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From the Associate Editor

We greet you in the New Year with a series of slam-bang initiatives to shape the policy fight in Washington that will determine the future course of civilization.

Our *Feature* presents the most polemical idea of all: that the shift to globalization and a service economy in the United States has not made our people better off, but has created *death zones* in our formerly industry-proud cities. Baltimore is the case study.

Anyone who has visited the world-class Johns Hopkins Medical Center in Baltimore, as I did recently when a family member had major surgery there, cannot help but be stunned by traveling through the blighted neighborhood in which the vast hospital complex is located. A teenage, single mother who lives in the slum nearby, was hired to sit with my relative through the night. I asked whether she was not afraid to come to work at night, by herself. A slight woman, almost a child, she was curled up in the armchair under a blanket. "I ain't scared," she replied. "There ain't as many murders on the street now, since they installed cameras in the stoplights."

She is too young to know that Baltimore was not always like this. But our Economics Staff documents how the city, which once boasted the world's largest steel process plant, has been systematically destroyed, with a resulting death count not only from homicides, but from disease and malnutrition. *All* American cities have a similar tale to tell. Changing this must be the top agenda item for the Democratic Party leadership, and others, in 2006.

Our *Strategic Intelligence* feature is also a call for immediate action: against the drive by Dick Cheney and fellow acolytes of Nazi "Crown Jurist" Carl Schmitt to replace U.S. constitutional government with rule by Executive decree, or what the misnamed Federalist Society calls the "unitary executive." This coup d'état, which has been the goal of this cabal since the era of the Ford Administration, got serious with 9/11: the American version of the Reichstag fire. Since then, Cheney argues, everything has changed: Constitutional protections and the Geneva Conventions are no longer appropriate (or, they're rendered "quaint," as Cheney's aide David Addington infamously argued). We round out this dossier with a profile of synarchist banker Felix Rohatyn, the type of European-based fascist who has been trying to destroy America since 1776.

Susan Welsh

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EIRNS/Stuart Lewis

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Correction: In last week's *EIR*, the article "Cheney and His Patsy, Bush, Face Impeachment Furor" referred, on p. 20, to the Pentagon's "Quarterly Defense Review." The correct name is "Quadrennial Defense Review."

THE CASE OF BALTIMORE

Deindustrialization Creates ‘Death Zones’

by EIR Economics Staff

“We call it a death zone,” is the description by a long-time Baltimore resident and teacher, for one of several localities within the city, where the population today is in a state of medical collapse.

The process of deindustrialization and globalization unleashed in leading manufacturing cities in America over the past 40 years is producing a collapse of civilization. This collapse, now in its end-phase, manifests itself in a large increase in death rates from disease, and the potential for still greater death rates as new combinations of diseases interact with squalid living conditions, to spawn still more virulent killer diseases.

Baltimore, America’s sixth-largest city in the 1950s, imbued with the ethics of productive activity, today demonstrates that the political will must be found to put the people of all the “Baltimores” across the United States back to work, with massive Federal credit creation for jobs, building needed infrastructure, before what Baltimore’s own residents call “death zones” take over the nation (**Figure 1**).

The deindustrialization of Baltimore—which began in the 1960s, with the shrinkage of the steel, shipbuilding, auto, and other industrial producers, whose employment allowed workers to participate in progress and earn a living wage—has turned a center of innovation and industry since the American Revolution, into a decayed shell, whose population is living out a 21st-Century death spiral.

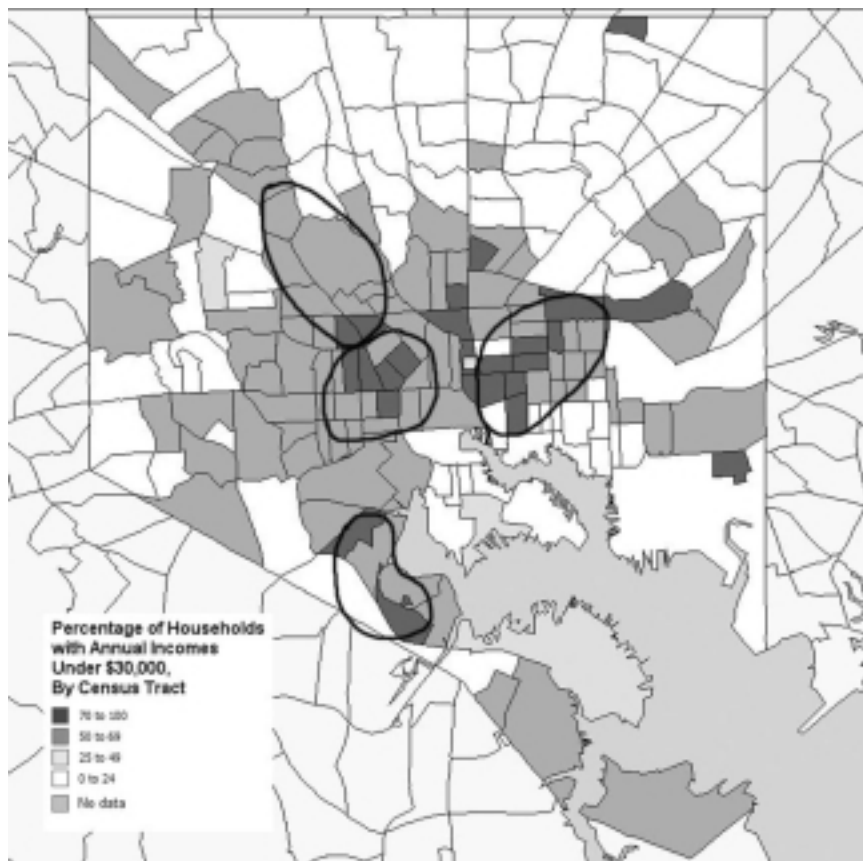
The City of Baltimore has been taken apart in the last 40 years, and re-assembled, with no high-paying manufacturing industry, and minus one-third of its population. Ninety percent of the city workforce works in the service industry, where most jobs pay \$10-11/hour in health care, and below \$8/hour in tourism. As a result, much of Baltimore’s population lives in “slave quarters,” while servicing the entertainment complexes as ticket takers, food service workers, and janitors. A full 25% of the city’s households are headed by single mothers, who live in a city full of boarded-up houses, like a war zone.

This poverty has been a petri dish for disease, drugs, crime—spread in part

FIGURE 1

Baltimore 'Death Zones'—Areas (Circled) of High Disease, Poverty, and Death Rates, Inside the City Borders

(Base Map Shows Percentages of Households with Annual Incomes Under \$30,000, by Census Tract, 2000)



Sources: *EIR*; U.S. Bureau of the Census.

Map produced by MapInfo

In the 24 darkest census tracts, 70% of the households had an annual income under \$30,000 as of 2000. These tracts are core sub-sections of communities characterized by economic collapse, high disease and mortality rates, even measurable statistically as “excess deaths” compared to the national standard for current, age-adjusted death rates.

through the medium of a very large, revolving prison population, which brings the hepatitis, HIV/AIDS, drug-resistant TB, resurgent syphilis, and high-risk pregnancies out of prison into the general population, through the highly volatile vectors of approximately six extremely impoverished neighborhoods.

The result is that Baltimore—the place where the first railroad in the nation was established—today specializes in needle tracks; has the second-highest HIV/AIDS infection rate in the nation; the highest intravenous heroin use, overlapping with strong cocaine use; the highest number of teenage pregnancies; the highest number of low-birthweight babies; and the highest murder rate in the United States.

It is not a question of categories of diseases, or health

problems which act as co-factors for a worsening of diseases. All these conditions *interacting* in a daily complex of conditions of poverty, produce non-linear, rapid shortening of the population's capacity to live—despite the city's famous medical institutions. Two of the city's “death zones,” ironically, sit next to Johns Hopkins—the top-ranked hospital in the United States!

The interacting functions of poor housing, poverty, low rates of high-school graduation, households headed by single mothers, drugs, and crime, are measured in this report as “excess deaths”—deaths beyond the normal number expected for various age groups, according to the national rates.

In mid-2005, statesman and economist Lyndon LaRouche commissioned a study of Baltimore, after briefings by Maryland physician Ned Rosinsky, on the patterns, depth, and geography of the disease syndromes in the city. LaRouche directed that the “Case of Baltimore” be understood and shown, according to the dynamic, non-reductionist principles he set out in his “Vernadsky and Dirichlet's Principle” article (*EIR*, June 3, 2005); that is, *living processes must be treated as Riemannian and dynamic*, rather than Cartesian and mechanistic.

LaRouche's Forewarnings

LaRouche has stressed this in key interventions over the past 35 years. In 1975, he convened a task force to study the potential for a “biological holocaust” to result, if economic breakdown

were allowed to occur from the policy-implementation of globalization, so-called free trade, and deindustrialization. By the mid-1980s, aspects of just this danger became evident: HIV-AIDS outbreaks were identified, and spreading. During the same decade came the bovine spongiform encephalopathy/vCJD outbreak. Today's potential impact of a virulent avian flu pandemic, is likewise part of the dynamics of economic breakdown.

This has been shown in many specific situations. For example, for HIV-AIDS, in 1985, in the town of Belle Glade, near the Florida Everglades, the work of Dr. Mark Whiteside showed the interaction disease threat from poverty, HIV infection, tuberculosis, and lack of public health measures to control mosquitoes, and other vectors.

Today's holocaust situation of Africa is the continent-wide example of the dynamics of poverty-induced collapse, lack of infrastructure, and disease. From the 1970s, LaRouche warned that conditions were being created for a deadly pandemic to arise—which stormed out of Africa as incurable HIV-AIDS.

Now, looking at conditions in Baltimore, LaRouche has issued a similar warning, noting, "That approach is not only relevant to special cases, such as tropical disease and comparable regions in Africa. It is a matter to be a case of threat whose spread is much to be feared under the conditions created by the influence of current HMO practice in the U.S.A. today. It is a deadly potential in any case in which a specific, simply defined disease, rather than a patient, is what is authorized, categorically, for treatment."

In an interactive complex of active disease and related conditions which occupies a well-defined, but mobile populated area, LaRouche insists, one cannot simply take co-factors into account, using a Cartesian method of interacting "hard balls"; rather, one must use a dynamic, Riemannian analysis. (See box.)

Baltimore is not an aberration, but highly typical of formerly industrial cities in the United States. Its process of disease, developing in a non-linear way through interacting vectors of poverty, is the same kind of process as is now causing a genocide in Africa.

This report will prove that there is no other path to the development of health and wealth for current and future generations except production, with the living standards, such as education, transportation, health, and other infrastructure, which sustain and improve it, and create the potential for future scientific and technological breakthroughs. Baltimore shows that the much-applied urban "re-invention model" of entertainment, sports and hotel complexes, not only does not provide jobs even at the poverty level, but in fact is looting even more revenue from America's bankrupt cities.

What follows is a history of the past 40 years of the Baltimore metropolitan region; snapshot profiles of the economic collapse and "death zones" of the city; and a summary, vital statistics-based report by Dr. Ned Rosinsky on the geography and medical-economic dynamics behind the zones of "excess death."

Baltimore as a Productive City

Baltimore has been a leading port and manufacturing complex since colonial times (**Figure 2**). In 1887, the Pennsylvania Steel Company brought the steel process—which allowed stronger rail tracks for more powerful locomotives—to a tidewater facility southeast of Baltimore, at Sparrows Point. There, in an advance over British steel production, the steelmaking process was integrated in a single facility—from the arrival of tankers with iron ore at the Sparrows Point docks, to the shipment of finished steel, which eventually produced more than 3,500 combinations and grades of steel.

FIGURE 2

Baltimore—Strategic Eastern Seaboard Location



From the 1600s, Baltimore served as a centrally located port for the original colonies, located 12 miles inland from the Chesapeake Bay. As the new nation grew, Baltimore grew continuously in importance in manufacturing, commerce, and shipping—with key rail links to the west (Baltimore & Ohio Railroad), north and south. Then, as of the mid-1960s, the city and its economic base began a drastic contraction under the national "post-industrial," free-trade policy shift.

In 1916, Bethlehem Steel bought the plant and expanded it, such that during World War II, it produced 17 million tons of steel at that one plant.

Under Roosevelt's transformation of the U.S. economy into the "Arsenal of Democracy" for World War II, Baltimore employed 260,000 workers in manufacturing activity. Three shipyards employed 77,000 workers; the aircraft industry (including a converted GM assembly plant) employed 50,000, and the gigantic Sparrows Point integrated steel complex em-



Dundalk-Patapsco Neck Historical Society

The Bethlehem Steel complex, at Sparrows Point, east of Baltimore, in 1954. This aerial view looks northward from the mouth of the Baltimore Harbor on the Chesapeake Bay. During the 1950s, the furnaces and mills produced more than 3,500 types and grades of steel. By 1959, it was the world's largest steel works, employing 35,000 workers.

The first steel plant was constructed in 1887 at Sparrows Point, by the Pennsylvania Steel Co.. In 1916, Bethlehem Steel bought the facility, and vastly expanded capacity, making good use of the strategic location as a tidewater port, to receive iron ore, coke, and limestone. Sparrows Point has four miles of waterfront.

During World War II, as part of the economic mobilization, the Bethlehem Steel Sparrows Point works produced 17 million tons of raw steel over the 1941-45 period, unprecedented for a single facility. The Bethlehem Steel shipyards were a key part of the complex. Between 1939 and 1946, they turned out 68 tankers, 26 general cargo ships, and 22 other types of vessels. Over 20,000 workers were employed in the shipyards.

ployed 29,000.

Baltimore was a magnet for workers. African-Americans from the Carolinas traveled there for these high-paying manufacturing jobs, joining Germans, Poles, Irish, Italians, and others migrating south from Pennsylvania coal country. Wages were high enough for all to purchase their own homes, raise a family on the wages of one person, and send their children to college: a first in many families, seen as a sure portent of a better future.

Dundalk, Turner Station (towns in Baltimore County, ad-

jacent to Baltimore City and Sparrows Point), and West Baltimore saw thousands of homes bought by these skilled workers. By 1959, Sparrows Point employed 35,000 workers, making it the largest steel process plant in the world. After the war, Bethlehem Steel, the inventor of the H-beam, became the leading producer of steel I-beams, used to build skyscrapers.

In 1967, Bethlehem Steel ran a full-page ad in *The Baltimore Sun*, boasting of its production of "5.4 million tons of Basic Oxygen Furnace steel in 1966 . . . a new steelmaking



Dundalk, 1960s, showing the town center, churches, school (multi-story structure center left), and expanding housing (see photo, 1960s). Located in Baltimore County, between Baltimore City line on the west, and Sparrows Point to the east, Dundalk grew as one of the principal residential towns associated with the Bethlehem steel and its shipyards complex.



Dundalk-Patapsco Neck Historical Society

Dundalk row houses, 1960s view, of houses constructed post-World War II. Typical steel worker family household dwellings.

Dundalk-Patapsco Neck Historical Society

record.” This cultural outlook of production was prevalent throughout the school and college systems, with training in metallurgy and other kinds of science and technology.

All along, as the steel, and general manufacturing base of the Baltimore metropolitan area thrived, the needs of the “physical market basket” of families were met. Housing makes the point. Early on in the 20th Century, the mill-worker company town located in Sparrows Point itself, became too small for Bethlehem Steel’s growing workforce, and in 1929, Bethlehem Steel bought 1,000 acres of land and established the Dundalk Company, to build a planned community for its burgeoning shipbuilding business.

Now an independent town in Baltimore County, Dundalk’s layout and housing style (see photo) was modelled on an appealing, well-to-do area in Baltimore City, and promoted as “the working man’s Roland Park.” Here, steelworkers bought houses, lived alongside workers from General Motors, Glenn L. Martin aerospace (later, Martin Marietta), and Black and Decker machine tools, and raised children to have greater

opportunities than they themselves had had. Schools, church, stores, libraries, parks, and workplaces were within walking distance, or a 10-15 minute ride on trolleys, or later, buses. Virtually no household needed two cars, or two jobs. Many had time to volunteer for community projects. In 1960, twenty-eight percent of Dundalk’s workforce was employed by Bethlehem Steel, and the town grew to 82,428.

Turner Station, just south of Dundalk, an African-American community dating from the 1880s, has a similar history. It grew rapidly through migration from the South to well-paying jobs at Bethlehem Steel. By 1950, it had 10,000 residents, who bought homes, raised families, and were able to send their children to college.

In the 1970s, when the paradigm shift away from production was in full swing, augmented in the 1980s by Federal Reserve Board Chairman Paul Volcker’s 20% interest rates, industry in the United States could not produce and pay a skilled labor force. The population of Turner Station today has fallen to about 3,000, with many employed in low-paying

FIGURE 3

U.S. Steel Production, Per Capita, Falls, 1965–2005

(Short Tons Per Person)

Sources: American Iron & Steel Institute; *EIR*.

Steel output in the United States has declined by 50% over the past 40 years, in per-capita terms, from the range of 0.7 short tons per person in 1970, down to 0.35 tons today. This reflects every aspect of the “post-industrial” turn, including such shifts as the lack of steel consumption for capital infrastructure repairs and construction—bridges, rail, ports, locks and dams, levees; the lack of advanced power generation and distribution—nuclear plants, new transmission grids, etc; urban water and sewage treatment, and other vital systems; new high-speed rail and maglev routes. At the same time, steel imports increased.

Bethlehem Steel at Sparrows Point shrank each decade. During the bankruptcy and buy-out frenzy beginning in the late 1990s, Bethlehem was among those eventually taken over by the scavenger operator Wilbur Ross, who in 2002, set up the International Steel Group (ISG), and successively bought out LTV Steel, ACME Steel, Bethlehem, Weirton, and others. Along the way, Ross imposed huge job terminations, and cuts in pension and health benefits. He made a killing selling various ISG holdings, including former Bethlehem capacity, to Mittal Steel Co. NV, the Netherlands-based world steel conglomerate interlocked with synarchist financial cartels. As of December 2005, only 2,500 workers were still employed at the Sparrows Point steel site.

service jobs—if they are employed at all. Today, Dundalk’s population is at 75% of 1950 levels, at 62,306, and 59% of Dundalk’s rental housing is occupied by Section 8 recipients (those who receive vouchers for Federally subsidized housing for the poor).

In October 2001, Bethlehem Steel declared bankruptcy, and was taken over by “restructuring specialist” Wilbur Ross’s ISG Corp., looted, then quickly resold to Lakshmi Mittal, who is buying up steel plants around the world for pennies, to shut them down. Today, the Sparrows Point plant employs only 2,500 workers (**Figure 3**).



Dundalk-Patapsco Neck Historical Society

Charging a blast furnace, at Bethlehem Steel, Sparrows Point works, in 1966. As of 1967, Bethlehem was the world’s leading producer of steel made by the basic oxygen furnace (BOF) process, with five oxygen furnaces, and four more authorized, aiming to produce 10 million tons of basic oxygen steel yearly. The BOF method was 10 times faster than the predecessor open hearth steel process. A “heat” of steel that took 8 to 10 hours with open hearth, could be produced in 40 to 50 minutes in a basic-oxygen furnace.

