic forecasting which is popular today, which has proven itself utterly incompetent.

Whether Wall Street can make money or not—I do not care about Wall Street. You could take the entirety of Wall Street, and take it up to the Moon, and build a rocket device, to ship it somewhere in space, particularly empty space. Gone forever. We do not need Wall Street. We do not need the Boston Vault. We do not need these products of the British East India Company, which have been sucking our blood, of our nation, all these years.

Benjamin Franklin wanted to throw these bums out of the United States when we had won our freedom. . . .

But instead of shipping these guys out, who had been the opponents of American independence, we kept

them. We kept them in Boston, in the form of the British East India Company product called the Vault. We kept them in Wall Street. The Bank of Manhattan was organized by a traitor to the United States [Aaron Burr], and it became the keystone against the United States in the formation of Wall Street.

Wall Street and Boston, the Vault people and the New York people, the Wall Street people—they were based on, first of all, slavery, the slave trade, in the 18th Century. That was their big item. And then, the drug trade, the opium trade, where Boston took on the job of the Turkish opium trade, and the British reserved themselves the much more profitable, vaster opium trade in Asia. And so, that was the Opium Wars. We do not need these guys. They have done nothing good for the United States, essentially, in their history. They should go away. We should give them back to the British, and say, “Here’s the package. It’s yours, take it.”

But, we do not need these guys. We do not need to save these kinds of banks. We do not have to protect them. We throw them out in the cold. If they can make it, they can make it. Some will make it; most will not. Good riddance.

So, that is what we are doing. We doing this computer program. You’ll get reports on it from us, over the course of the coming weeks. This is what is needed. We are approaching now the point we have to dump this President, if we want to survive. If you are a loyalist to this President, you deserve not to survive, and you will not. So, therefore, you have got to dump these guys.

### **A Revolution in the Definition of Economics**

**Steinberg:** Lyn, one of the things that was striking to me, as you were presenting this whole picture, is that there are very solid historical precedents for what you are saying has to be done now. The measures that Roosevelt took, particularly during the period leading up to Lend-Lease, and then the U.S. involvement in World War II, are exactly what you just laid out.

Roosevelt famously went out to Detroit with Harry Hopkins and Harold Ickes, and they laid down the blueprints for manufacturing airplanes for the war effort, and they had people writing out contracts on the spot, based on the Federal government making capital investments into these projects. And those contracts could go to the local commercial banks, which had been restructured in bankruptcy at the beginning of the Roosevelt Presidency, and people could get low-interest credits to hire workers back, and to begin repurchasing the ma-



chinery, and the raw materials. And we made economic miracles happen under Roosevelt, using American System methods.

**LaRouche:** Well, that is not enough. That will not work by itself. What is needed, as experience has shown us—what you need is an understanding of the principle involved. You can't use a model of past experience, and rely upon it as your guide for this kind of crisis. You have to go more deeply than was ever done before in economics. What I have made is a revolution in what is the definition of economics.

And without looking at this thing from that standpoint, which is the significance of this Gauss operation which we did, that this is what is needed. A revolution in the concept of economics, to eliminate the reigning idea about monetary economy, and to replace it with a concept of physical economy.

Your big problem here is, money has no intrinsic value. Money has an assigned value, a politically assigned value. It's a politically assigned value of where the Federal government, or the national government, or international governments, provide credit, denominated in currency values, to organize production and distribution. But the value lies in the science—the science-driver, and in the production and distribution, not in the money! Money is an arbitrary value. It is not an intrinsic value. It's a convenience. And when you start to try to interpret an economy from the standpoint of a money economy, a financial economy, you are way off base. You have no idea, no conception, of what is causing anything.

So, you do precisely what Adam Smith required. Adam Smith says, we do not know what the hell we are doing. That is his first premise. We do not want to know what we are going. What we want to do is, find a formula of behavior, which we find convenient, especially to our upper classes. That sort of thing.