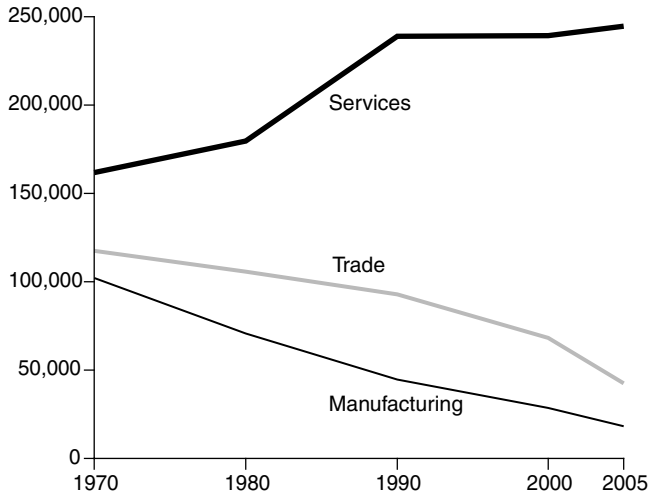
Drastic Deindustrialization Shift

In 1970, Baltimore employed 102,672 workers in manufacturing, out of a total 499,000 employed—20.5%. In 2005, only 17,800 (projected) are in manufacturing out of 365,900 employed—4.8%. This means that this former industrial powerhouse is more deindustrialized than any of the “Rust Belt” cities of the Upper Midwest, or the nation as a whole. Baltimore was downshifted into the “services” economy, and low-wage poverty. Today, 90% of all jobs in Baltimore city are service-providing jobs. Whereas, in 1982, for example, unionized steelworkers at Bethlehem Steel earned an average wage equivalent to \$22.83/hour, service job rates were well below \$10/hour (**Figure 4**).

Accordingly, as of 2000, the median household income in Baltimore City was only \$30,078—far below the statewide median household income of \$52,868 that year, and the national median of \$42,500.

FIGURE 4

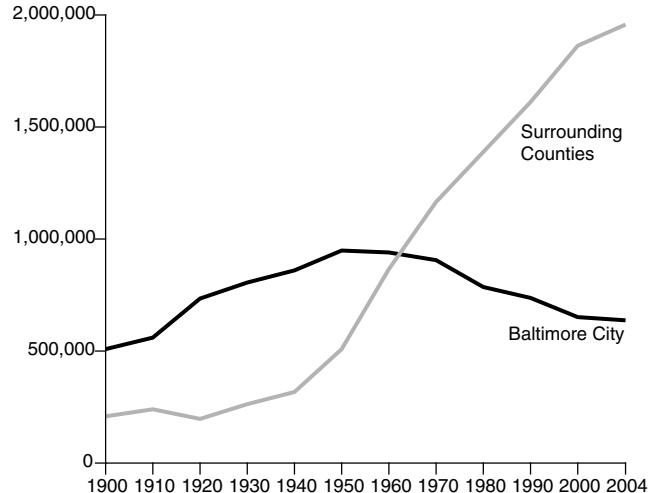
Baltimore's Employment in Manufacturing and Trade Declined, While Service Jobs Increased, 1970 to 2005



Source: U.S. Bureau of Labor Statistics.

FIGURE 5

Since 1950s, Baltimore City's Population Declined; Surrounding Five Counties' Population Rose



Source: Bureau of the Census.

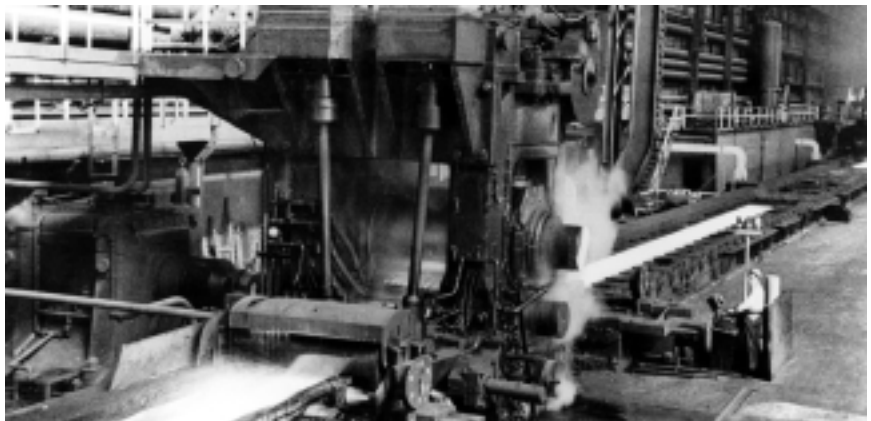
The official unemployment level in Baltimore City is about 8%, nearly double the statewide average. This does not include the approximately 9,000 residents released from jail and prison each year, the 2,000 students who drop out of school and are unemployed each year, and the thousands of people on public assistance. In some "death zones," the real unemployment rate is 30-40%. Baltimore's labor participation rate was 57% in 2000, ten percent below the state and national levels, and 20% below several suburban counties. Approximately 22% of Baltimore's residents live below the poverty line.

As the manufacturing jobs disappeared, so did the city's population: In 1950, the city had 950,000 residents; in the 2000 census, it has 651,000—a loss of about one-third (**Figure 5**). The 2004 census projects the city's population to fall to 637,000. The white population moved to the five surrounding counties, with much higher living standards, leaving a city population that went from less than 25% African-American to more than 64% African-American.

Holders of the low-wage service work jobs in Baltimore are 71% African-American, according to a 1999 study by the Economic Policy Institute, which found women filling 83% of ad-

ministrative and personal service positions (e.g., hospitals, health-care workers, tourism). Of the women studied, 75% were the sole source of income for their households.

The characteristics of these jobs dynamically interact with each other, and the environment at large, to create a "black hole" with such gravitational force that escape is virtually impossible: Low wages force such workers to seek second jobs, and work up to 60 hours a week, which takes many



Dundalk-Patapsco Neck Historical Society

The continuous hot rolling mill is shown in this photo from the 1960s. Associated with the technological innovations at Sparrows Point were ranks of engineers, mill-workers, and supporting personnel, including metallurgy training centers at area colleges. This all provided the base of skills and ingenuity for future waves of technological advances. However, this national asset was undermined after the 1970s, with the nationwide takedown of the steel sector, and radical downsizing of Sparrows Point.

TABLE 1

Baltimore Tourism Jobs—Wage Rates Put Families Under Poverty Level, 2001

Tourism Job	Average Wage Per Hour	Annual Salary for Average Hours Worked in Job	Percent of Poverty Line for Family of Four
Cashier	\$7.80	\$11,762	67%
Concierge	8.20	13,176	75
Counter Clerk	9.10	14,243	81
Dishwasher	7.40	10,120	57
Food Worker	7.70	11,892	67
Janitor, Cleaner	7.90	13,269	75
Maid	8.10	14,531	82
Parking Lot	7.40	12,352	70
Usher	6.80	6,506	37
Wait Staff	7.10	9,931	75

Only Three Tourism Jobs Pay Above Poverty Level

Security Guard	\$10.30	\$18,318	104%
Tour Guide	12.40	19,473	110
Restaurant Cook	10.40	18,171	103

Sources: Maryland Occupational Wages for Baltimore City (average wages), and National Compensation Survey (average hours) 2001: table of tourism jobs/wages from: "Subsidizing the Low Road: Economic Development in Baltimore," by Kate Davis and Chauna Brocht, with Phil Mattera and Greg Leroy, of Good Jobs First, September 2002.

single mothers away from the home, precluding supervision of their children's schooling and social life; no benefits, no job training or opportunities for advancement; many jobs are part-time, with staggered shifts; and jobs like health aides may require hours of bus travel into the suburbs and back for just a few hours work.

The jobs in tourism and entertainment are even worse. (Table 1) The cashiers, dishwashers, food workers, janitors, and waiters make less than \$8/hour, leaving these workers at only 80% of the poverty level. Only three tourism jobs pay the poverty level or 10% more: security guard, cook, and tour guide. In 2000, the Service Employees International Union estimated that the self-sufficient wage for a family of three in Baltimore was \$17.41/hour (Table 2).

Household Physical Market Basket Lacking

Under these conditions, the physical market basket necessary for families, is lacking in all respects—housing, transportation, education, food and nutrition, sanitation, health care, science, and culture. Thousands of citizens have been forced into below-subsistence conditions.

The housing base is a wreck in the Baltimore "slave quarter" zones of collapse. City-wide, there were more than 55,000 unoccupied housing units out of 300,477 total units in 2000. The unoccupied units were concentrated in east and

TABLE 2

Baltimore Hospital Worker Job—Pays \$10 per Hour, But \$17.41 Per Hour Is Required To Live

Expense	Monthly Expenditures	Hourly Equivalent
Food	\$396	\$2.25
Housing	722	4.10
Transportation	287	1.63
Health Care	248	1.41
Child Care	749	4.26
Miscellaneous	240	1.36
Taxes	421	2.39
Total	\$3,064	\$17.41

Source: Putting Baltimore's People First, 2004, SEIU 1199E-DC, based on "The Self-Sufficiency Standard for Maryland," by Diana Pearce, prepared for Advocates for Children and Youth, and the Center for Poverty Solutions, December 2001.

The Service Employees International Union (SEIU) District 1199E-DC reports that the average wage rate is \$10 an hour, for a Johns Hopkins Hospital services worker, with many years on the job. Yet this worker needs \$17.41 an hour for a "self-sufficient wage" to support a typical family of three—one single parent, one pre-schooler, and one school-age child. (For a pay period post-2001).

west Baltimore, near the inner city "death zones," with fingers extending north on York Road, and northwest along Reisterstown Road. In 18 census tracts, 11 in east Baltimore, and 7 in west Baltimore, there are more than 200 abandoned housing units per census tract.

The infrastructure base of the city—utilities, transportation, power, parks, as well as soft infrastructure and health care—is aging, inadequate, and even collapsing. For example, water treatment and distribution: Baltimore was home to the invention of mass water filtration by Dr. Abel Wolman in 1918; twelve years later, the application of Wolman's formula had eliminated 92% of the typhoid in America. Yet, today, upkeep of the basic facilities and piping systems in the city is woefully inadequate.

Mass transit is minimal. Baltimore has a small subway system which opened in the 1970s, but has had no significant development since. Instead, the highway grid has been expanded, with interstates and clover-leaves, to serve in-flow and out-flow for the select sports, tourism, and national health-care complexes. Baltimore metropolitan area residents are forced to spend hours on multiple bus rides, or sitting in their cars in traffic.

Railway service has atrophied, with the exception of the fact that Baltimore remains on the Boston to Washington, D.C. interstate Amtrak passenger service route.

One dramatic marker for the condition of all of Baltimore's decaying infrastructure, is the rail tunnel fire in July 2001. Only heroic action by Baltimore firemen contained the

days-long blaze.

The fire broke out when part of a 60-car freight train carrying hydrochloric acid and other hazardous materials, derailed in a tunnel under the center of the city. In chain-reaction effects, a water main broke, whose flow created a 1.2-foot-high pool of water in the vicinity; telecommunications wires were burned, cutting off phones and Internet; and other breakdowns ensued, while persisting clouds of black smoke covered a wide part of the city.

The tunnel is 1.7 miles long, and 106 years old. It was a wonder of construction at the time it was started, in the 1880s, using over 30 million bricks, and requiring engineering innovations to deal with a 1.35-degree gradient. It was completed in May 1895, and allowed efficient, modern transportation services right into the City center to serve the port, and also the north-south, and western rail corridors, by its connection to Camden Yards. Passenger transit went through the tunnel until 1958. But the tunnel was never upgraded nor maintained.

Being 27 feet wide, the tube was originally built for two trains to pass at the same time. So in recent decades, when wider widths for freight trains were approved, only one train could pass through at a time. Meanwhile, under deregulation, rail company mergers meant that more and more freight trains were consolidated to run along the few remaining routes—such as that cutting through Baltimore—while other routes were shut down. ConRail cargo was carried on CSX lines through the city.

At the same time, Camden Yards was converted from rail, to the home of sports arenas (ironically, one briefly named for the now-bankrupt PSINet Stadium).

In 1985, a Federal study stated explicitly that running flammable and toxic cargo on the Baltimore tunnel route should be stopped, because of fire danger, entrapment of crews, and the dense population of the city site. On July 18, fire broke out, with pressure and flames like a bazooka—just as the experts had predicted. Under post-industrialism and deregulation, the warnings had been ignored.

Impoverished Schools

The schooling crisis is stark. More than 30% of Baltimore's adult population lacks a high school diploma. In the City of Baltimore, a whopping 84% of public schools have 50% or more of their students on free or reduced-price meal programs, which means that these students are either at 130% of the poverty level (free meals) or 185% of the poverty level (subsidized meals). In fact, 60% of the public schools have 75% of their students on the free or subsidized meal program—a standard measure of poverty in the education field.

It has long been known that an individual student's poverty level affects academic achievement, but the level of poverty schoolwide also has an effect on an individual student's achievement *whether or not that student is in poverty*. The U.S. Department of Education's *Prospects* report in 1993

showed that even though non-poor students perform consistently better than their low-income classmates, the performance of non-poor students declines as the proportion of their classmates below the poverty line increases. The report found that "students in low-poverty schools score from 50-75% higher in reading and math than students in high-poverty schools."

Furthermore, the report finds a kind of "tipping point," where school poverty depresses scores of *all* students, in schools where at least half the students are eligible for subsidized lunches, and seriously depresses the scores when more than 75% of students live in low-income households. In 1999, Baltimore City had three times as many students in poverty as the next closest county in the metropolitan area, and, while

LaRouche on Epidemiology In the City of Baltimore

On Oct. 12, 2005, at an international LaRouche PAC web-cast in Washington, D.C., Lyndon LaRouche spoke of the situation in Baltimore, in his discussion of the necessity of ending genocide in Africa, Asia, and elsewhere, by returning to the "characteristic features" of the concepts of the General Welfare and the Common Good, as understood in modern European society.

Let's take one case, we have a case right here, in nearby Baltimore. You have an area which we call "the Blob." It's called the "Blob," because it's a case in which the principles of Dirichlet's Principle of Riemann applies to epidemiology. You have a section of a city—remember, Baltimore once had a certain degree of prosperity during World War II: It was an industrial city; you had the Bethlehem Steel works, and shipping and so forth, were all centered there. And you had an indigenous population of largely African descent, which was becoming prosperous, developing homes, normal lives.

In the course of the past period, especially the 1970s, this characteristic of Baltimore was destroyed. Baltimore has been transformed. It's been transformed in two ways. In one sense, it's been gentrified—which is really a horrible thing to do to anybody—at high prices, along the waterfront. What used to be a prosperous waterfront is now an area of gentrification, of useless people thinking they're important. But then, to maintain this population in Baltimore, you also require a slave quarter: a population which services the menial work of maintaining the gentrified part of the population.

68.4% of the students received subsidized meals, only 17% had “satisfactory” performance on the MSPAP competency tests. Only 11% of schools in the five counties surrounding Baltimore have 50% or more students eligible for subsidized meals; in Baltimore City, 84% are eligible.

Poverty also generates many more remedial special education requirements. Baltimore City schools spent one-third of their unrestricted education funds on the 18% of the students in special education in 1997. As a result, the city ranked *last* in spending per pupil in regular education. The State of Maryland has fought against subsidizing Baltimore’s school system, with its poor property tax base, adopting an attitude like that of genocidalist William Paddock, who said of Mexico’s poor: “Lock the borders and let them scream.” A 1998

report by the Government Accounting Office ranked Maryland last in efforts to equalize funding to all schools. Currently, the Baltimore School System is under intense pressure from the state to close a dozen or more schools, to cut 2.7 million square feet of operating space, for a student enrollment that has dropped from 126,000 to 86,300.

Cycling Through Prisons, Jails

Without the expectation that school will lead to a high-paying job in the mainstream economy, large numbers of students, and even a *majority* in certain neighborhoods, will end up in the revolving door to prison or jail called “Corrections Department supervision.” Fully 56% of all young Baltimore City African-American males, are currently in the Cor-

Now, such a population is not one which, on the average, is raised on a certain level of productivity—no! It is a process population, which is dying at the same time it’s used! It’s just like what you saw on the beaches when the tsunami hit on the coasts in Asia, in last year’s tsunami. People who were considered useless, were running the errands and providing the sexual entertainment, for European and American visitors who are there as tourists, in tourist and entertainment centers. So therefore, in order to be convenient to these crazy Americans and Europeans, who want to have sex on the beaches, or by the beaches, you have a population of very poor people who live in shacks in this area, and in very poor conditions; and high rate of disease!

And when we look through some of the things in this area, and you look at things like HIV and you start to make the dots of the co-factors, in some of these areas, you find that instead of having an area, where you have many dots of co-factors, you’ve got the whole thing is almost solidly black co-factors: which is the kind of cesspool, in which AIDS spreads fantastically. Because everybody transmits everything to everybody out of this kind of area.

And usually, the center of this thing, is something like a prison system. You go into the prison system, you’ll find the concentration of disease of the populations coming in and out of the prison, in a *dynamic model*—not your normal statistical model, but a dynamic analysis of this, will show you a process, where you have an area in a city, which has this function. Of people who are in the process of dying, who are all black in terms of dots of disease-sharing, and who often spread AIDS, tuberculosis, and everything else at a high rate, because everybody who kisses everybody, spreads all the diseases.

Some people are looking for a specific agent: They’re not looking at the totality of the problem. They’re looking at the *disease of poverty! The disease of filth! The disease*

of terrible conditions! And every other disease imaginable. And it’s all this area.

And then, you can find an area, you can demark precisely: *It’s where the people who are part of this operation live.*

Now, you want to find out, a part of the world where you find this commonly. It’s called Africa.

A Crime Against Humanity

This is genocide: *To condone this kind of condition of humanity*, where you create a dynamic condition—not one disease!—a dynamic condition: nutrition, sanitation, diseases, infectious agents, all these things together, this brew! You’re committing genocide! And that’s what we have to deal with in Africa.

So therefore, we, because we are human, as a human race, if we get our act together with a conception of Eurasian development, Eurasian culture as an emergent development—we, combined, *must deal with this great crime against humanity, in Sub-Saharan Africa.* We have to go into an area where disease is of this character; conditions of life of this character; where the death rates are such that you don’t have family structure; all these kinds of conditions. That is what a Eurasian policy means to me.

First of all, we’ve got to take this world and *come back out* of what we’ve known before, and finally begin to consider, as nation-states, cooperating nation-states, the condition of the planet as a whole. We have to therefore develop a concept of Eurasian culture, as a process of extending the benefits of European experience, including technologies, into this kind of development in Eurasia generally. We then, jointly, through Eurasian culture, we must attack this great sin, this *great evil*, that’s been done in Sub-Saharan Africa: And we must say, that is a mission to make this planet self-respecting, once again.



Baltimore City Fire Department

On July 18, 2001, fire broke out in the railroad tunnel serving the main CSX freight line through Baltimore, spewing smoke into the air, and lasting for days. The tunnel was long overdue for replacement, like many aging structures in the city, from water systems, to bridges. The fire closed Route 395, Camden Yards Oriole Park, and the Inner Harbor.

rectional System at some point—in jail, prison, on bail, out on probation or parole. At any point in time, over 20% of those between 20-30 years old are behind bars.

In 2001, fifty-nine percent of all Maryland state prisoners released returned to Baltimore—because that is their home, despite the fact that Baltimore now has only 12% of the state's population. Not only has Baltimore City become the state's warehouse for criminals, but, within Baltimore, there are 6 of the city's 55 communities (encompassing 260 smaller neighborhoods) which are home to the highest number of returning prisoners: Southwest Baltimore, Greater Rosemont, Sandtown-Winchester/Harlem Park, Greenmount East, Clifton-Berea, and Southern Park Heights. Two of these communities are profiled in an accompanying article as "death zones."

Several of these communities received more than 200 released prisoners in 2001, despite their small area. Another 5,000 inmates are returned to Baltimore City from jail each year, having served sentences of less than one year.

The statewide profile of prisoners released in 2001 was 91% male, 76% black, and 75% between 20 and 40 years old; the median age was 34. Of the 4,411 who returned to Baltimore City, where the population is 64% African-American, we may assume an even greater percentage were black.