So therefore, they said, since you have no estimate of real economic value, you are not determining what is valuable to humanity—you are determining what is convenient to you, in terms of your sense of what you like. So you use statistics rather than science. That problem is that the accepted economics today, has no basis in science. And it particularly has no basis in understanding the distinction, which Vernadsky makes, between the behavior of animals and non-living processes, and human beings.

We are dealing with human beings, who have a factor of creativity which does not exist in any other

form, except human beings. Economy is based on human physical creativity. We create money systems to organize trade and production, in a way which we find convenient. But we know that money does not give us the truth. Money is not truth. Therefore, we have to adjust the way we adjust prices, the way we get fixed-exchange-rate systems, to keep money from taking over—because money is not a standard of truth.

What is a standard of truth, is long-term improvement, consistently, in the conditions of life of the human being, and the progress of human life. That is it. We have to *use* money, as a way, under Federal control, under government control: We need an international fixed-exchange-rate system, among nations. Therefore, we can use money as a medium of exchange, which is all it is. It's credit. It should never be treated as anything but credit. As a system of exchange in the form of credit.

Therefore, what we are concerned about is physical production.

Look, for example: Everyone who is talking about cap-and-trade is a criminal idiot. There is no rationality to that. The idea of green policy, in power policy, is *absolute idiocy!* Mankind depends upon increasing the energy-flux density of the power supplied: That is the way we were able to reduce poorer and poorer qualities of raw materials, into a useful form. That is the way we are able to increase the inherent productivity of labor.

So therefore, we have come from another standpoint in saying, "Money is crap." What Roosevelt did, was not sufficient. What Roosevelt *intended* was good. The mechanisms which prevailed, like Wall Street—a compromise was made between humanity and Wall Street for the sake of World War II; we put up with the British for the sake of beating Hitler. And, the British had *created* Hitler! But, we had to clean up the mess that the British had created by putting Hitler into power! Including our Wall Street gang, Harriman and company. Harriman put Hitler into power! With...

**Steinberg:** ...Prescott Bush.

**LaRouche:** Yes, Prescott Bush. His offspring.

### Gauss's Tensor

So, we made these mistakes, but we made them under Roosevelt, with calculation. We adapted practically to what was needed, *to get the job done in the short term*. Presuming that we would continue at the end of the war, to make the reforms necessary to cure



the original problem. In other words, we had to stop the disease; you have to save the patient. Once you save the patient, now you have to fight the disease so that it doesn't come back again. Truman protected the disease. That is where we went wrong. And that is what you have to understand today.

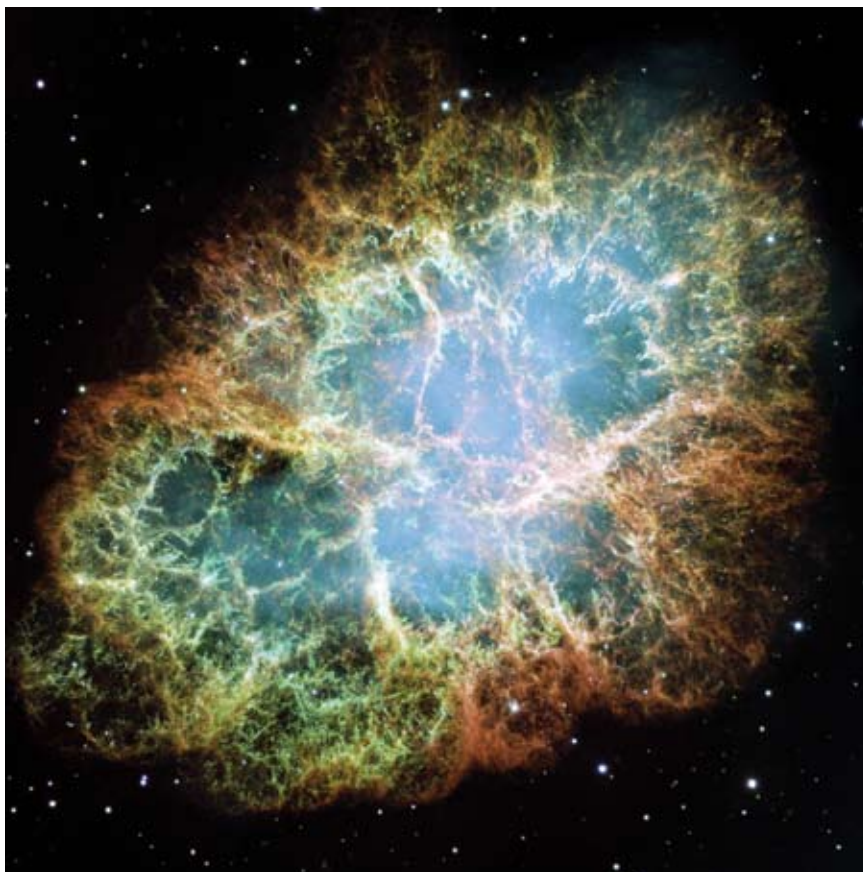
That is why we have to do this Gauss: See, Gauss is not the full answer, but Gauss's tensor, which was demonstrated by our people who did this demonstration of the tensor, for the application of the Asteroid Belt—it's the first one that has ever been done of that type, that I know of. And that is an indication.

So, we apply the tensor, as designed by Gauss, but not revealed in its nature while he was still alive; the understanding of the tensor came from Riemann. And all competent science today, physical science today, is based on a Riemannian conception of physical science, as opposed to a so-called mathematical physics. And it's based on these kinds of considerations. And the way you handle the mathematical side of this problem, is with the concept of the tensor, like the Gauss tensor, which he used for determining and discovering the orbit of Ceres; but then applying it to a higher form, which is a Riemannian form, and situating the Riemannian form in what is called "physical science." Which is people like Einstein.

And we turned away from Einstein. We went to these—I would hate to call them what they are; the FCC might object. But, that is the problem.

So, that is the problem. We have to understand, time goes on. Mankind has to rise to higher intellectual levels of achievement. There are certain things we know from the past, which have already been proven, but those things by themselves will not work. We have to realize they are some things we overlooked or didn't get around to....

See, what happens is people argue, they say, "My expertise says this." And that is where the problem comes up. And someone says, "Well, you are saying



NASA, ESA, J. Hester, A. Loll (ASU)

*One of the projects the Basement Team is working on, is an updating of the Periodic Table, to reflect the reality that the underlying process in the universe is not particles, but singularities, within a domain of cosmic radiation. Shown: the Crab Nebula (as seen by the Hubble telescope), a source of cosmic radiation, which has been detected by scientists.*

this, but so-and-so, who's a respectable person, says this." It's like the case of Shakespeare, Doll Tearsheet. The captain says, "It's a wondrous word." Like the term "occupiers," fallen into disrepute, and that is about the same thing, you can see in this thing.

So therefore, we have to move on, and we have to recognize that there is a principle of progress, which is inherent to humanity, as distinct from all other processes in the universe, that we know. And this principle of humanity *must drive us, through creative steps to progress*. We must recognize what was *right* in the past, but also recognize what it failed to take up.

We have now entered, since World War II, we entered into the complete change in the Periodic Table of chemistry. Now we are about to dump that Periodic Table of chemistry, in its *old* form, to adapt it to the realities, our universe, whose underlying process is not particles, but *singularities*, within a cosmic radiation

process. We are looking at many things, as in the Basement, in terms of biological questions and so forth, which can not be understood except from the standpoint of cosmic radiation.

Or the role of viruses, one of my people is just working on this paper on viruses, an introduction to this whole question. Viruses' role as the environment in which living processes came into existence. The role of viruses in forms of single-cell tissues and so forth, that viruses have a much more complex relationship to things than you can imagine.