Drugs and Disease

Approximately 38% of the prisoners were convicted of drug offenses. The Maryland Alcohol and Drug Abuse Administration estimated that more than 58,000 Baltimore residents need treatment for alcohol and/or drug abuse—9% of

the city's population. Nearly 73% of city residents treated for drug abuse in 2001 reported heroin use. The National Institute of Justice found that Baltimore's arrestees had the highest opiate-positive rate of all U.S. cities (38% of males, 49% of females). Of these, 70% of males and 86% of females also tested positive for cocaine. These figures do not include the drug use of prisoners not arrested on that charge. More than 90% of the drug addicts in Baltimore are infected with Hepatitis C. Increasing drug use led to a *six-fold* increase in the number of paroled prisoners who returned to prison in the 1990s, up to 3,500, from a steady 500 during the 1980s.

The dynamic relationship between drug use and violent criminal activity, in a city with high unemployment, low-wage jobs, and ubiquitous drugs, is obvious. In addition, no parolee convicted of a violent crime can receive welfare or food stamps for one year after conviction,

nor can anyone convicted of drug-related or violent crimes live in subsidized housing.

Thus, Baltimore has the highest intravenous drug use, and the highest murder and violent crime rate in the nation.



Brochures advertising Baltimore tourist spots—featuring real estate scheme sites of Camden Yards, the former rail hub, and the Inner Harbor.

‘Greater Baltimore City’ Swindles

How did this deliberate destruction come to pass? Being a superb, mid-Atlantic Seaboard site, 12 miles inland from the Chesapeake Bay, Baltimore was ideally situated to remain a national rail and water transportation hub for coastal and ocean freight into the Midwest industrial heartland. But, under various urban “re-invention” swindles, the shift out of industry and shipping and into services was enforced in Baltimore, right in line with the national “post-industrial” downgrade of the economy.

During the 1950s, then-Mayor William Donald Schaefer and the Wall Street financial crowd spoke of the “Greater Baltimore City” vision, referring to the tourism and entertainment projects projected for the City, intended for maximum real estate looting, and *subsidized by city tax funds*. There was the the Charles Center, the Inner Harbor, the Convention Center, Camden Yards, and the Ravens Stadium—all subsidized.

Politely termed “investor projects,” these have never made the city a penny, but rather *cost* the city revenues—even in purely financial terms, while grinding up its citizenry into \$7-8/hour jobs.

The Baltimore City government has spent \$2 billion in building and maintaining Baltimore’s tourist facilities since the 1970s, and hundreds of millions more in subsidies to tourism-related businesses. These cost demands continue and will always remain high, because to maintain itself as a tourist destination, Baltimore must constantly add something new. For example, in December 2005, the city announced an expansion to the famous Aquarium featured at its Inner Harbor tourist center.

The sequence of real estate/tourist schemes began in the 1950s (**Figure 6**). In 1954, Mayor Schaefer and financial interests launched the Greater Baltimore Committee (now Greater Baltimore Corporation). Its first project was the 33-acre Charles Center, which included offices, apartments, and retail business at a cost of \$180 million, \$40 million of which came from public funds.

Baltimore’s famous Inner Harbor, a plan for 240 acres of tourist attractions, offices, and retail shops, was the next project, constructed 1968-81. Public money funded 90% of its initial phase of development, much from Federal Housing and Urban Development (HUD) grants. The city acquired and demolished more than 400 structures to provide land. HUD estimates that between 1975 and 1981, Baltimore spent 35% of its HUD money on the Inner Harbor. These projects included public

facilities such as Baltimore’s World Trade Center, Science Museum, Aquarium, and privately owned investments such as the Hyatt Regency Hotel, which was funded mainly through a \$10 million HUD grant, while its owners invested a mere \$500,000.

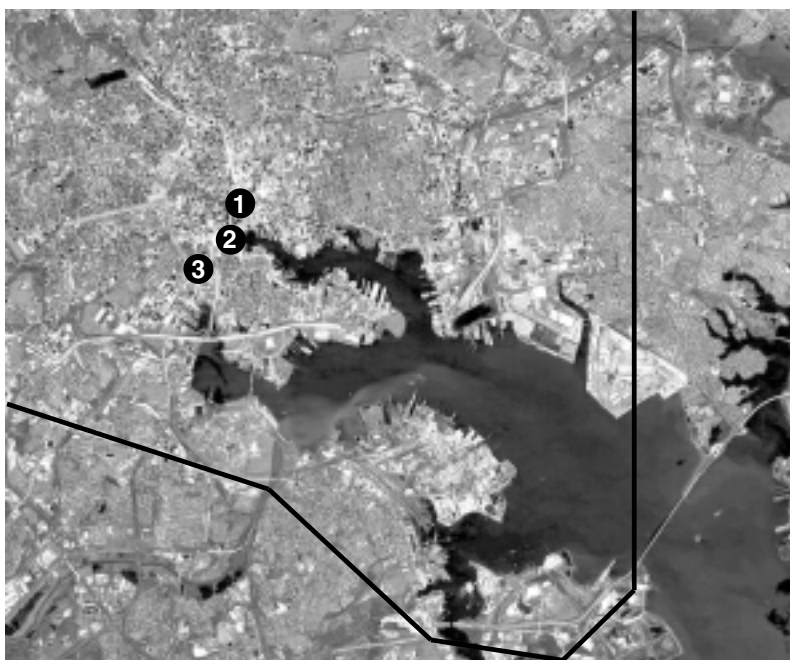
The service industry jobs created by these schemes are below poverty level (Table 1). This means that the city and state might owe any worker with two children at least another \$13,500 annually in public assistance programs! This is the hidden government cost of the low-wage jobs. Baltimore gave away the store to the developers, and still has no laws requiring subsidized companies to pay certain wage levels, nor to provide health care.

During the 1990s, public funds again flowed to Inner Harbor development. In 1992, Oriole Park at Camden Yards was built with more than \$200 million in public funds. Ravens Stadium was built in 1998 with more than \$200 million in public funds.

The Convention Center was expanded in the mid-1990s

FIGURE 6

Satellite View of Baltimore, Showing Major Inner City Real Estate Schemes



visibleearth.nasa.gov



- 1** Charles Center—1954, 33 acres of retail, offices, apartments.
- 2** Inner Harbor—1968-81, 240 acres of tourist attractions, hotels, restaurants.
- 3** Camden Yards, Oriole Park (1992), Ravens Stadium (1998)

Abandoned houses (right) in Druid Hill. This decaying neighborhood is in the “death zone” aligned with Park Heights in northwest inner Baltimore.



EIRNS/Stuart Lewis



EIRNS/Stuart Lewis

Newly built townhouses near Camden Yards baseball stadium. At hyper-inflated prices, these homes are in contrast to the extreme poverty areas in West Baltimore, only blocks away.

at a cost of \$151 million. In 1995, \$147 million in public money was spent to build Columbus Center, a tourist attraction/marine biology center.

In 1999, Baltimore City also put up more than \$40 million in loans, grants, and tax abatements for the construction of the Marriott Waterfront Hotel, adjacent to Camden Yards. This continued the practice of the city providing an average 30% subsidy to every downtown hotel built since the late 1970s.

The corporate center and tourist development thrust has brought an increase in tax revenue to the city—but it has always lost money. Real estate tax revenue in the central business district more than tripled between 1967 and 1987, in inflation-adjusted dollars. However, Baltimore spent \$17 million more each year on maintaining the Inner Harbor and the downtown area than it generated in property tax revenue from these districts.

The best example of the continuous outflow is the Oriole Park at Camden Yards, the renowned “success” (Table 3). According to a 1997 Brookings Institution study, Camden Yards generates approximately \$3 million a year for Maryland, in jobs created and spending by out-of-state residents—but the cost to taxpayers is \$14 million a year in inflation-adjusted interest and depreciation! The Ravens Stadium does worse: The annual economic benefit of \$1.4 million costs Maryland taxpayers \$18 million!

A 1992 study found that \$60 million in redevelopment loans distributed by the city for 50 projects since the 1970s remains unpaid. One-third of the loans in default were for hotels, including the Omni, the Belvedere, the Lord Balti-

more, and Harrison’s Pier 5. Other debtors have gone bankrupt; some, like the Omni, have never generated enough revenue to trigger repayment of the loans. Contrary to the city’s claims, not all funds from tourism are re-invested in “the community.” A portion of the tax revenue from some down-

TABLE 3
Oriole Park Subsidies*

50% of Land Acquisition and Site Preparation	\$44.5 million
Construction Costs	97.0 million
Train infrastructure	18.6 million
Roads	48.2 million
Light Rail Station	0.3 million
Total Subsidies	\$208.6 million

Ravens Stadium Subsidies*

50% of Land Acquisition and Site Preparation	\$44.5 million
Construction of Costs	217.0 million
Light Rail	5.0 million
Personal Seat Licenses	75.0 million
Naming Rights	69.5 million
Lease Savings on Training Facility	1.0 million
Memorial Stadium Upgrade	2.0 million
Total	\$414.0 million

*Figures adjusted for team contributions.

Source: *Subsidizing the Low Road: Economic Development in Baltimore*, by Good Jobs First, K. Davis, et al., September 2002.

Features of Decline in Baltimore's 55 Neighborhoods

FIGURE 7a

Percentage of Households Earning Less than \$25,000/Year

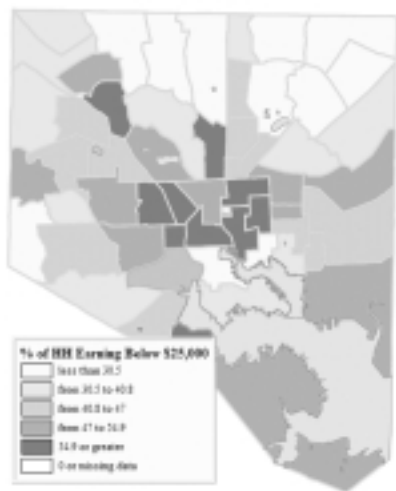


FIGURE 7b

Percentage of Vacant Residential Property, by Neighborhood

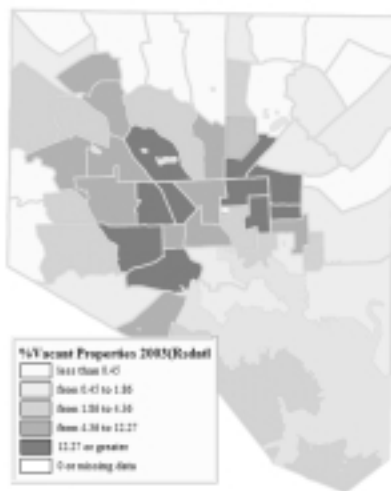


FIGURE 7c

Official Unemployment Rate, by Neighborhood

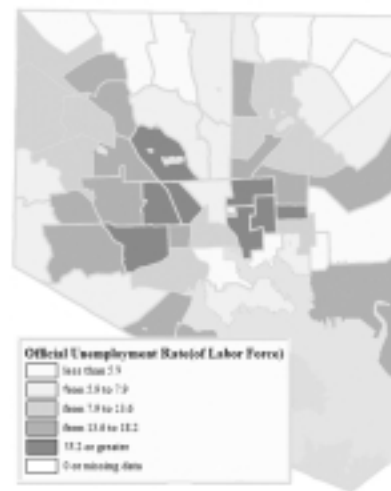


FIGURE 7d

Violent Crime, by Neighborhood

(Incidents per 1,000 Population)

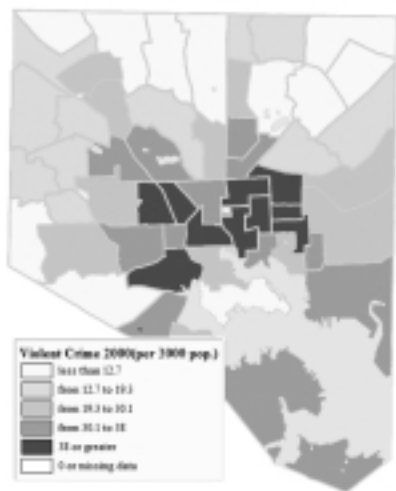
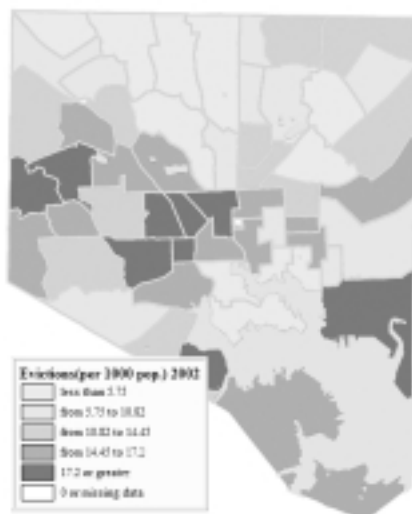


FIGURE 7e

Evictions, by Neighborhood

(Incidents, per 1,000 Population)



Source: Baltimore Neighborhood Indicators Alliance.

The BNIA is an organization of diverse groups, which aims to help people make better decisions by using accurate data, to improve the quality of life in Baltimore City neighborhoods. www.bnial.org

town hotels is earmarked to pay for the Convention Center. While under the Schaefer Administration, Baltimore increased “economic development” spending by 400%, it cut spending on education and social welfare by 25%.

‘Slave Quarter’ Communities

The cumulative effects of the decades of take-down of

Baltimore’s economic base are indicated in the map series in **Figure 7**, showing a few of the basic aspects of decline—low income, unemployment, decaying housing, eviction, and violent crime, for the major 55 communities of the city in 2000-03. What comes through clearly, are the geographic patterns of suffering and collapse. Baltimore residents call these, the “death zones.”

'Death Zone' Profiles

All of the sub-districts in Baltimore, delineated as experiencing "excess death," manifest in their particulars of breakdown, disease, and death, the four-decades-long collapse of the entire metropolitan area. The following two community profiles make the point. They are shown in **Figure 1** by number, which displays 55 "Community Statistical Areas," amalgamated from the 200 census tracts, taking into account the 260 local neighborhoods of Baltimore.

Clifton/Berea (10)—'An Epidemic of Homicide'

"An epidemic of homicide" was the phrase used by the *Baltimore Sun* in a front-page feature on Dec. 12, 2005, covering this area and adjacent neighborhoods, referring to the current high murder rate among black males, ages 14 to 25. However, the generalized conditions for the 12,500 residents (as of 2000), in the five census tracts of the core neighborhoods, make the point that the localized homicide rate is not a "separate" vital statistic, but rather is coherent with the whole disease and death syndrome prevailing here.

Relevant descriptions of this "death zone" are provided from the Census 2000 for Clifton/Berea.

The population as of 2000, which was 98% black, had 55% of its households earning less than \$25,000 a year. The median household income was \$22,516. This is half the national median household income of \$44,000; and also below the Baltimore City median income of \$30,000.

The official unemployment rate in 2000 was 18%, which has only worsened since then. Moreover, of the population between the ages of 16 and 64, fully 46% is not in the labor force at all. These people are either incapacitated, behind bars, or just "lost" from the rolls of those seeking work, apart from any bare fraction statistically considered homemakers.

Housing is poor, or in outright breakdown. In 2003, the rental eviction rate was 14.4 per 1,000 people. (This refers to where landlords successfully filed through the courts for eviction; not counted are cases where tenants land out on the street summarily.) At the same time, the vacancy rate among residential properties was 21% in 2003; plus there is a high rate of vacant-and-abandoned housing—neither up for rent nor purchase, but simply boarded up and crumbling. This area is also in the larger vicinity of the medical complex of Johns Hopkins Hospital, which has been buying up property, and holding it—frequently in boarded-up condition—for further bio-medical center expansion.

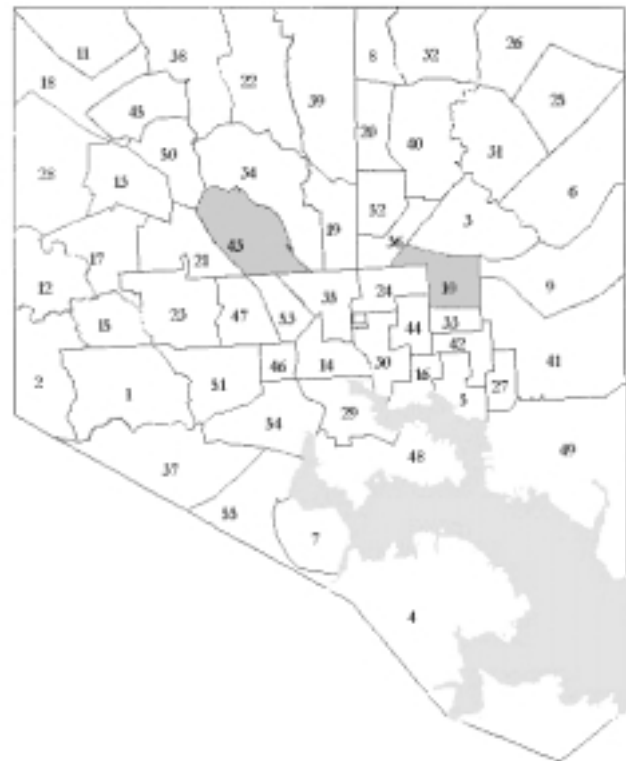
In 2000, forty-three percent of the households that rented, were paying 30% or more of the income for rents. Of those owning homes, 47% were paying out more than 30% of their income for housing.

Sanitation conditions are poor, including trash in the streets, clogged storm drains, debris, and abandoned cars. In 2003, there were 22 incidents per 1,000 population of reported dirty streets and alleys; 44.6 incidents per 1,000, of abandoned vehicles; and 25.4 incidents of rats per 1,000 people. These rates are very high.

Youth are special victims. They are trapped in an environment of crime and violence.

In 2003, the school absentee rate was significant and rising through the grade levels, referring to those who miss classes, 20 or more days out of the school year for elementary and secondary school. The absentee rates in this neighborhood for 2003 were: third grade—8.82%; fifth grade—13.53%; eighth grade—37.04%; and tenth grade—57.14%. The 2003 drop-out rate covering all grades was 13.9% in 2003. The number

FIGURE 1
Baltimore City—55 'Community Statistical Areas'



Source: Baltimore Neighborhood Indicators Alliance. www.bnai.org.

The 55 areas shown here are amalgamations into communities, of the 200 census tracts of Baltimore, into "Community Statistical Areas" to characterize the main features of sub-districts of the City, which span an estimated 260 local neighborhoods. Number 10 shows the neighborhoods of Clifton/Berea; Number 43 shows Southern Park Heights, discussed in the text. The statistics and mapping are done by the Baltimore Neighborhood Indicators Alliance.



EIRNS/Stuart Lewis

Collington Square, in the neighborhood of Clifton/Berea.

of teens who gave birth, per thousand girls between the ages of 15 and 19, was 93.3 in 2003, down from 132.3 in 2000, after concerted interventions through community centers, but still very high.

The juvenile arrest rate is also high, standing at 182.2 per 1,000 youth between ages 10 and 17, in 2003; the year earlier, this rate hit 231.4 per 1,000 youth, with 102.2 for drug-related offenses in 2002. In 2000, overall there was a rate for violent felonies, including murder, of 85 per 1,000 residents (1,063 total crimes) in this community.

Amidst these patterns comes the cycling in and out of prison and jail. Clifton/Berea is one of the six city neighborhoods with the highest concentrations of young men in and out of prison and jail.

In 2001, there were 159 prisoners from the Maryland state system going into this neighborhood, for a ratio of 12.7 returnees per 1,000 residents. They are almost all young black males. Correspondingly, female-headed households account for over 41% of all households here. Over 19% of all households are Temporary Assistance for Needy Families (TANF) recipients.

Southern Park Heights (43)—Terrible Disease

The extended community of Park Heights is located in northwest Baltimore, and taken at its fullest extent, could be called the single largest neighborhood in the city. Its population is nearly 40,000, living on 1,734 acres. One of its core sub-neighborhoods is Southern Park Heights, discussed below.

As of 2000, what this area is outstanding for, according to expert testimony to Congress that year, is *disease*. Sharon Duncan-Jones, executive director of the Park Reist Corridor Coalition, Inc., gave a graphic description of the situation in testimony on Feb. 14, 2000 to the Subcommittee on Human Resources of the Maryland House Committee on Ways and Means. She stressed that this area has the highest rates in all Maryland, for: child maltreatment, crime, infant mortality, substance abuse, juvenile crime, diabetes, and HIV-AIDS.

She also stressed the economic decay as the context from which to understand the disease. “The present economic condition in Park Heights can be linked to past conditions throughout Baltimore,” she said. “Beginning in the 1970s, manufacturing jobs had begun to fall. Since 1990, Baltimore has suffered a loss of 63,000 manufacturing jobs. Park Heights has experienced economic decline, with two major companies relocating out of the community and the city: London Fog, a clothing manufacturer, and Park Sausage, a meat manufacturer. Park Heights’ unemployment rate is 22%, and it is well above the city’s average.”

For Southern Park Heights, the situation is extreme. In 2000, its population was 15,761. The description from Community Statistical Area 43, from its four contiguous census tracts, is grim.

The median household income of the population, which is 97.1% black, is \$21,218, with 56.3% of households earning less than \$25,000. Squeezed to pay even low rents, over 45% of renters pay 30% or more of their income for rent.

The official unemployment rate in 2000 was 15.5%. Of



credit

Baltimore’s Southern Park Heights neighborhood, one of the most devastated in the city.

the population between the ages of 16 and 64, fully 43.3% are statistically “not in the labor force.”

The condition of housing and sanitation is decrepit in the extreme. The rate of incidents of dirty streets and alleys was 16 per 1,000 people in 2003; of rats, 23 per 1,000 people; and 45 per 1,000, for abandoned vehicles.

The young people are in dire circumstances. The rates in 2003 for those missing 20 or more days of school a year in elementary and secondary school were: third grade—17%; fifth grade—13%; eighth grade—49%; tenth grade—59%. The dropout rate through high school was 12.2%.

In 2003, the juvenile arrest rate—arrests per 1,000 youth ages 10 through 17—stood at 197, with 64 of those drug-related. The number of girls between ages 15 and 19 who gave birth, was 110 in 2003. Domestic and street violence is rampant. In 2000, there were 1,138 reported violent felony crimes, for a rate of 72 per 1,000 residents of this small community.

In 2001, of 4,411 men and women prisoners released to Baltimore City, out of the Maryland state system, 174 of them returned to the small area of Southern Park Heights. This is a ratio of 11 returnees per 1,000 residents. Correspondingly, 40% of the households in this area are headed by females. Over 20% of them are TANF recipients.

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Poverty Kills

by Ned Rosinsky, M.D.

Economic collapse kills people. Poverty destroys societies; and social collapse, at its end stages, involves sudden downward changes in people’s health, due to factors such as loss of jobs, loss of health insurance, homelessness, breakup of families, resort to substance abuse, psychological collapse, and descent into crime and incarceration. These various downward changes strongly interact. Loss of job can directly cause loss of health insurance, as well as homelessness due to inability to pay rent or mortgage. Homelessness can contribute to family breakup, and with this loss of family support, can come psychological collapse.

Psychological collapse and family breakup can lead to substance abuse. Substance abuse can in turn lead to job loss, worsen psychological collapse, and induce a resort to crime to pay for the drugs, which in turn can lead to more psychological collapse and more disruption to the family.

These strong interactions set up a spiralling downward process, ultimately leading to the total collapse of individuals, families, and larger social groups and layers of society. These factors also result in poor nutrition, exposure to infectious disease, violence, and lack of medical care for treatable illnesses, all culminating in high death rates.

Health conditions in the City of Baltimore illustrate this collapse process in grisly detail; the death-rate patterns in Baltimore show the disastrous effects of economic collapse.

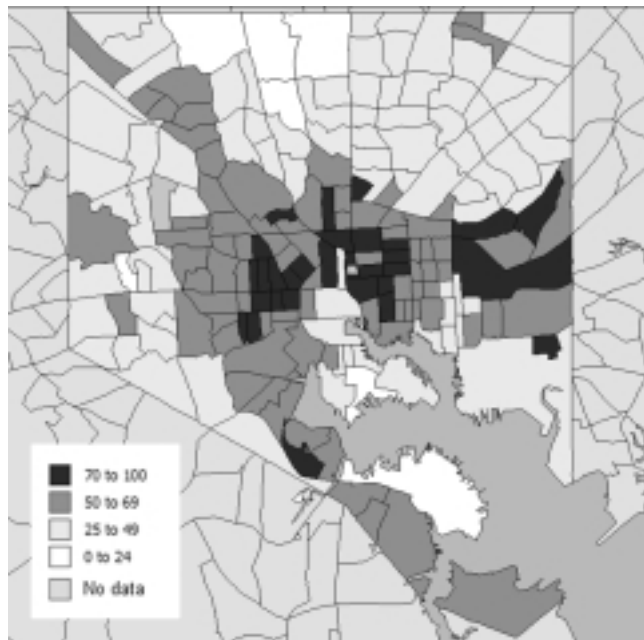
The study presented here compares death rates to poverty rates, using data from the 1990 and 2000 national censuses, including data on population and household income levels in each of Baltimore’s 201 census tracts. (Due to some tracts being sub-divided in two, or missing data, the total number of census tracts used in any part of the study may vary from 199 to 201.)

The median income in Baltimore is currently approximately \$34,000 per household; in 2000 it was \$30,000. This study uses a measure of poverty as the percent of households with income below \$25,000 for the 1991 data, and an inflation-equivalent \$30,000 for the 2000 data. (**Figures 1 and 2** show the pattern of census tracts in the various household percentage categories of income.) The figure of \$25,000 is not crucial to the study, because as poverty increases and the percent of households below \$25,000 increases, so also does the percentage below \$20,000, and so on.

This percentage of poverty is then compared to the total number of deaths that occur in each census tract, as reported by the Maryland State Department of Health and Mental Hygiene.

FIGURE 1

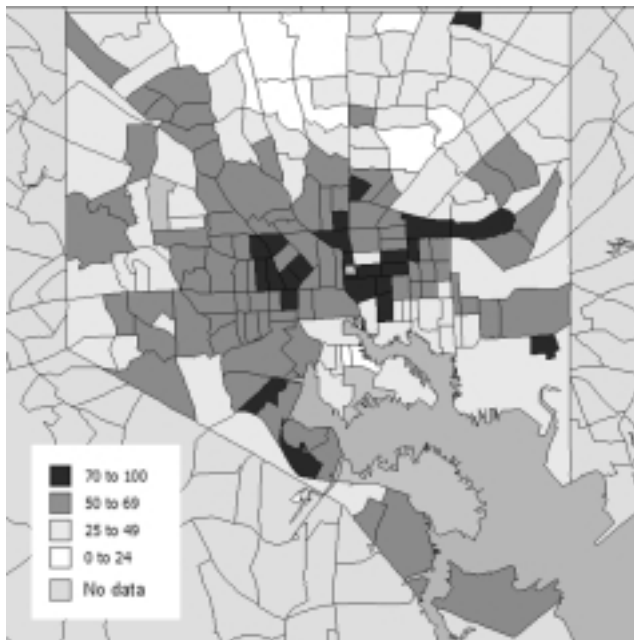
Baltimore, 1990: Percentages of Households with Annual Incomes Under \$25,000, by Census Tract



Source: U.S. Bureau of the Census.

FIGURE 2

Baltimore, 2000: Percentages of Households with Annual Incomes Under \$30,000, by Census Tract



Source: U.S. Bureau of the Census.

When tracking the effects of poverty in a major city, it is important to have access to data from numerous small geographic areas, because neighborhoods can change from poor to wealthy over short distances (such as around the Inner Harbor complex of Baltimore); and the smallest geographical areas in Baltimore for which there is reliable and publicly available health and population data, are the national census tracts.

Each census tract contains from several hundred to several thousand persons, and while the census tract boundaries may have had some past historical significance, currently they cut nearly randomly across various socio-economic levels of neighborhoods. Some census tracts are nearly all impoverished, some nearly all wealthy, and some are mixed.

The State of Maryland has kept records of deaths by census tract annually since 1991, and therefore the first study shown here uses the 1991 data. Before 1991, the state kept death records according to larger geographical areas that are less suitable for this type of analysis.

Comparing 'To Be Expected' to 'Excess' Deaths

For each census tract it is possible to calculate the total number of deaths expected for that population, based on the number of people of each age grouping, documented in the

national census done every 10 years. For the current studies, the 1990 and 2000 census data is used, and death rates can be predicted based on national statistics of death rates for each age ("age-corrected"). The actual number of deaths for each census tract as reported by the State of Maryland is then compared to the total expected for the population, producing a number we refer to as the *excess death ratio* (Figures 3 and 4).

This excess death ratio is shown as height in the graph, with the number 1 representing the average for the U.S. population as a whole. (As Baltimore is divided into 201 census tracts, this graph uses one point for each of these tracts.) For example, a point at level 1 would indicate no excess deaths above the national average for that tract, while a point at level 2 would mean that twice as many people died as would be expected by national statistics.

The horizontal axis of the graph in Figure 3 shows poverty level, with a higher percentage of households in poverty toward the right side of the graph, the range going from 0 to 100% of households below \$25,000 income annually.

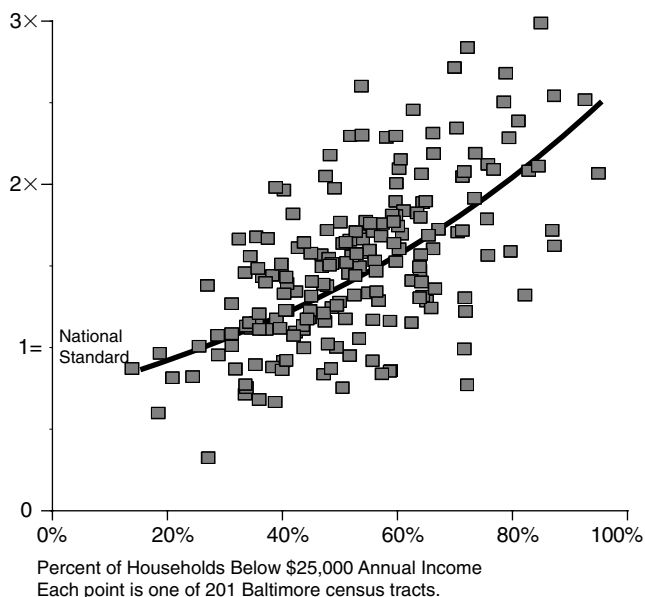
The resulting pattern of point locations shows that for those tracts with low levels of poverty, with approximately 20-30% of households having an income below \$25,000, the points cluster around a height of slightly less than 1, indicating that the number of deaths that actually occurred in these census tracts is slightly below national averages.

FIGURE 3

Baltimore 'Excess Deaths,' 1991: Census Tract Deaths, Shown As Compared (Above or Below) to Expected Death Rates (National Standard)

(Plotted by Percent of Tract Households Below a \$25,000 Annual Income)

Number of Times Census Tract Actual Deaths Exceed Expected Deaths (National Standard)



Source: U.S. Bureau of the Census; Baltimore City Health Department.

As the poverty level increases, towards the right side of the graph, the excess death ratio also increases, so that in census tracts with high poverty levels, at 60-70% or more of households with less than \$25,000 annual income, the points cluster around two to three times the number of deaths expected.

Figure 4 shows a parallel study using the 2000 census populations to predict death rates, and the 2000 census tract total death rates. In this case the income cut-off is \$30,000. The resulting graph is similar in form to the 1991 graph, with a higher upturn on the right, indicating that the extreme end of poverty has worsened over the decade.

Media Lies: 'Average' Life Span Improving

One does not usually see coverage in the media of these overall increases in death rates with poverty. What the media usually report is that the overall life-span for the country as a whole is slowly increasing, and death rates from the main killer diseases, such as heart attacks, strokes, and cancer, are slowly decreasing. *The key word here, is "overall."*

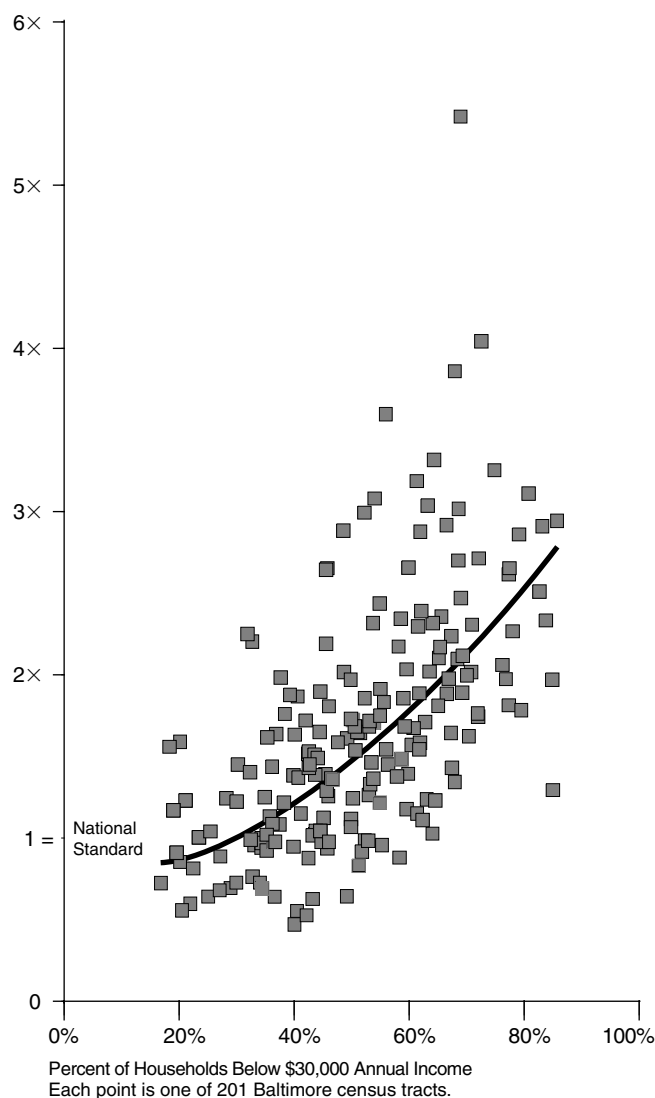
Just as the income statistics for the whole country show that the upper 20% of families are getting richer and the lower

FIGURE 4

Baltimore 'Excess Deaths,' 2000: Census Tract Deaths, Shown As Compared (Above or Below) to Expected Death Rates (National Standard)

(Plotted by Percent of Tract Households Below a \$30,000 Annual Income)

Number of Times Census Tract Actual Deaths Exceed Expected Deaths (National Standard)



Source: U.S. Bureau of the Census; Baltimore City Health Department.

80% are getting poorer, with the overall income average slowly increasing, so in health it appears that the wealthier families are doing better, while the poorer families are doing worse, with the average numbers covering up the catastrophic conditions in the very poorest areas.

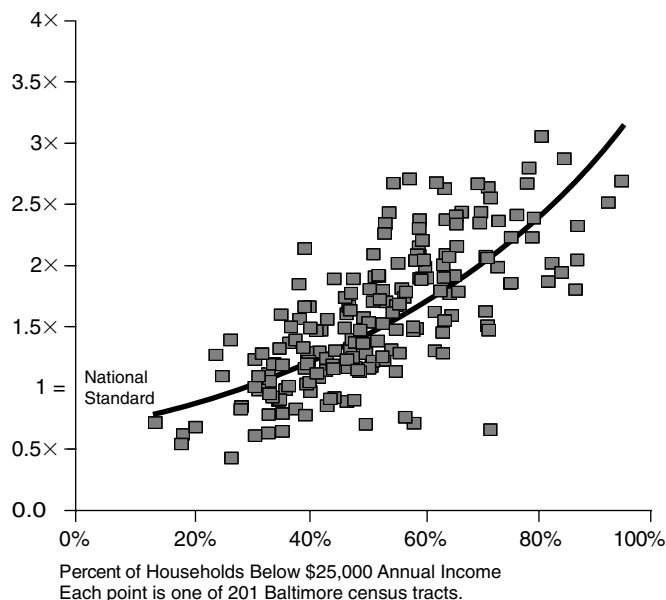
Keep in mind that Baltimore as a whole has a higher aver-

FIGURE 5

Baltimore 'Person Years Lost,' 1991-94: Person-Years Lost Compared (Above or Below) to Expected Person-Years Lost (National Standard)

(Plotted by Percent of Tract Households Below a \$25,000 Annual Income)

Number of Times Person-Years Lost Exceeds
Expected (National Standard)



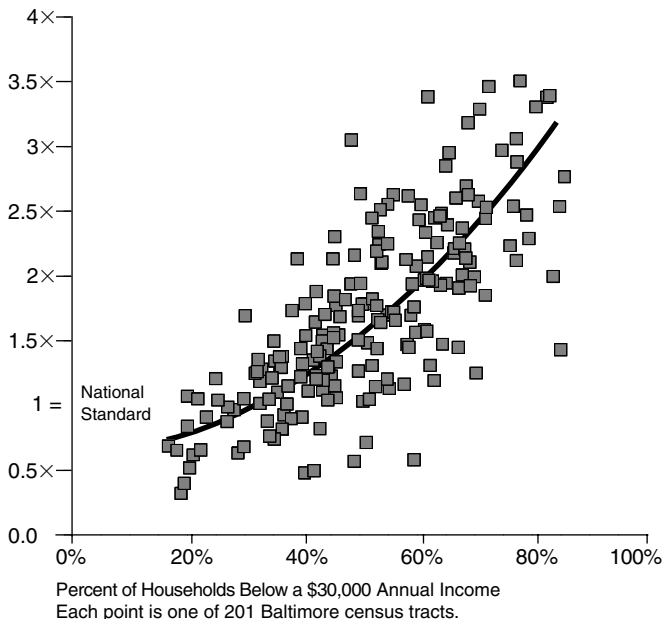
Source: U.S. Bureau of the Census; Baltimore City Health Department.

FIGURE 6

Baltimore 'Person-Years Lost,' 2001-04: Person-Years Lost Compared (Above or Below) to Expected Person-Years Lost (National Standard)

(Plotted by Percent of Tract Households Below a \$30,000 Annual Income)

Number of Times Person-Years Lost Exceeds
Expected (National Standard)



Source: U.S. Bureau of the Census; Baltimore City Health Department.

age death rate than the U.S. average. The very high numbers seen here are balanced by lower numbers elsewhere, such as the wealthy areas of Baltimore County which surround the city to the north.

Calculating 'Person-Years' Lost

The real effect of these higher death rates in poorer communities can be shown in another way. Instead of counting deaths, one can count years of life lost. For example, the death of a person at age 15 may involve the loss of 60 years of potential life that will not be lived, while the death of a person at age 70 may involve the loss of 10 years of additional life not lived.

In order to do this calculation, one needs to know the age, gender, and race of each person that died, to make an accurate estimate of the expected life-span that is lost with the death. This information is available from State of Maryland Department of Health and Mental Hygiene and the Baltimore City Health Department on request.

However, because of the small size of the census tracts—

each with populations ranging from several hundred to several thousand—to protect the identities of the deceased persons, the government will release data only in larger aggregates, in this case by aggregating four years of data together, such as 1991 to 1994, or 2001 to 2004. The information on age, gender, and race of the deceased persons is important in estimating the years of life lost, since in the United States, females live longer than males, and whites live longer than blacks. Life expectancy tables for each year of life, by gender and race, are available from the Centers for Disease Control and Prevention.

With this additional data, a graph of total person-years of life actually lost, divided by expected lost, versus poverty level, can be constructed. Two cases were examined.

Figure 5 used the actual deaths for the period of 1991 to 1994 (37,429 death profiles,¹ representing over 99% of the Baltimore resident deaths during this period; an annual count

1. This figure is for death records that are statistically usable; some are not, due to typographical and other errors.

of deaths was calculated from this figure) and predicted deaths based on the 1990 census population and income data; and **Figure 6** used the corresponding actual deaths from 2001-04 (from which an annual death count was made) and predicted deaths based on the 2000 census population and income data. The resulting study shows an even stronger relation to poverty than the previous graphs.