So therefore, you have to go into a field where you realize that the Crab Nebula is spreading radiation, which comes out periodically from the Crab Nebula, detectable, and has been detected, both in Germany and in France, some years ago. And we now understand that cosmic radiation is coming from this particular form. And then we look at the other cosmic radiation, coming from the *other* parts of the universe. Look at the cosmic radiation *we* are contributing into human society and into space. We are radiating!

So, we have to understand things in these new terms of reference, without throwing out the old Periodic Table, as improved since its origin. You can use it, but now, just flip it a bit. We now know that the particle, as such, is not the basis—it's like this ambiguity of de Broglie, the de Broglie Ambiguity. We now have to flip it, and look at it from the standpoint of radiation, the singularities in radiation.

And this also corresponds to the way the human mind works. So, it makes it more interesting.

**Hoefle:** This is a completely different view than what you get from the Wall Street crowd, which is that everything has to be oriented around protecting all of this fictitious value.

**LaRouche:** I say, trash it! Do not you know what to do with toilet paper?

**Steinberg:** Take out the garbage.

## The 'Ceres Appendix'

**Hoefle:** Yes. Instead, we have to turn our attention to figuring out more about how the universe actually works and mastering it and changing it. . . .

This video you reference, this is the Ceres Appendix Video on our website (<http://larouchepac.com/node/14884>). Everyone should watch it.

**LaRouche:** Yes, the most recent one is the one which was most relevant. What convinced me that we were

capable of doing this in the way I prescribed, was the fact that, looking and studying carefully, the last version of that, which is probably a fairly accelerated exposition—it's shorter, could be longer, much longer. But the shorter exposition contains all the essential elements of this tensor, which you have to understand to understand the kind of phenomena that we are dealing with.

So I said, okay, we have done it. We have proven we have got the right concept of the tensor. Let's apply it. And this will enable us to go out to people, particularly, informed people, and show them exactly what this subject is.

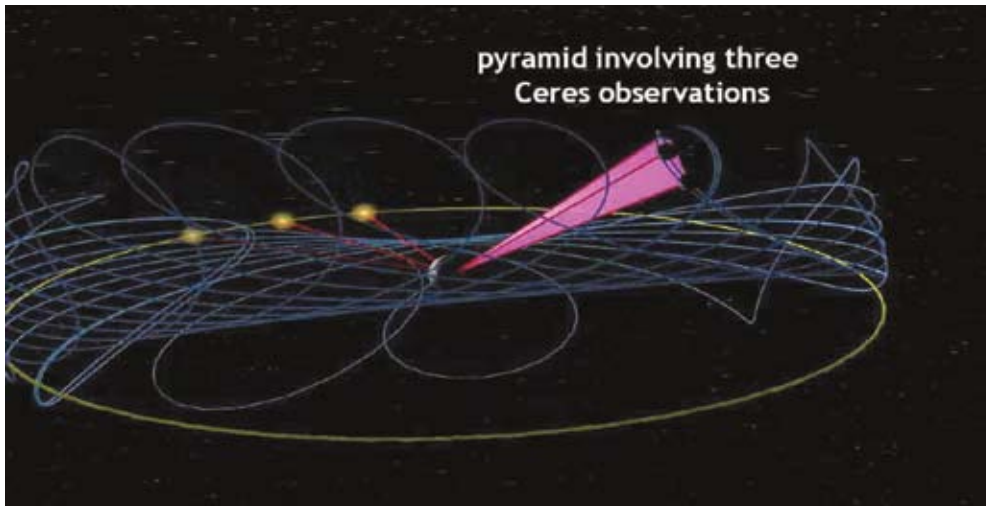
Once they understand it, it's no longer a debate between my opinion against your opinion. Now you have got a common objective standard you can look at. And I think that will overcome the resistance we are getting from a lot of people who are sane and concerned.