For the 1991-94 study, the ratio of total person-years lost increases steadily as poverty increases, to the level of 2-3 times what would be expected, with 46 of the 201 census tracts being over 2 times the national average.

In the 2001-04 study, the effect is even more dramatic, with total person-years lost ratio increasing up to 3.5 times expected, and with 58 tracts over 2 times the national average, as well as 10 tracts over 3 times the national average.

Since the population of Baltimore has been steadily shrinking over this period, any distortion caused by using 1990 census data for the 1991-94 cases and 2000 census data for the 2001-04 cases would be to overestimate the expected years lost, and thereby cause an underestimation of the calculated excess years lost ratio. A rigorous statistical analysis of the data concludes that poverty causes an increase in lost person-years to 2.6 times expected rate.²

The most striking feature of these person-years studies, is the increase in the excess lost person-years that is evident when the 1991-94 period is compared to the 2001-04 period, and is particularly evident at the severe poverty level.

The person-years calculation has an additional implication, in the area of economics. When young people die, society loses large numbers of potentially productive person-years. This is not the case when elderly people die. The shift of the curve upward when Figures 5 and 6 are compared to Figures 3 and 4, indicates that the increase in deaths with poverty is in part related to more younger people dying. This is consistent with other more publicized observations, such as that the population of Baltimore is getting younger, and that a higher portion of youths die in poor communities compared to higher income areas.

The take-home message of these studies is clear: Public policies and any other factors that increase poverty are lethal. Politicians who promote such policies must be held accountable for these lethal effects.

2. The statistical correlation coefficient R , using the method of least squares developed by Gauss, is 0.73 for the 1991-94 graph, and 0.75 for the 2001-04 graph. The effect of poverty is measured by R^2 , which is 0.56; that is, 0.56 of the rise in the best-fit line is due to poverty. If the best-fit line for the 2001-04 study is extrapolated to 100% poverty, it reaches a level of 4 times the U.S. average, or an increase of 3 times the baseline. The effect of poverty is R^2 times the rise, or 1.6 times the baseline, which when added to baseline produces a total of 2.6, or 260% of baseline. That is, this measure of poverty increases person-years lost to 260% of what would otherwise be expected.

Interview: Ted Smith

'These Kids Are On a Death March'

Ted Smith is a Baltimore teacher, resident, and community center director. He was interviewed by Larry Freeman on Dec. 27, 2005.

EIR: As you know, we're looking at the history of Baltimore and the conditions that have led to an increase in disease and death in certain sections of the city. How do you see this?

Smith: Yes, my part-time job is, I am the director of a community center at Oliver and Collington; this community center is located in one of the areas with the highest death rate and highest unemployment within Baltimore City. I perceive this as a death zone, and it's almost as if the kids that I service and try to serve, are on a death march. I've worked in this job, in this capacity, since August of this year, and this community center is now in its fourth year of operation. Those that have been with this organization since its inception, almost speak hopelessly of reaching the kids.

The kids we service are from sixth to eighth grade, but each year, at least two to three get caught up in some measure of gun violence. And many of the kids that we service, by the time they're even in eighth grade, end up involved in the sale and distribution of drugs, and some actually even use drugs.

EIR: You are talking about the Clifton-Berea area of East Baltimore. What are the basic conditions for the population?

Smith: Immediately as you come into our community center, on the very street, the entrance where our community center is located, almost all of the houses on the block are boarded up. If you go to certain sections of the area, you'll see 20 to 30 guys on the corner, involved in illegal activity. It's open-air drug markets. Many of the young people just don't speak with any hope, especially many of the males, in terms of their prospects. It's almost a foregone conclusion, that in order to make money, they will have to go to illegal means. They don't even speak of the option of trying to find a job.

And also what I noticed, is that many of the kids, more than you would actually think, live with foster parents or grandparents, because of the scourge of the drug problem; many of the parents themselves have been hit directly by the drug epidemic.

Our program is funded by Episcopal Social Ministries—and I appreciate the service—but it’s almost like trying to place a band-aid on a gaping wound.

EIR: Are we mainly talking about African-American males in their teens and twenties? Or is your program for younger kids? And what about other ages? Are any elderly people even living in these areas any more?

Smith: We service predominantly African-American males, sixth through eighth grade. Middle school is our target range; but our program has not been as successful—I was kind of brought in to provide leadership, to begin to figure out ways to make it more successful. My goal is now to even try to reach the males at fifth- and sixth-grade range, because by the time they are in especially eighth grade, I would say, we have [lost] about half of our males: They might run into our center to hide their stashes, or they might hold a drug stash’s money, or be somehow involved in illegal activity, even by that age. But at a younger age, I begin to target them in rites of passage programs, to teach them what it really means to be a young male, and to try to steer them in a positive direction.

It has helped, especially some of those that are in the fifth- and sixth-grade range. But, again, I think that just dealing with trying to reach them, without actually having the means to provide economic solutions, and job solutions, and other type of things—it’s like placing a bandaid on a gaping wound.

EIR: What about their schooling?

Smith: They are still in school. By eighth-grade range, in the area we service, I would say that about one out of every four of the males is not attending school on a regular basis.

What we try to do, is provide mentoring service; we provide academic plus fun activities. And the fun activities are a hook, toward the academic service. Like, we started a basketball team. We have “stepping” for the females. We have a chess club, computer classes, and an array of activities, in addition to academics, to try to reorient them, to steer them in the right direction. And we have the mentoring services.

Many of the kids do not have strong family structures, especially the males; you have very few fathers, or positive older males within their homes. That’s the big lack, and it kind of feeds a cyclical process.

EIR: You’ve also been a teacher in the Baltimore City school system for a number of years. How do you see what’s happened to Baltimore over the last 20 years?

There are the promo stories coming out that Baltimore is a renaissance city. And there’s all this development and progress taking place—the Inner Harbor jobs, the biomedical field, and so on. Then there’s the aging infrastructure.

Smith: What I see happening over just the last 20 or so years,

is, with the shutdown of manufacturing industry, and nothing viable to replace it, drugs are just being sold so hard within certain urban communities, that many people have turned to the sale and distribution of drugs.

Also, I think there’s another dimension, too, with many of the rap videos and rap groups: You almost feel like they are run by organized-crime units! It’s almost like they advertise, both with their dress, and with their lyrics, for a drug culture. And they influence people within that direction.

There was a time, when I was coming out of high school, that rap music was used to uplift. You had groups like Public Enemy, KRS One, and other groups that talked about black unity, positivity, getting your education. Now, these groups talk about how cool it is to be high, to drop out, to gang bang, to steal, to do any type of illegal activity. And I find it ironic, that even as Kanye West spoke out against President Bush in the wake of Hurricane Katrina, that it was 50 Cent, the number-one gangsta rapper, that came to the defense of George Bush. And I feel that it is just typical of the era, that he and others of the like advertise drug sales.

The very first gangsta rap group NWA—which stood for “Niggers With an Attitude”—was funded by Ricky O’Harris, who was in the book by Gary Webb that talked about the CIA drug-cocaine connection. And I believe that gangsta rap is funded, and is organized and connected with organized crime.

EIR: Now, given this drug problem, the lack of economic opportunity for these young men in terms of jobs, the very poor housing and all the rest, do you see any institutions or groups responding to this total collapse? Who is reacting to what you call a “death zone”—that there is no way out, but to die, one way or the other?

Smith: Well, there are definitely institutions that are trying. And I at least salute those institutions that are trying. One, I say, is BUILD, that is, Baltimore Is United In Leadership Development: It’s a group of clergy, that have been involved in fighting for a living wage, and at least putting that issue to the fore, and they’ve also been providing partnerships with the schools.

And, also probably bigger than that, of course, has been the LaRouche movement, and especially the LaRouche Youth Movement. I would say they go even further than BUILD, because BUILD fights for a living wage, and that is important; but the LaRouche movement focusses on manufacturing and how you have to have a significant portion of your economy manufacturing-based, or so. And also, providing just the infrastructure projects, which could put a lot of people to work.

EIR: How do you respond to those who have been saying, for the last 30, 40 years, but in this city, the last 25 or 30 years, that we don’t need the industry, we don’t need the steel plants,

we don't need the manufacturing plants, we don't need the auto plants; and that people will get a higher standard of living, they say, in an information/service economy? Baltimore now has shifted completely to a service economy—that's got to be 90% or more of the jobs. What are the effects you have seen of this transformation from an industrial to a service economy?

And why do people accept the idea, that this is a success?

Smith: I would encourage people to interview, on their own, people who used to work for—let's say—the Sparrows Point steel plant, or other steel plants, where a person could work there and feed a family of four. Then you begin to hear stories, from elders within the family, I know, right within my own family, and I would encourage others to ask where you might have one bread-winner, that could feed a family of four *comfortably*. My father used to brag that he could stay off of work for a year, and yet he could still feed his family with one job!

EIR: Where did he work?

Smith: He worked for the Post Office. But, he also applauded Sparrows Point, where the male bread-winner could hold his face up, as the head of the family. But nowadays, a lot of males can't do that.

Baltimore's a case in point. We've shifted to a service-based economy. And people have said all the things that we would be able to do in an information age; but I think the proof is in the pudding: You have to look at what you see. We've been lied to. I haven't seen the positive effects of the shift to the information age.

I think that one major reason why people get so easily hoodwinked, is because we're not properly educated in economics, and we're just not properly educated, period. I know I definitely was not educated at all, until I came in contact with the LaRouche movement. I went to college, and learned about the "genius of Adam Smith." He was the foremost economist. You learned that the economic system of America is capitalism; you don't learn anything about American System economics. You don't learn about the science of physical economy.

So, I think that most Americans just have not been properly taught economics, so it makes us easy suckers for what the media, and many professors and educated personnel, put out there.

EIR: You are familiar with the idea that Mr. LaRouche has put forward, the concept of massive infrastructure development programs; and combining the best of Franklin Roosevelt from the '30s and '40s, and John Kennedy, and what he was able to do with the space program in the '60s. Baltimore is well-placed, in terms of the entire East Coast, as a key transportation point and shipping point, because of the port and other aspects of its location and the industry that it used to have. This has been completely destroyed

over the last 30 years, but this is something that we would like to revive, around the concept of building the magnetic levitation train up and down the East Coast, from Boston to Washington.

These types of programs could provide jobs. And it seems to me something else they could provide, is some hope. Because one of the problems we're facing in the areas of Baltimore, especially with young black men, is pessimism.

How do you see this approach working, and what specific things do you think we should be thinking about, to end this death zone, and bring it back into a life zone?

Smith: I do applaud the work of those that have been working diligently over the years within the LaRouche movement, and especially what the LaRouche Youth Movement is doing currently. But, I think in addition to the LaRouche Youth working on the national level, there needs to be a core of people working with promising young people, right here, to try to properly educate them, especially in economics.

For example: There was a group, the Algebra Project. The Algebra Project was started by Bob Moses, who was with the Civil Rights movement down in Mississippi. And, this Civil Rights pioneer sought to bring math literacy to urban areas across the country, and the Algebra Project, here in Baltimore, is a part of that effort. The Algebra Project has been fighting almost single-handedly, just for proper funding and equal education for a lot of students within urban areas. A lot of these persons lay down across the cement, right out in front of the State Board of Education, and they have been fighting, and they have the zeal, but they just need just a bit more knowledge.

I think that the LaRouche movement should try to build partnerships, especially with people, young people such as those from the Algebra Project and some others, that really see that things are not right. And they have not given up hope—they just don't know what to do. They need to just be properly educated, and schooled in economics.

I think that LaRouche's approach is definitely what's needed for this area. I was excited when there was some talk about having the maglev trains, because I'd read so much in *EIR* and *21st Century Science & Technology* about the importance of the maglev trains in Baltimore-Washington, D.C., and the amount of jobs that could be opened up, just with the maglev trains. We're definitely in need of massive infrastructure projects. You could drive right around the city of Baltimore, and see the need for that.

I think that what's needed to actually make that happen, is to strategically target especially younger people that have the will to fight, that have not given up hope, that really want to be educated in these ideas, and begin to replace the infrastructure that we have within Baltimore City. Because many of the political leaders within Baltimore City, they lie as much as the neo-conservatives—they just don't lie as well!

Cheney and the ‘Schmittlerian’ Drive for Dictatorship

by Edward Spannaus

On Jan. 3, 2001, nine months before the 9/11 terrorist attacks on the World Trade Center and the Pentagon, Lyndon LaRouche issued a blunt warning to a Washington, D.C. audience, that the incoming Bush Administration would attempt to impose dictatorial crisis-management rule, modeled on the Hitler regime in Nazi Germany. LaRouche singled out the nomination as Attorney General of John Ashcroft, a leading figure within the “conservative revolutionary” Federalist Society, as the clearest signal of the intentions of some in the incoming Bush-Cheney regime. “First of all,” LaRouche warned, “when Bush put Ashcroft in, as a nomination for the Justice Department, he made it clear, the Ku Klux Klan was riding again. . . . Ashcroft was an insult to the Congress. If the Democrats in the Congress capitulate to the Ashcroft nomination, the Congress is finished.”

LaRouche then got to the heart of the matter: “This is pretty much like the same thing that Germany did, on Feb. 28, 1933,

when the famous *Notverordnung* [emergency decree] was established. Just remember after the Reichstag fire, that Göring, who commanded at that time, Prussia—he was the Minister-President of Prussia—set into motion an operation. As part of this, operating under rules of Carl Schmitt, a famous pro-Nazi jurist of Germany, they passed this act called the *Notverordnung*, the emergency act, which gave the state the power, according to Schmitt’s doctrine, to designate which part of his own population were enemies, and to imprison them, freely. And to eliminate them. This was the dictatorship.”

In prescient words, LaRouche continued: “We’re going into a period in which either we do the kinds of things I indicated in summary to you today, or else what you’re going to have is not a government. You’re going to have something like a Nazi regime. Maybe not initially at the surface. What you’re going to have is a government which cannot pass legislation. How does a government which cannot pass meaningful legislation, under conditions of crisis, govern? They govern in every case in known history, by what’s known as crisis-management. In other words, just like the Reichstag fire in Germany.

“What you’re going to get with a frustrated Bush Administration, if it’s determined to prevent itself from being opposed, you’re going to get crisis management. Where special warfare types, of the secret government, the secret police teams, will set off provocations, which will be used to bring about dictatorial powers, in the name of crisis management. You will have small wars set off in various parts of the world, which the Bush Administration will respond to with crisis management methods of provocation.”

LaRouche emphasized, “You’ve got to control this process now, while you still have the power to do so. Don’t be like the dumb Germans, who, after Hitler was appointed to

LaRouche Warned the Senate

The evaluation of the danger represented by the Bush Administration’s nomination of John Ashcroft as Attorney General, which we quote here, was presented at length and verbatim by Lyndon LaRouche’s National Spokesperson Dr. Debra H. Freeman, in written testimony to the Senate Judiciary Committee on Jan. 16, 2001. The testimony was included in the official record of the Senate, and therefore was available to all members of the U.S. Senate, from that time forward.



Library of Congress



U.S. Marine Corps/Cpl. Andrew D. Pendracki

Lurking behind Vice President Dick Cheney's pursuit of dictatorial powers are the Nazi theories of Carl Schmitt (top left) and his boss, Adolf Hitler.

the Chancellorship, in January 1933, sat back and said, 'No, we're going to defeat him in the next election.' There was never a next election—there was just this '*Jawohl*' for Hitler as dictator. Because the *Notverordnung* of February 1933 eliminated the political factor. . . ."

Returning to the Bush-Cheney team, LaRouche said, "I know these guys very well, because I've been up against them. . . . These guys, pushed to the wall, will come out with knives in the dark. They will not fight you politically; they will get you in the back. They will use their thugs to get you. That's their method—know it."

LaRouche next turned to the U.S. Supreme Court of Federalist Society godfather, Justice Antonin Scalia: "Given the implications of the grave financial crisis faced by the U.S.A. today, the crucial fact of greatest importance concerning Scalia's doctrines of law, is that his political and legal outlook is identical, on all crucially relevant points of comparison, to the legal dogmas used to bring Adolf Hitler to power during a roughly comparable period of grave financial crisis in Germany. Specifically, Scalia expresses the same explicitly Romantic dogmas of the pro-fascist 'conservative revolution' of G.W.F. Hegel, Friedrich Nietzsche, et al., which Scalia has imitated, in keeping with the model precedent of the so-called 'Kronjurist' of Nazi Germany, Carl Schmitt. That is the

Schmitt who was the legal architect of the doctrine creating those dictatorial powers given, with 'finality,' to the Nazi regime of Adolf Hitler."

That was Jan. 3, 2001. Now five years later, Vice President Dick Cheney, the "Herman Göring" of the Bush Administration, has come out with the blunt admission that everything that LaRouche said back in January 2001 was true. On Dec. 20, while traveling to Oman on Air Force Two, the Vice President spoke to reporters, and delivered an unabashed defense of Carl Schmitt's *Führerprinzip* (Leader Principle) of absolute executive power. Cheney, facing a growing revolt from the Congress, the military and intelligence institutions, and the American people, against his over-the-top push for Presidential dictatorship and his promotion of Nuremberg war crime offenses, let it all hang out, admitting that he came into the Vice Presidency, fully committed to the imposition of rule-by-decree government.

"A lot of the things around Watergate and Vietnam, both, in the '70s, served to erode the authority, I think, the President needs to be effective, especially in a national security area," Cheney began. "If you want reference to an obscure text, go look at the minority views that were filed with the Iran-Contra Committee; the Iran-Contra Report in about 1987. . . . And those of us in the minority wrote minority views, but they

were actually authored by a guy working for me, for my staff, that I think are very good in laying out a robust view of the President's prerogatives with respect to the conduct of especially foreign policy and national security matters. . . . I served in the Congress for ten years, . . . but I do believe that, especially in the day and age we live in, the nature of the threats we face, . . . the President of the United States needs to have his constitutional powers unimpaired, if you will, in terms of the conduct of national security policy. That's my personal view.

"Either we're serious about fighting the war on terror or we're not. . . . The President and I believe very deeply that there's a hell of a threat, that it's there for anybody who wants to look at it. And that our obligation and responsibility given our job is to do everything in our power to defeat the terrorists. And that's exactly what we're doing."

Presidential Dictatorship: 'The Dark Side'

This view of unbridled Executive power as laid out by Cheney was shocking, even to many seasoned hands in the institutions of our government, especially for Cheney's total rejection of the post-Watergate reforms. It is a view that has been expressed in a number of obscure, and many still-secret, legal memoranda written in the past five years by a cabal of lawyers around Cheney, most of whom were groomed in the misnamed Federalist Society, but it has seldom been so openly expressed by the Vice President himself.

Five days after the 9/11 attacks, Cheney had hinted at what he was planning, during an appearance on NBC's "Meet the Press," when he declared that "lawyers always have a role to play, but . . . this is war." He elaborated his Hobbesian view:

"We also have to work, though, sort of the dark side, if you will. We've got to spend time in the shadows in the intelligence world. A lot of what needs to be done here will have to be done quietly, without any discussion, using sources and methods that are available to our intelligence agencies, if we're going to be successful. That's the world these folks operate in, and so it's going to be vital for us to use any means at our disposal, basically, to achieve our objective. . . . It is a mean, nasty, dangerous, dirty business out there, and we have to operate in that arena. I'm convinced we can do it; we can do it successfully. But we need to make certain that we have not tied the hands, if you will, of our intelligence communities in terms of accomplishing their mission."

At the same time that Cheney was talking about America's venture to "the dark side," the Vice President was attempting to bully the U.S. Congress into surrendering dictatorial powers to the White House—including the authority to spy on American citizens, without the legally mandated court orders. As the *New York Times* revealed on Dec. 16, 2005, within days of the 9/11 attacks, Cheney attempted to ram through Congress a war power resolution, granting carte blanche authority to use "any means necessary" both abroad and at home,

to conduct the "war on terror." Sen. Tom Daschle (D-S.D.), the Senate Majority Leader at the time of the 9/11 attacks, blocked authority for domestic operations, and the Congress, as a whole, limited the President's war powers to actions against the perpetrators of the 9/11 attacks. Cheney and his gang of Federalist Society legal gun-slingers proceeded to ignore the Congress, and launched unauthorized surveillance and dirty tricks against American citizens, on a scale yet-to-be-revealed.

Already at that point—in fact, even before 9/11—Cheney and his hand-picked legal mouthpieces (David Addington, Timothy Flanigan, and John Yoo, in particular) wrote this into policy in the documents that have become known as the "torture memos." In order to get to "the dark side," they repeatedly claimed that any law or act of Congress which infringes on the "inherent authority" of the President as Commander in Chief to conduct war, is unconstitutional. It is the President, and the President alone, who decides what is necessary to defend the nation.

The Leader Creates the Law

This argument has a definite pedigree—even if its proponents, understandably, fail to footnote it.

It is called the *Führerprinzip*, and its foremost theorist was Carl Schmitt, known in his time as the "Crown Jurist of the Third Reich." Schmitt's theories have been undergoing a revival in the United States and elsewhere in recent years, so it is not surprising to see them popping up here.

Schmitt contended—as do Cheney's lawyers today—that, in times of crisis, legal norms are suspended, and the Leader, in this case, the President, both *is*, and *creates*, the law. "All law is derived from the people's right to existence," Schmitt wrote in 1934. "Every state law, every judgment of the courts, contains only so much justice, as it derives from this source. The content and the scope of his action, is determined only by the Leader himself."

The "theoretical" grounding for these arguments in the Nazi period, was provided by Schmitt, who contended that legal norms are applicable only in stable, peaceful situations, not in times of war when the state confronts a "mortal enemy." The Leader determines what is "normal," and he also defines "the state of the exception," when legal norms, and notions such as the separation of powers, and constitutionally guaranteed checks and balances, no longer apply.

When Bush and Cheney recite that "9/11 changed everything," they are mouthing the words of Hitler's Crown Jurist, Carl Schmitt.

The Federalist Society

How did these Schmittlerian arguments get laundered into the Bush-Cheney Administration?

Needless to say, the Administration's lawyers don't go around quoting Carl Schmitt—at least not by name. Whereas Schmitt labelled his theory of the all-powerful Leader, the

Führerprinzip, David Addington and the Federalist Society give it a different name: the “unitary executive.”

This came to light in an Oct. 11, 2004 profile of Addington, written for the *Washington Post* by Dana Milbank.

“Where there has been controversy over the past four years, there has often been Addington,” Milbank wrote, noting that Addington’s views are “so audacious that even conservatives on the Supreme Court sympathetic to Cheney’s views have rejected them as overreaching.”

“Even in a White House known for its dedication to conservative philosophy, Addington is known as an ideologue, an adherent of an obscure philosophy called the unitary executive theory that favors an extraordinarily powerful President,” Milbank continued.

The “theory” traces its origins to the Reagan Administration—and in time it coincided with the formation of the Federalist Society (which, to be historically accurate, would better be known as the Anti-Federalist Society). One of the founders of the Federalist Society, Steven Calabresi of Yale University, is also the foremost proponent of the unitary executive.

At its core, is the dogma that the President has as much right as, perhaps even more than, the Supreme Court, to interpret the Constitution, and that the President must brook no interference from the other two branches with his prerogatives and powers. The President is entitled, indeed obligated, to disregard any laws he regards as unconstitutional (although this is, to be sure, a quite perverted meaning of what is “constitutional” and “unconstitutional”).

In the Bush-Cheney Administration, under the direction of Addington and his clique, the doctrine has been applied to military and national security matters in an unprecedented manner, even to the chagrin of some of its proponents.

How It Worked

David Addington first surfaced as the Bush-Cheney Administration’s latter-day Carl Schmitt two months after 9/11, when a number of military-linked lawyers told *EIR* of their anger over the President’s Nov. 13, 2001 Military Order establishing military commissions to try suspected terrorists. They identified the almost-unknown Addington as one of those who blocked the views of the uniformed military, who were advocating sticking with the existing procedures under the congressionally enacted Uniform Code of Military Justice.

Although bits and pieces of the story came out over time, it wasn’t until October 2004 that a comprehensive account was published about the battles around the military commissions; this was in the *New York Times* of Oct. 24 and 25, 2004.

The *Times* documented Cheney’s specific role in crafting a scheme to bypass both the traditional military justice system, and the Federal courts, in order to create a system under which prisoners could be held indefinitely as “enemy combatants” and then eventually, perhaps, tried by military tribunals.

Cheney operated in secrecy, excluding uniformed mili-



EIRNS/Dan Sturman

The LaRouche Youth Movement, shown here organizing in New York City on Dec. 28, is demanding the immediate ouster of the Vice President for Torture, Dick Cheney.

tary lawyers from the planning, and then, when a draft Military Order was prepared, even ordered it to be withheld from National Security Advisor Condoleezza Rice and Secretary of State Colin Powell.

While the 9/11 attacks were the pretext, the *Times* noted that the strategy was shaped by long-standing agendas—of expanding Presidential power and downgrading international treaty commitments—that had zero to do with fighting terrorism.

The core grouping of lawyers in the White House and Justice Department involved in crafting the new strategy were predominantly members of the Federalist Society, and most had clerked for Supreme Court Justices Antonin Scalia and Clarence Thomas, or for Appeals Court Judge Lawrence Silberman—a Federalist Society stalwart and architect of the campaign to bring down President Clinton in the mid-1990s.

The key planners, as identified in the *Times* article, were Dick Cheney (at the top of their chart), then Cheney’s Counsel Addington, Bush’s Counsel Alberto Gonzales, Gonzales’s deputy Timothy Flanigan, and the Justice Department’s Office of Legal Counsel. What the chart should have shown, was Addington and Flanigan running circles around Gonzales, a corporate lawyer who was way over his head in these matters. Excluded from the process were most of the government’s experts in international law and military law.

The *Times* said that the idea of using military tribunals to try suspected terrorists came in a phone call from former Attorney General William P. Barr, to Flanigan, who had

worked at the Justice Department under Barr during the Bush “41” Presidency. Tribunals would give the government wide latitude to hold, interrogate, and prosecute suspected terrorists, with control of the entire process totally in the hands of the Executive, not the Federal Judiciary. “The same ideas were taking hold in the office of Vice President Cheney,” the *Times* noted, and were being championed by Addington, described as a long-time Cheney aide with an undistinguished legal background.

The Justice Department’s Office of Legal Counsel (OLC) worked up a plan to establish tribunals, ostensibly modeled on the one used by Franklin D. Roosevelt to try Nazi saboteurs in 1942—despite dramatic changes that had taken place since then, the most important of which were the 1949 adoption of the Geneva Conventions, and the 1951 enactment of the Uniform Code of Military Justice. Addington seized upon the outdated 1942 precedent, and was the most influential in pushing it through, because of the clout he had by virtue of representing Cheney. Top military lawyers offered proposals to shift the scheme closer to the existing military justice system; their suggestions were completely ignored. The OLC memo argued that the President could act unilaterally, bypassing Congress, by using his “inherent authority” as Commander in Chief.

Addington and Flanigan drafted the Military Order. On Nov. 10, Cheney chaired a meeting in the White House, attended by Ashcroft, Pentagon General Counsel William Haynes, and White House lawyers. Senior State Department and National Security Council officials were excluded, and Cheney advocated withholding the final draft from Rice and Powell. Cheney later discussed the order privately with President Bush over lunch, and the President dutifully signed it on Nov. 13.

As *EIR* was told at the time, military lawyers were furious at the President’s order and at the bypassing of the court-martial system, fearing that the entire system of military justice would be tainted. The *Times* quoted Adm. Donald Guter, who has since retired as the Navy’s Judge Advocate General: “The military lawyers would from time to time remind the civilians that there was a Constitution that we had to pay attention to.”

Hunter-Killer Squads

That particular case study illustrates the way the process worked. But it would be much too sanitized, to just consider this as a question of what kind of trials to give captured terrorist suspects. The Administration’s rejection of U.S. military law and the Geneva Conventions was the marker for a policy that intentionally and inevitably produced widespread torture and abuse of prisoners (officially referred to as “detainees”). Over 100 prisoners have died in U.S. custody, many from torture; the Pentagon has classified at least three dozen of these as criminal homicides.

Parallel to the creation of the President’s Military Order

in the weeks following 9/11, was a related process, to authorize CIA and military covert action programs which included “renditions,” secret prisons, and the creation of hunter-killer squads to track down suspected terrorists to be captured or killed. Investigative reporter Seymour Hersh has provided the best description of this, emphasizing the role of Secretary of Defense Donald Rumsfeld and his deputy for intelligence, Stephen Cambone.

The *Washington Post* has focussed almost exclusively on the CIA’s role in this, the latest example being a lengthy article published on Dec. 30, 2005, concerning the authorization of an expanded CIA covert action program after 9/11—precisely what Cheney was describing in his “dark side” remarks on Sept. 16, 2001. In fact, the next day, on Sept. 17, according to the *Post*, Bush signed a top-secret Presidential Finding which authorized the creation of hunter-killer teams and related covert programs.

And, the *Post* reported, when the CIA asked for new rules for interrogating key terrorism suspects, “the White House assigned the task to a small group of lawyers within the Justice Department’s Office of Legal Counsel who believed in an aggressive interpretation of presidential power,” while at the same time excluding from its deliberations lawyers from the uniformed military services, the State Department, and even the Justice Department’s Criminal Division, which had traditionally been responsible for dealing with international terrorism.

Former CIA Assistant General Counsel, now a law professor, A. John Radsan, described the process to the *Post* as follows: “The Bush administration did not seek a broad debate on whether commander-in-chief powers can trump international conventions and domestic statutes in our struggle against terrorism . . . an inner circle of lawyers and advisers worked around the dissenters in the administration, and one-upped each other with extreme arguments.”

The Addington/Gonzales Memo

The process of trashing U.S. laws and international treaties came to a head around the issues of the treatment of prisoners captured in Afghanistan and elsewhere. After these prisoners began arriving at the Guantanamo Bay prison camp in January 2002, there was still a debate within the Bush Administration over whether the Geneva Conventions would apply, which was not resolved until early February. The *New York Times* reported that around Jan. 21, while returning from a “field trip” to Guantanamo, Addington urged Gonzales to seek a blanket designation, declaring all prisoners at Guantanamo to be covered by the President’s order on military tribunals. Gonzales agreed, and within a day, the Pentagon set into motion the procedures intended to prepare for military tribunals to try the Guantanamo prisoners.

It was publicly known at the time, that there was a fierce debate under way within the Administration, with Secretary of State Powell and the Joint Chiefs of Staff arguing for the

application of the Geneva Conventions. Amidst press reports of this raging dispute, Cheney went on two Sunday talk shows on Jan. 27, where he was asked about Powell's objections.

On ABC's "This Week," Cheney attacked Powell's position, asserting that "the Geneva Convention doesn't apply in the case of terrorism." He went on:

"These are bad people. I mean, they've already been screened before they get to Guantanamo. They may well have information about future terrorist attacks against the United States. We need that information, we need to be able to interrogate them and extract from them whatever information they have."

The debate over just what was permissible in order to "extract" such information, continued through 2002 and into 2003. At every point, it was Addington and Flanigan, working through the John Yoo and the DOJ Office of Legal Counsel, who pressed the Schmittlerian doctrine that the President as Commander in Chief (i.e., the Leader) could unilaterally determine which laws to obey, and which to disregard.

Planning for War Crimes

There is no question that they knew exactly what they were doing, and that they recognized that the actions they were proposing, constituted war crimes under U.S. and inter-

The 'Torture Trio'

David S. Addington: Counsel to the Vice President, and now Cheney's Chief of Staff, replacing Lewis Libby, who resigned when he was indicted in late October 2005. Addington was Assistant General Counsel at the CIA from 1981-84, and then went to work for various Congressional committees; he hooked up with Cheney during their work together in the Minority for the Iran-Contra investigation. When



White House/David Bohrer
David S. Addington

Cheney became Secretary of Defense in 1989, under Bush 41, he brought Addington in as a Special Assistant, famously giving him an office adjacent to his own, which was normally occupied by a military aide. He was later promoted to General Counsel of the Department of Defense, where, according to military sources, he served as Cheney's personal hatchet-man, purging the ranks of the uniformed military of officers who resisted Cheney's commitment to the doctrine of preventive nuclear war. During the interregnum of the Clinton years, he worked for private law firms, and in the mid-1990s, he formed a political action committee which was Cheney's vehicle for exploring a Presidential bid.

Timothy E. Flanigan: As Deputy White House Counsel (i.e., Alberto Gonzales's deputy) during 2001 and 2002, Flanigan was a key player in all the discussions around detainee policy and in the development of the "torture memos." During the Bush 41 Administration, he was an Assistant Attorney General in the Justice Department's Office of Legal Counsel—the office responsible for advis-

ing the Executive Branch on the constitutionality of actions and legislation, and a stronghold of "unitary executive" proponents during Republican Administrations.

In September 2005 President Bush nominated Flanigan to be Deputy Attorney General, but he was forced to withdraw the nomination a month later because of both Flanigan's role in the torture memos, and his later role as General Counsel of Tyco International in 2003-04, where he supervised the lobbying activities of the now-indicted Jack Abramoff. Earlier, Flanigan had received over \$800,000 from the Federalist Society in "consulting fees," ostensibly to write an "unauthorized biography" of Supreme Court Justice Warren Burger.

John C. Yoo: Although only a Deputy Assistant Attorney General in the DOJ Office of Legal Counsel, in the first three years of the Bush-Cheney Administration, Yoo wielded inordinate influence due to his close ties to Addington and Flanigan, to the chagrin of senior Justice Department officials, according to a report in the Dec. 23, 2005 *New York Times*, which also noted that he was able to bypass normal DOJ channels to



University of California, Berkeley
John C. Yoo

send his memos directly to the White House. Yoo had clerked for Judge Lawrence Silberman at the D.C. Court of Appeals, and then Justice Clarence Thomas at the Supreme Court; both judges have been key figures in the Federalist Society, in which Yoo himself was extremely active. Having earlier come to Flanigan's attention, Yoo hooked up with Flanigan again on Bush's legal team in the 2000 Florida recount, whence Flanigan sponsored his appointment to the Justice Department's OLC.

national law. This is documented in their memoranda, which obviously were never intended to see the light of day.

According to the record as known so far, it was John Yoo who first raised the alarm that U.S. officials might be liable for criminal prosecution under the U.S. War Crimes Act. This was in a Jan. 9, 2002 memo, and his arguments were incorporated into a more formal Jan. 22 memo from the Office of Legal Counsel, to Gonzales and Defense Department General Counsel William Haynes. The memo asserted that “the President has plenary constitutional power” to suspend the operation of the Geneva Conventions.

Powell strongly protested, and in response to his objections, Addington drafted the Gonzales “Memorandum for the President” dated Jan. 25, in which he argued that the OLC’s interpretation “is definitive.”

Addington/Gonzales wrote to the President:

“As you have said, the war against terrorism is a new kind of war. It is not the traditional clash between nations adhering to the laws of war that formed the backdrop for GPW [Geneva Convention on Prisoners of War]. The nature of the new war places a high premium on other factors, such as the ability to quickly obtain information from captured terrorists and their sponsors and their sponsors in order to avoid further atrocities against American civilians. . . . In my judgment, this new paradigm renders obsolete Geneva’s strict limitations on questioning of enemy prisoners and renders quaint some of its provisions. . . .”

But they didn’t stop there. They pointed out that another advantage of such a determination, was that this “substantially reduces the threat of domestic criminal prosecution under the War Crimes Act (18 U.S.C. 2441).” They continued: “‘War crime’ for these purposes is defined to include any grave breach of GPW or any violation of common Article 3 thereof (such as ‘outrages against personal dignity’). . . . Punishments for violations of Section 2441 include the death penalty.”

Addington/Gonzalez went on to explain to President Bush why his determination that GPW does not apply, would guard against a “misapplication” of the War Crimes Act, and they noted that “it is difficult to predict the motives of prosecutors and independent counsels who may in the future decide to pursue unwarranted charges. . . .” They tried to reassure Bush, “Your determination would create a reasonable basis in law that Section 2441 does not apply, which would provide a solid defense to any future prosecution.”

The ‘Torture Memos’

The most atrocious of the “torture memos” was the Aug. 1, 2002 memorandum signed by Jay S. Bybee, the DOJ/OLC chief, entitled: “Standards of Conduct for Interrogations, under the Convention Against Torture and the U.S. Anti-Torture Act.” It is this, which states that treatment may be “cruel, inhuman, or degrading, but still not produce pain and suffering of the requisite intensity” which would fall under the

Federal Anti-Torture Act. This was defined as pain which is “equivalent in intensity to the pain accompanying serious physical injury, such as organ failure, impairment of body function, or even death.”

Addington’s notable contribution to this memo, was his pressuring the OLC to include a strong section on the President’s Commander-in-Chief powers. The memo concluded that a prosecution under the Anti-Torture Act “would represent an unconstitutional infringement of the President’s authority to conduct war.”

Another critical memorandum, still undisclosed, was discussed in a Nov. 14, 2005 *New Yorker* article by investigative reporter Jane Mayer. International lawyer Scott Horton has pointed to the memo, written by John Yoo, as reflecting the influence of Carl Schmitt.¹ Mayer wrote:

“A March 2003 classified memo was breathtaking, the same source said. The document dismissed virtually all national and international laws regulating the treatment of prisoners, including war-crimes and assault statutes, and it was radical in its view that in wartime the President can fight enemies by whatever means he sees fit. According to the memo, Congress has no constitutional right to interfere with the President in his role as Commander-in-Chief, including making laws that limit the ways in which prisoners may be interrogated.”

There are numerous other examples of this same application of the Schmittlerian doctrine by Cheney, Addington, et al., some now disclosed, some yet to be revealed. But the point is clear.

Waiting for Carl . . .

Sept. 11, 2001 was clearly the moment that Cheney and his coterie of lawyers had been waiting and hoping for, the “exception” which would justify the suspension of the laws.

For Addington and the Federalist Society cabal, this was the culmination of two decades of struggle. For Cheney, it was more. As former White House Counsel John Dean revealed in his book *Worse than Watergate*, the issue of unrestricted Presidential power had been an obsession of Cheney since Cheney’s days in the Ford White House of the mid-1970s, in the wake of Vietnam and Watergate, when Congress had set about dismantling the “imperial Presidency.”

“Cheney has long believed that Congress has no business telling Presidents what to do, particularly in national security matters,” Dean said. And, as Dean wrote and Cheney demonstrated in his Air Force Two interview, “Cheney still seems to resent these moves to bring the Presidency back within the Constitution.”

Addington and the Federalist Society provided Cheney with a way to transform his anti-constitutional resentments into the closest thing to a Nazi-style dictatorship that America has ever experienced. It was a match made in Hell.

1. “The return of Carl Schmitt,” www.balkin.blogspot.com, Nov. 7, 2005.

Dick Cheney's Éminence Grise

by Barbara Boyd

Lyndon LaRouche is not the only Constitutional scholar to remark that President Bush's claim of absolute Presidential power, trumping any mere law or statute, and Cheney's Air Force II ramblings, come straight out of Carl Schmitt. Sanford V. Levinson, who holds dual professorships in law and government at the University of Texas, and is an eminent Constitutional scholar, wrote in the Summer 2004 issue of *Daedalus* that, "although some analysts have suggested that the Bush Administration has operated under the guidance of the ideas of German emigré Leo Strauss, it seems far more plausible to suggest that the true *éminence grise* of the administration, particularly with regard to issues surrounding the possible propriety of torture, is Schmitt."