And most people who are informed in this country know now—it's even in the press—60% of the American population wants Obama out, now. An additional 25-30% probably wants him out. So if you get to a point that about 90% of the U.S. population, the voting citizens, want this guy out, and what he's doing is actually criminal, well, he should go out. And what we can do, we can give him a Nixon treatment. You may threaten him with impeachment, but once he knows the threat of impeachment is coming down the pike—. We have got to protect him from committing suicide, because that is his profile. He would tend to commit suicide rather than admit he's wrong.

**Hoefle:** For as long as he is in power, as long as these policies continue, then the conditions of life will continue to deteriorate at an accelerating rate, in this country and around the world.

**LaRouche:** Look at Hitler in the bunker. His policies were given to him by Britain. Then, when the German army, with the cooperation of the French fascist government, caused the defeat of a superior French army by a weaker German force, at that point, Churchill freaked, and others freaked. And they came to the United States, who they feared and hated, and said, "Help us!" So at that point, you had this change, in which Japan went to war anyway, the war that it had planned with the British, in the attack on Pearl Harbor. It had been planned by the British, with Japan. And the Japanese continued. So you have this change.

But then, there is Hitler, who was a British creation from the inception. And he gets down to the bunker in



LPAC-TV videograb

*This image is from the LPAC video, "Ceres Appendix: Gauss and the Physical Tensor," an animated presentation of Gauss's method for defining the orbit of the asteroid Ceres. (<http://larouchepac.com/node/14884>)*

Berlin; the Soviet forces are running all over the territory, and he's calling upon divisions that no longer exist, armies that no longer exist, to come to his rescue and attack here and attack there. And suddenly, some of the people said, "Look, *Mein Führer*. This ain't working!" And he goes out and shoots himself....

**Steinberg:** Lyn, last week, you pointed people's attention to the transcript of the April 29 dialogue [*EIR*, July 2, 2010] that took place up in New York with both people from the international diplomatic community, but also a group of economists who would be among the people who would come in, with close collaboration with you, and it gives a good idea of just what the capability is for putting a new policy in place right away. But the Obama issue is the main impediment, and we are talking about getting this problem dealt with, between now and September, before the November elections.

Many people in Washington are saying the Obama problem will be solved by a new Congress in November, and then, by elections in 2012. But the reality is, that this is a matter that has to be resolved this Summer, and that can't be postponed even until November.

**LaRouche:** The problem is gutless politicians. Because you are in a situation where the immediate danger is there....

**Steinberg:** Well, for one thing, you have put the solutions out on the table. They are widely circulated in

Washington, and you get a break in the situation and things can change.

The other thing, just in closing, is that as of July 1, with the new fiscal year, and 46 out of the 50 states with \$119 billion in debt going into the year, people are being hit with the most incredible Schachtian austerity, with shutdowns of fire services, police; 200,000 teachers are going to be fired this year, nationwide. So the absolute foundations of life—buildings may still be standing; there may still be roads

and cars and things, but people know in their minds that the fundamental fabric that has held this country together, the general welfare concept, is gone. It's already collapsed, and it's forced the kind of change in thinking that Percy Shelley talked about, and that you have discussed with this concept of dynamics and mass strike.

**LaRouche:** Yes, that is what it is. And that is why, therefore, our producing this tensor program will be an aid to get people to understand this as a concept of the relationship between the long-term, the century-long, and lesser intervals, and the current defense, and they have to locate that. The problem now in arguing with them and trying to get them off their foolishness, is that they are not even asking the right questions. And the tensor case gives them, and says: "Here is a scientific instrument, this tensor, which was used by Gauss, and understood by those who followed him." And this instrument shows you how you have to deal with this kind of relationship between a long-term process, like the orbit of Ceres: The orbit of Ceres is still dominated by what it was when Gauss discovered it. And the Asteroid Belt, same thing. It persists. That is a long-term development. That is a principle. Principles are expressed by long-term processes. And people do not have a sense of long-term principles in the government and so forth today. Therefore, they do not see the short-term things, from a long-term standpoint. They see how people react to discussions of short-term changes. They are betting on the race-track, rather than investing in building an economy.