In a similar vein, Scott Horton, chairman of the International Law Committee of the New York City Bar Association and adjunct Professor at Columbia University published a note on "Balkanization" on Nov. 7, titled "The Return of Carl Schmitt." In discussing Justice Department lawyer John Yoo's advice that the Executive Branch was not bound by the Geneva Conventions and similar international instruments in its conduct of the war in Iraq, Horton writes, "Yoo's public arguments and statements suggest the strong influence of one thinker: Carl Schmitt."

According to Schmitt, Horton notes, "the norms of international law respecting armed conflict . . . are 'unrealistic' as applied to modern ideological warfare against an enemy not constrained by notions of a nation-state, adopting terrorist methods and fighting with irregular formations that hardly equate to traditional armies. For Schmitt, the key to successful prosecution of warfare against such a foe is demonization. The enemy must be seen as absolute. He must be stripped of all legal rights of whatever nature. The Executive must be free to use whatever tools he can find to fight and vanquish this foe. And conversely, the power to prosecute the war must be vested without reservation in the Executive—in the words of Reich Ministerial Director Franz Schlegelberger (eerily echoed in a brief submission by Bush Administration Solicitor General Paul D. Clement) 'in time of war the Executive is constituted the sole leader, the sole legislator, sole judge.' I take the liberty of substituting Yoo's word, Executive; for Schmitt or Schlegelberger, the word would, of course, have been *Führer*."

Who Was Carl Schmitt?

Born in 1899 to a Catholic working class family, Carl Schmitt studied jurisprudence at Berlin, Munich, and Strasbourg, and then served under the German general staff in World War I administering martial law. Following this formative experience, Schmitt formed his central political idea: that how the state acts in the face of "concrete danger" or the "concrete situation," rather than any moral purpose, determines its legitimacy. The sovereign or legitimate dictator is the person who decides the "state of exception" in order to preserve order and protect the constitution. Committed to the world view of G.W.F. Hegel and Thomas Hobbes, in which man is "fallen" and "evil," Schmitt argues that all politics reduces itself to the relationship of "friend and foe."

In the Schmitt corpus, democracies based on "norms," legal rules, and the separation of powers are powerless when confronted by charismatic and powerful religious or political threats to their existence, such as the Bolsheviks. The existence of "exceptional situations" such as states of emergency, refute the very foundation of liberal political systems which are premised on pre-established laws and norms purportedly applicable to all possible situations. Schmitt mocked the idea that rational, endless legislative debate and discussion could generate the truth, noting that a social democrat when asked, "Christ or Barrabas?" would immediately seek consultation and then convene a commission to study the matter. The enlightened public sphere, the "city on the hill" in our American discourse, had disappeared in post-World War I Germany. For Schmitt, it had been superseded by the advent of mass markets, myth-making, and propaganda machinery, self-interested partisan assertion, and civilizational chaos and moral collapse.

From 1921 through 1933, as a law professor producing polemical tracts which were closely read, studied, and promoted by the synarchist banking crowd which sponsored Europe's fascist experiment, and then as a counselor in the governments of Brüning and von Papen, Schmitt relentlessly attacked and undermined the Weimar Constitution.

As early as 1922, Schmitt argued in *Political Theology* that the true sovereign is the individual or group who makes decisions in the exceptional situation. This individual or group, not the Constitution, is the sovereign. The most guidance a Constitution can provide is the stipulation of who can act in such a situation.

In *The Concept of the Political*, published in 1927, Schmitt asserted that the state's very identity and existence proceeds from the more fundamental or basic relationship between "friend and enemy," and that sovereignty is determined by the individual or entity who is able to define and protect society against the foe under conditions of existential threat. Rather than resort to norms, Schmitt stipulates, the sovereign resorts to the law of the battlefield or "concrete decisionism."

Throughout a long career, which continued until his death

in 1985, Schmitt remained devoted to the Italian form of fascism under Mussolini which, Schmitt claimed, united the church, an authoritarian state, a free economy, and a powerful mythos which motivated the population.

The Transition to Constitutional ‘Dictatorship’

Schmitt’s principal weapon in deconstructing the German Constitution, however, was its Article 48 provision which allowed for the creation of a state of emergency and Presidential rule by executive order. In *The Guardian of the Constitution*, published in 1931, Schmitt argued that Article 48 conferred an unlimited authority in the German President to suspend the Constitution during a state of emergency, as long as he restored the Constitution when the emergency ended. Under Article 48, the President had inherent dictatorial powers as “protector of the Constitution,” including the power to legislate, free from the need of parliamentary authorization. Since the President alone represents all of the people, resort to direct plebiscites would resolve any doubts about democratic legitimacy under Presidential rule.

After Brüning’s fall in 1932, Germany was governed by a Presidential dictatorship with Schmitt as its legal advisor. When the Nazis staged the Reichstag Fire on Feb. 27, 1933, of course, the stage had already been set for a relatively unremarkable legal transition from Schmitt’s “commensarial” or temporary dictatorship to Schmitt’s idea of a sovereign or permanent dictatorship.

On Feb. 28, 1933, Hitler utilized Article 48 to suspend the rights of his opponents, labelling them as terrorists. A frightened Parliament, believing that Germany was under attack by the Bolshevik hordes then passed enabling legislation legitimizing the dictatorship on March 23. In an article in the *Deutsche Juristen Zeitung* of March 25, Schmitt defended the enabling legislation, claiming that the Executive prerogative now included the power to pass new Constitutional laws and declare the Weimar Constitution a dead letter. The new law was, Schmitt wrote, the expression of a “triumphant national revolution.” According to Schmitt, “the present government wants to be the expression of a unified national political will which seeks to put to an end the methods of the plural party state which were destructive of the state and the Constitution.”

When Hitler slaughtered his political opponents in the “Night of the Long Knives,” including Kurt von Schleicher, whom Schmitt had once declared a friend, Schmitt wrote in the *Deutsche Juristen Zeitung* in 1934 that, “The *Führer* protects the law against the worst abuse when he, in the hour of danger, by virtue of his leadership, produces immediate justice. The true leader is, at the same time, always a judge.”

In a propaganda piece published in Germany in 1936, and later in France, Schmitt characterized every government in post-World War I Europe as suppressing the constitutional distinction between legislative and executive powers because they needed to keep legislative powers “in harmony with the constant changes in the political, economic, and financial situ-

ation.” The only unique thing about the Hitler Reich was that this process had reached its logical conclusion in Germany. In 1933, Germans had fully dispensed with conventional notions of the “separation of powers” by instituting a system of genuine “governmental legislation.” It would be wrong, Schmitt said, to characterize this evolution as a “dictatorship.” Rather, it represented the triumph of an older constitutional legality, one rooted in the thinking of Aristotle and Thomas Aquinas.

During his service to the Nazis, Schmitt reported to Herman Göring and Hans Frank, supervising a project to purge German universities of any Jewish influences, and to conform all German law to Nazi theory. Schmitt justified Hitler’s aggression against other nations of Europe by claiming that Germany was creating a *Grossraum*, a sphere of influence, like the United States did with the Monroe Doctrine. When Schmitt fell out of favor with the SS, he travelled to Spain, Portugal, and Italy, under synarchist sponsorship providing lectures on how to continually legitimize the fascist governments of those nations. He refused de-Nazification after his arrest at the end of the war, arguing that he took no part in the actual administration of genocide but only provided “ideas,” or “a diagnosis.”

The U.S. Carl Schmitt Revival

The close relationship between Carl Schmitt and Leo Strauss, and the explosive revival of Schmitt’s works in the United States, funded by the same foundations which sponsor the Federalist Society in the 1980s and 1990s (see following article) suggest that Dick Cheney’s advocacy of the *Führerprinzip* is not a matter of coincidence. Schmitt helped Strauss obtain a Rockefeller Foundation grant to come to the United States. Strauss and Schmitt collaborated on Schmitt’s book, *The Concept of the Political* and on Strauss’s book on Hobbes. Strauss’s fawning letters to Schmitt continued long after the Nazis’ ascent to power.

New York University Professor George Schwab produced two books on Schmitt in the 1970s, working with Schmitt himself to cleanse and minimize Schmitt’s Nazi past for a U.S. audience. Schwab was a protégé of foreign policy “realist” Hans Morgenthau, also of the University of Chicago, and Schmitt’s works proved useful in the 1970s dirty work of George Shultz and Henry Kissinger in overthrowing the Allende government in Chile, and establishing a bankers’ dictatorship run through the University of Chicago and Gen. Augusto Pinochet. Jaime Guzman, an open and proud follower of Carl Schmitt, is widely recognized as the individual who provided popular legal legitimization for Chile’s “constitutional coup,” utilizing, Guzman states, the theories provided by Carl Schmitt. José Piñeras, the leader of Chile’s social security reform, who toured the U.S. on behalf of George Bush’s Social Security reform proposals, declares on the Internet that he was, “the closest friend” of Guzman.

In the late 1970s, a German Straussian, Heinrich Meier of

the Siemens Stiftung, also began working on a major reformulation of Schmitt for purposes of the emerging Conservative Revolution. Concentrating on Schmitt's postwar diaries, his early work with Leo Strauss, and Schmitt's resurrection of the Spanish philosopher Donoso Cortes for purposes of legitimizing Franco, Meier recast Schmitt as the theoretician of permanent religious warfare or world civil war on behalf of the God of revealed religion, a theory which has chilling resemblance to the worldview expressed by George W. Bush.

In the 1980s and 1990s Schmitt became a staple on reading lists of U.S. colleges and universities in political science and philosophy, a revival which produced English translations of most of Schmitt's works, and reams of "scholarly" articles, conferences, and presentations. Funding for this project centered in the Lynde and Harry Bradley Foundation and other neo-conservative foundations. Michael Joyce, who chaired the Bradley Foundation during this period, is a Straussian who started his career with Irving Kristol and the Institute for Educational Affairs—the same Foundation that provided seed funding for the Federalist Society. The English translations of both Meier books on Schmitt were published by the University of Chicago Press under grants from the Bradley Foundation, facilitated by Hillel Fradkin. Fradkin, a Straussian, taught on the Committee on Social Thought at the University of Chicago, was vice president of the Bradley Foundation from 1988-1998, a program officer at the Olin Foundation, heads a Straussian think tank in Israel called the Shalem Center, and recently replaced Iran-Contra's Elliott Abrams as the head of the Ethics and Public Policy Center in Washington, D.C.

Fascist 'Feddies' March Through the Institutions

by Jeffrey Steinberg

The same right-wing tax-exempt foundations that are behind the Carl Schmitt revival of the past 20 years, have also bankrolled a "Schmittlerian" "march through the judicial institutions" via the misnomered Federalist Society. Founded in 1982, at the University of Chicago and Yale University law schools, the Federalist Society has promoted the dismantling of all regulatory protection of the General Welfare, while advocating the most draconian police-state excesses, typified by the Patriot Acts and the "torture memos." These have been authored by a team of Federalist Society members and allies inside the Department of Justice Office of Legal Counsel and the White House Office of the General Counsel—under the sponsorship of Vice President Dick Cheney and Cheney's current chief of staff and general counsel, David Addington.

The Federalist Society's *modus operandi*: To hijack the curriculum at major American law schools on behalf of patently anti-American "Conservative Revolution" fascist dogmas, and place a carefully screened and indoctrinated group of ambitious right-wing attorneys in key posts in the Executive Branch, and in Federal regulatory agencies, to overturn the U.S. Constitution. Federalist Society members and fellow-travellers now dominate the Office of the White House General Counsel and the Justice Department's Office of Legal Counsel, and hold a large and growing number of Federal Court judgeships, including on the U.S. Supreme Court. Federalist Society board member C. Boyden Gray, who was White House General Counsel under President George H.W. Bush, employed Federalist Society founder Lee Liberman Otis to head up judicial screening at the Bush 41 White House; she boasted, according to Lawrence Walsh, that not one judicial appointment was made by Bush of a non-Federalist Society member.

When then-First Lady Hillary Clinton denounced a "vast right-wing conspiracy" behind the impeachment of President Bill Clinton, she was, knowingly or not, shining a spotlight on the Federalist Society. Federalist Society booster Judge David Sentelle, Jr. headed the judicial committee that selected Federalist Society member Kenneth Starr to head the White-water probe. Starr selected Federalist Society member Brett Kavanaugh as one of his deputies (Kavanaugh has been a White House Associate Counsel since the Bush 43 inauguration in January 2001). Federalist Society Board of Visitors Co-Chairman Sen. Orrin Hatch (R-Utah) chaired the Senate Judiciary Committee at the time of the Clinton impeachment trial. His son, Brent Hatch, is the Treasurer of the Federalist Society board of directors. Federalist Society Washington, D.C. chapter President Theodore Olson, the recently retired Solicitor General of the United States, ran the "Get Clinton salon" that drew together right-wing media pundits, lawyers, and foundation executives, to drive the propaganda barrage against the Presidency.

For the most part, the Federalist Society has gone out of its way to hide its Schmittlerian roots. To read the Society's glossy literature, one would get the false impression that they are revivalists of the James Madison Federalist tradition. The group's Fiscal Year 2003 Annual Report claimed, "The Federalist Society for Law and Public Policy Studies is a group of conservatives and libertarians interested in the current state of the legal order. It is founded on the principles that the state exists to preserve freedom, that the separation of governmental powers is central to our Constitution, and that it is emphatically the province and duty of the judiciary to say what the law is, not what it should be. The Society seeks both to promote an awareness of these principles and to further their application through its activities."

Then the Big Lie concludes: "This entails reordering priorities within the legal system to place a premium on individual liberty, traditional values, and the rule of law. It also re-



www.usdoj.gov

Robert Bork

Steven Calabresi, one of the founders of the Federalist Society, was a protégé of Robert Bork (shown here). Bork and Scalia were among the first faculty sponsors of the Federalist Society in 1982.



naif.org

Antonin Scalia

Many of the Federalist Society members involved in promoting the “unitary executive” scheme, had clerked for Supreme Court Justice Antonin Scalia, or look to him for inspiration.

quires restoring the recognition of the importance of these norms among lawyers, judges, law students and professors. In working to achieve these goals, the Society has created a conservative intellectual network that extends to all levels of the legal community.”

Many civil rights activists see it quite differently. They characterize the Federalist Society as a network committed to the revival of the “Confederate doctrine of law,” aimed at overturning all of the civil rights advances since Franklin Roosevelt and the New Deal. Indeed, one leading Federalist Society member, University of Chicago Law School professor Richard Epstein, heads a movement called the “Constitution in Exile,” which claims that FDR ripped up the Federal Constitution with his New Deal programs of Social Security and other social-safety-net guarantees—this, despite the fact that the General Welfare Clause of the Constitution’s Preamble explicitly mandates that the Federal government “promote the general welfare” of current and future generations.

Lino A. Graglia, a Federalist Society member and University of Texas law professor, whose Reagan-era nomination to the U.S. 5th Circuit Court of Appeals was pulled when he admitted that he had referred to African Americans as “pickaninnies,” openly asserts, to this day, that blacks and Latinos are inherently inferior to whites. “Blacks and Mexican Americans are not academically competitive with Whites in selective institutions,” he was quoted in a 1999 profile of the Federalist Society, “Hijacking Justice.” “It is,” he elaborated, “primarily of cultural effects. Failure is not looked upon with disgrace.” About the Federalist Society, Graglia acknowledged, “They certainly are unenthusiastic about civil rights laws. Richard Epstein thinks we will be better off if civil rights laws were all repealed. These people do believe, as I believe, that so-called civil rights have gone too far and are

not civil rights at all.”

Lawrence Walsh, the Iran-Contra independent counsel, put it bluntly: “The impression I have is they are trying to return to the 18th Century and undo the work of the Supreme Court since the New Deal. And I think it is wrong to put someone on the court who has a pre-commitment with a political dogma, whether it’s the Ku Klux Klan or the Federalist Society.”

Even James Baker III, who held a variety of Cabinet-level posts in both the Reagan and Bush 41 Administrations, was quoted in the *Washington Post*, referring to Reagan Administration Attorney General Edwin Meese and his deputy Kenneth Cribb as “Big Bigot” and “Baby Bigot,” respectively. Cribb is a director of the Federalist Society, and is also on the board of the Scaife Foundation, a cash spigot to the Society, and to a wide range of right-wing front organizations. The Mellon Scaife foundations almost single-handedly financed the Federalist Society-led impeachment campaign against Bill Clinton. Ed Meese is one of the Federalist Society’s most prominent boosters and frequent conference speakers. He is listed on Federalist Society literature as a member of the group’s Board of Visitors.

But the most on-target diagnosis, to date, of the Federalist Society, was provided by Scott Horton, professor of law at Columbia University Law School and a leading figure in the New York City Bar Association. In a Nov. 5, 2005 commentary on the Bush Administration’s “torture memos,” which had claimed that the President was exempt from the Geneva Conventions and other international laws barring torture, Professor Horton identified Hitler’s “Crown Jurist” Carl Schmitt as the source for John Yoo’s Justice Department arguments. Yoo, a leading Federalist Society booster since his departure from the Justice Department to take up a teaching post at the University of California Law School at Berkeley, was promulgated into prominence by powerful sponsors at the top of the Bush Administration, including Vice President Cheney’s general counsel and current chief of staff, David Addington, and Timothy Flanigan, the recipient of over \$800,000 in Federalist Society consulting fees (paid for him to write an “unauthorized biography” of former Supreme Court Justice Warren Burger, for whom he clerked).

‘Secret Handshakes’

On July 18, 2005, CNN began its coverage of a Federalist Society luncheon in Washington with the following profile: “At a recent Friday luncheon, former Solicitor General Theodore Olson cast his eyes over a hotel ballroom crammed with lawyers and wryly welcomed ‘all of you Federalists who seem to have mastered the secret handshake. For those of you who have stumbled in off the street, it is my duty to advise you that you have stumbled into a right-wing cabal—you will never be the same again,’ the government’s one-time chief courtroom lawyer deadpanned as chortles erupted from members of the Federalist Society.”

Of course CNN went on to acknowledge that the Federalist Society does not have a secret handshake, and its meetings are generally open to the public. But beyond that caveat, the Federalist Society, from its inception, has been, at its essence, a Schmittlerian/Straussian conspiratorial association, aimed at overturning the Constitutional Order.

According to a wide range of public accounts, the Federalist Society was launched by three Yale University undergraduates, who went on to study law at Yale or at the University of Chicago. The three were: Steven Calabresi, Lee Liberman, and David McIntosh. At Yale Law, Calabresi was a protégé of two law school professors who would both be appointed to the Federal bench by Ronald Reagan: Robert H. Bork and Ralph K. Winter. At the University of Chicago Law School, Liberman and McIntosh were mentored by Prof. Antonin Scalia. Bork, Winter, and Scalia would become the first faculty sponsors of the Federalist Society, when it was launched in 1982.

The Federalist Society was initiated at the urging of another Yale Law graduate, Michael Horowitz, who delivered a speech in 1979, calling for the conservatives to move in and take over the public-interest law field. As CNN described it on July 19, 2005: “The Society’s origins can be traced back to 1979—the year before Ronald Reagan’s victory—when a legal scholar named Michael Horowitz published a tract on the public-interest law movement, exhorting conservatives to overturn a half-century of liberal dominance of the legal establishment. This could be done, he wrote, by indoctrinating or winning over succeeding generations of law students, lawyers, and judges. By definition, the campaign had to be rooted in the fertile ground of law schools. To Horowitz’s good fortune, Reagan was elected in 1980, and his administration set to work filling the sails of the Federalist movement.”

The project involved two tracks. The first was steering a large number of right-wing law professors and attorneys into the Federal courts. “The second track,” CNN continued, “was even more forward-looking and involved the apprenticing of a new generation of conservative lawyer-intellectuals-under-30 to the Reagan apparatus. The second track required fresh meat, which is where the Federalist Society came in.”

By the late 1980s, the Federal courts were teeming with clerks hand-picked from the emerging ranks of the Federalist Society. In the October 1988 session alone, a “cabal of 10” Federalist Society members came in as U.S. Supreme Court clerks, according to a book-length account. Michael Horowitz, now at the Hudson Institute, became the General Counsel to the Office of Management and Budget at the start of the Reagan Administration, and he typified Federalist Society members and boosters who dominated the Executive Branch legal postings under both Reagan and George H.W. Bush. After that dozen years of Reagan-Bush, the Federal courts and regulatory agencies were, in effect, taken over by members of “the cabal.”

The current Bush 43 Administration is also loaded with

Federalist Society members, including current and former Cabinet members John Ashcroft, Spencer Abraham, Gail Norton, and Michael Chertoff; and senior political appointees Larry Thompson, John Bolton, C. Boyden Gray, Timothy Flanigan, and Theodore Olson.

The current U.S. Supreme Court includes prominent Federalist Society members and patrons, including Justices Scalia, Clarence Thomas, and the newly installed Chief Justice John Roberts. Nominee Samuel Alito is another Federalist Society member.

The Funding Cabal

The same tightly knit collection of right-wing tax-exempt foundations that have bankrolled the revival of Carl Schmitt at American law schools, has been behind the Federalist Society, from day one. The first substantial grant to the Society was a \$25,000 payout, in 1983, from the Institute for Educational Affairs, to sponsor the first national symposium. IEA was then headed by William Simon, head of the Olin Foundation, and Irving Kristol, the “godfather” of the neo-conservative movement.

By 1998, the Federalist Society was directly raking in \$2.6 million, and that figure has steadily increased since then. Major foundation donors include: Olin, the Mellon Scaife foundations, the Bradley Foundation, the Eli Lilly Endowment, the Richard and Helen DeVos Foundation, the Charles Koch foundations, and the Deer Creek Foundation. Corporate donors include Holland Coors, Verizon, Microsoft, and Daimler-Chrysler.

The Federalist Society, in turn, has spawned an extensive network of religious and secular fronts, all working in concert, to further the Schmittlerian march through the institutions: Federalist Society trustee C. Boyden Gray has his Citizens for a Sound Economy; Federalist Society member Manuel Klausner runs the Individual Rights Foundation; Michael Rosner, an early Federalist Society leader, runs the Center for Individual Rights; Federalist Society figure James Bopp was a long-time top official of the National Right to Life Committee and the Christian Coalition; Roger Clegg runs the Center for Equal Opportunity; Donald Hodel, a leading Federalist Society figure and former Reagan Cabinet secretary, was the long-time President of the Christian Coalition.

Pat Robertson’s Regent University Law School is a major recruiting ground for the Society, and Ave Maria School of Law, founded by Domino’s Pizza magnate Thomas Monaghan, lists Society Co-Chairman Robert Bork on its faculty.

Other Federalist Society affiliates include: the Institute for Justice, the Washington Legal Foundation, the Pacific Legal Foundation, the American Center for Law and Justice at Robertson’s Regent University Law School, the Christian Legal Society, the Rutherford Institute, and the Alliance Defense Fund. The Alliance Defense Fund is a coalition of religious groups, involved in a series of court cases challenging the separation of church and state.

What's a 'Rohatyn'?

Tony Papert reveals that the Synarchist financial interests who sought to turn France fascist in the 1930s, are trying to do the same to the U.S. today.

Researched by a team coordinated by Pierre Beaudry.

When a proposal of Felix Rohatyn's appeared in the *Washington Post* of Dec. 13, 2005, counterposing his own plan, to Lyndon LaRouche's well-known proposals for national economic recovery through long-term, low-interest Federal credits for vital infrastructure-building, leading Congressional Democrats tended at once to realize that there was something "fishy" in what Rohatyn was suggesting, but many were unsure about exactly what was wrong with it.

Small wonder.

Most Americans, even among those who imagine that they have known him for many years, lack any understanding of who or what Felix Rohatyn is. Why? Because Rohatyn is neither an American, nor does he resemble anything which more than very few living Americans have ever knowingly encountered. Not only does he belong to a species—the European Synarchist—with which they have not the slightest acquaintance. Worse, their ignorance of European history, or, what is the same thing, the dumbed-down, flat-earth versions of history which they have swallowed, leave no room for the even possible existence of such a species as Rohatyn's.

What is the European Synarchist? A definition will be provided, but first, given the cults of stupidity which pervade our society, first it is necessary to demonstrate that something exists "out there" to be defined.

The U.S. diplomat, Ambassador Anthony J. Drexel Biddle, Jr., wrote to President Roosevelt from London on Jan. 7, 1942, describing a *clique* which controlled the fascist Vichy government of France, the government which (more or less) ruled that country everywhere south of the German zone of direct occupation. "This group," he said, "should be regarded not as Frenchmen, any more than their corresponding numbers in Germany should be regarded as Germans, for the interests of both groups are so intermingled as to be indistinguishable; their whole interest is focussed upon furtherance of their industrial and financial stakes."¹

Ambassador Biddle went on to detail the proof that the "Banque Worms clique" controlled most parts of the Vichy government, with a special emphasis on total control over all

economic and related portfolios. On paper, Banque Worms had been established earlier by the Lazard Frères bank of Paris, on behalf of the Worms family of industrialists. In reality, the closely integrated Lazard Brothers bank of London, Lazard Frères of Paris, and Lazard Frères of Wall Street, had established Banque Worms as a "cutout," a vehicle through which top financier families could deploy the forces of the Synarchy.

Lazard Paris, where Rohatyn's patron André Meyer was a leading senior partner, was intertwined with certain other leading French banks, and integrated into the treasury and finances of the state, in large part because of its intimacy with Lazard Frères of New York, on Wall Street, and Lazard Brothers (London), which latter was part of the inner circle of financiers around the monarchy and around Bank of England head (and Hitler bankroller) Montagu Norman. Lazard London's Lord Robert H. Brand, a senior managing partner in the early decades of the century, had founded the British Round Table for these circles in 1906-09. Brand and Lazard Brothers president Sir Robert Molesworth Kindersley, were the British representatives to the Dawes Committee to reorganize the German debt in 1923, and so forth.

As a senior partner, and then also (1938-40) associate manager of Lazard Frères of Paris, André Meyer was very close to the center of the France-centered Synarchist conspiracies which had brought fascism to power in Italy (1922), Portugal (1932), Germany (1933), Spain (1939), and other countries. In France itself, the Synarchy tried and failed to overturn the Third Republic in three successive putsch attempts between 1928 and 1937, even while "burrowing from within" and infiltrating successive Paris governments at the same time. These were Marshall Lyautey's intended putsch in Alsace-Lorraine in 1928, aided by pro-fascist clergy, which would have paved the way for a takeover of Paris; Colonel LaRocque's planned storming of the Parliament at the head of his Croix de Feu (Cross of Fire), seconded by Charles Maurras' Action Française, on Feb. 6, 1934; and finally, a putsch attempt apparently led by the Cagoules ("hooded ones," right-wing goon squads), which was exposed and aborted on Feb. 17, 1937. At last, by 1940, the Synarchy's only recourse had been to invite the German Reichswehr in, to do what they could never do themselves: to sweep away the hated Third Republic, along with probably hundreds of

1. William L. Langer, *Our Vichy Gamble* (New York: The Norton Library, 1947), p. 169.



Felix Rohatyn is no American; he was groomed by top European Synarchist bankers at France's Lazard Frères bank, to work for the international fascist financiers of the same stripe who put Hitler into power.

thousands of its supporters.

This was the great “mystery” of how France could fall to the Germans in six weeks. The Synarchy effectively disarmed the country and prevented effective resistance. This is well documented by Robert “Raoul” Husson, whose writings and clippings form the bulk of the Mennevee Archive of the University of California at Berkeley, “les Documents Politiques Diplomatiques et Financiers,” and by other investigators. Husson and others also document that the 1.9 million French troops who were outflanked and helplessly taken back to Germany as prisoners, had been largely selected for that role by a Synarchist military intelligence operation headed by the pseudonymous “P. C. Victor,” under which 60 French fascists were brought into a “Cinquième Bureau” to profile 600,000 anti-fascist or pro-republican Frenchmen supposedly considered a “danger to national defense.” Many of the 600,000 who escaped German captivity in this first round, were sent to Germany later as forced laborers, under a program proposed by Pierre Laval, through which (pro-fascist) prisoners of war were released back to France, on condition that (anti-fascist) forced laborers be sent from France, to take their places in the German munitions factories.

Having fled to New York from his own golem, as it were, in 1940, this was the André Meyer who later adopted the fellow Jewish refugee, the Viennese Felix Rohatyn, to succeed him in place of his own son Philippe, of about the same age as Rohatyn, who had wisely refused.

What Rohatyn did to his adopted city of New York between 1975 and 1982, as sketched in an accompanying article by Richard Freeman, proves that old André Meyer was right: young Rohatyn did indeed have the makings of a European Synarchist of the same mold as himself.

Ambassador Biddle continued, “On the one hand, Pierre Pucheu (Interior) and Yves Bouthillier (National Economy) were members of the Worms clique. Gérard Bergeret (Secre-

tary of State for Aviation) was included by some among Pétain’s personal following, by others among the Worms group. Excluding Bergeret, the Secretaries of State were almost to a man associates of the same clique. They were Jacques Barnaud (Delegate-General for Franco-German Economic Relations), Jérôme Carpopino (Education), Serge Huard (Family and Health), Admiral Platon (Colonies), René Belin (Labor), François Lehideux (Industrial Production), Jean Berthelot (Communications) and Paul Charbin (Food Supply). . . . Among the Worms group should be mentioned further a large number of somewhat subordinate officials (chiefly secretaries-general) like Lamirand, Borotra, Ravalland, Bichelonne, Lafond, Million, Deroy, Filipi, Schwartz, and Billiet’ ”

Although the name Synarchy was invented by Joseph-Alexandre Saint-Yves, called D’Alveydre (1842-1909), its occult secret organization, the freemasonic Martinist Order, had existed long before, formed in France, centered in Lyon, in the 1770s. This exclusive, secret, magical-mystical Freemasonic order was sponsored from Jeremy Bentham’s London. London used it to insure that no version of the American Revolution and Republic would occur in Europe, specifically in France, which was most ripe for it. Manipulations of the Martinist Order were largely to blame for the fact that the French Revolution became the bloody tragedy it did, right through the reign of Napoléon Bonaparte, and through to that of his nephew, Napoléon III.

Notable 18th-Century Martinists in French politics included the Pierre Mesmer whom Franklin and his French ally Sylvain Bailly exposed as a scientific fraud. Another was the mountebank magician and psychic who called himself Cagliostro. The blood-drenched Savoyard nobleman Joseph de Maistre preplanned the personality and role of Napoléon Bonaparte, modelling it on the Spanish Grand Inquisitor Tomás de Torquemada who expelled the Jews in 1492. Although his moral doctrines were those of a Caligula, and Sir Isaiah Berlin dubbed him “the first fascist,” Maistre is revered by many contemporary Catholic integrists.

Moving to the early Twentieth Century, the most powerful known organizations of French Synarchy, the Synarchist Movement of Empire (SME) and its military wing, the Secret Revolutionary Action Committee (SRAC), were founded in 1922, coincident with Mussolini’s March on Rome. Writing in *La France Intérieure* in February-March, 1945, investigator “D.J. David” (Robert “Raoul” Husson) defined the SME as “the great French fascist secret society. It is this institution which, ever since its creation, had been recruiting patiently and prudently, with extreme care, the men destined to take power after the awaited revolution, after this revolution which was to destroy, no matter what, all republican institutions.”

He classified the SME as an “intermediary” secret society, as follows. “Inferior secret societies are those that everybody knows about. . . . Whoever wants to join them, for personal reasons, can do so. All he has to do is to submit a request



The Vichy government of Nazi-occupied France fulfilled the long-standing plan of the French Synarchists to take over that country. Pictured here is François Darlan, an admiral and Vichy politician, who was said to be the Synarchy's top man in that government.

at the address of the secret society, generally known, or he transmits his request to a known member. . . . Such secret societies are very numerous." David mentions the Masons, the Cagoulards ("hooded ones," a right-wing goon squad), the Theosophists and others, concluding, "in the inferior secret societies, the ideologies put forward, whatever they are, are nothing but philosophical, religious, mystical, or political *teasers* which recruit people who are *generally personally disinterested and sincere*."

He continues, "The *intermediary* secret societies have a completely different structure. They are, to say it bluntly, *infinitely more secret* than the inferior ones. Their names and their existence are less generally known, except in rare cases. More important, their members are unknown.

"Consequently, an individual cannot simply request membership in these secret societies, and their method of recruitment is not the same as in the inferior secret societies. You have to be chosen by a secret member, who chooses you *without your knowing it*. It is not the candidates who ask for membership [but, rather], it is a superior secret recruiting committee which decides to attempt to recruit this or that person.

"From that moment on, a whole *tactical approach* is put forward: the person is invited from among ordinary groups, during lunches, meetings, small committees, etc.; the recruiter must outwit the candidate and study him; and then, when the situation is ripe, the existence of the secret group is revealed to him, and the member is recruited right then and there. . . .

"Within the intermediary secret societies, there is no need to use teasers, or camouflage ideologies. There is no international humanitarian propaganda as in the Freemasonry, or any ridiculous nationalist appeals as in the Cagoule, or any mystical illuminations as in Theosophy. This is deemed *use-*

less, given the level of culture in the members. The themes are sometimes political or philosophical, such as organizing the world, and the dignity of human life, etc. . . ."

Elsewhere, the author notes that intermediary secret societies "are used primarily for penetrating the institutions of the state."

"The *superior* secret societies are still more secret, if I may say so, than the intermediary secret societies. Neither their name, nor their existence, nor the names of their members are known. In general, they contain only a small number of members, no more than one or two hundred, and sometimes less, but assembling in their hands either immense political powers, or immense capital.

"These secret societies are *behind* the intermediary secret societies. They organize them, inspire them, finance and direct them, often without the knowledge of the latter.

"There exists a set of converging proofs that lead one to think that at least two such superior secret societies are in existence today.

"The first one was formed in earlier times by a powerful group of representatives of the main ruling families of Europe, as well as the members of the high nobility. . . .

"On the other hand, a second secret society of this type, which has been in existence for at least a quarter of a century [i.e., since 1920—ed.], in Europe, unites a large portion of the industries in France, and in the United States, less in England. Proof of its activities has been found as early as 1924, and its existence is no longer deniable. It secretly directs the Synarchist Movement inside the biggest countries, and seemed to have been in very close contact with the European fascist governments which have emerged since 1922."

Explosive Revelations

During the six-week phony war and thereafter, explosive revelations concerning Synarchy shake France, coincident with a series of deaths related to Jean Coutrot, probably its most active known organizer, who had created hundreds of front organizations of professionals, scientists, women, and what-not else during the interwar years. Here is the account of the same D.J. David. (Other writers give different versions, but the differences are not material for our purposes.)

"After revelations were made about the activities of the SME, the secretary of Coutrot, Frank Théallet dies in a hospital of Saint-Brieuc, on April 23, 1940. His personal papers are stolen while his effects are being moved after his death. Twenty-six days after, Jean Coutrot commits suicide in his home, after he had expressed, to some of his closest friends, the terrible remorse that was haunting him, because of the misery his revolutionary action had brought to his fatherland. One month later, the new secretary of Coutrot, Yves Moreau, dies mysteriously in his home. And a few weeks later, the brother-in-law of Coutrot dies of a heart attack. The emotions run high in the synarchist gang, but a heavy silence covers up this series of singular events. . . .

“On August 23, 1941, the thunderbolt strikes: the newspaper *L'Appel* publishes, under the name of two collaborators, Costantini and Paul Riche, a special issue concerning the revelations of the SME. The reaction from Vichy is immediate: the Minister of Interior [Paul Pucheu of the Worms clique-ed.] issued five arrest warrants against Costantini and Paul Riche, and three other journalists of that newspaper, using the argument that their action was ‘disturbing the anti-communist policy.’ ”

Characteristic such revelations concerned the “Revolutionary Synarchist Pact,” which was the signed secret oath of allegiance, as it were, of each SME member. “The Revolutionary Synarchist Pact appeared in the form of a roneographic document of a hundred pages, with a characteristic luxury gold-plated cardboard binding. It was given to each member, against a signed receipt. On the first page, one reads an ominous warning: ‘Any illicit possession of this document will incur unlimited sanctions.’ . . .

“Each Synarchist pact document is identified with two numbers similar to a Martinist procedure.” The meaning is what Robert Husson wrote in a July 14, 1944, memo: that the mode of membership of the SME was the same as that of the Martinist Order, called chain membership: that each member receives two numbers: his own, and that of the member who recruited him. That is the only person with whom he may

discuss the work of the Movement or Order, and the only other person whom he knows is a member of it.

Of the 598 propositions, David quotes only a relative few, of which:

“Proposition 121: All current revolutionary effort of the Revolutionary Synarchist Brotherhood (RSB) which inspires the Synarchist Movement of Empire (SME) is thus oriented toward taking over the control of the state; everything must concur to the taking of power, or coming to power.

“Proposition 255: Preventive revolution must be established at the heart of the state, and be assisted by a Synarchist elite, which is entirely devoted in a spirit of sacrifice.

“Proposition 344: The organized hierarchy of professions is the fundamental instrument of the effective Synarchist revolution; its best technical means.

“Proposition 308: Outside of the organized hierarchy of professions, there can exist only an abstract pseudo-citizen

- “Dangerous for the people whom he frightens;
- “Dangerous for the state that he loots, weakens and corrupts;
- “An abstract pseudo-citizen in a constant conflict with a state which is anarchistic, no matter what regime is in power.”

Proposition 505 asserts that “the imperial conscience requires for its exaltation the concerted activity of a Synarchist Party of Empire.” This party “must be recognized by the con-

What Is Synarchism?

“Synarchism” is a name adopted during the Twentieth Century for an occult freemasonic sect, known as the Martinists, based on worship of the tradition of the Emperor Napoleon Bonaparte. During the interval from the early 1920s through 1945, it was officially classed by U.S.A. and other nations’ intelligence services under the file name of “Synarchism: Nazi/Communist,” so defined because of its deploying simultaneously both ostensibly opposing pro-communist and extreme right-wing forces for encirclement of a targetted government. Twentieth-Century and later fascist movements, like most terrorist movements, are all Synarchist creations.

Synarchism was the central feature of the organization of the fascist governments of Italy, Germany, Spain, and Vichy and Laval France, during that period, and was also spread as a Spanish channel of the Nazi Party, through Mexico, throughout Central and South America. The PAN party of Mexico was born as an outgrowth of this infiltration. It is typified by the followers of the late Leo Strauss and Alexandre Kojève today.

This occult freemasonic conspiracy, is found among both nominally left-wing and also extreme right-wing factions such as the editorial board of the *Wall Street Journal*, the Mont Pelerin Society, and American Enterprise Institute and Hudson Institute, and the so-called integrist far right inside the Catholic clergy. The underlying authority behind these cults is a contemporary network of private banks of that medieval Venetian model known as *fondi*. The Synarchist Banque Worms conspiracy of the wartime 1940s, is merely typical of the role of such banking interests operating behind sundry fascist governments of that period.

The Synarchists originated in fact among the immediate circles of Napoleon Bonaparte; veteran officers of Napoleon’s campaigns spread the cult’s practice around the world. G.W.F. Hegel, a passionate admirer of Bonaparte’s image as Emperor, was the first to supply a fascist historical doctrine of the state. Nietzsche’s writings supplied Hegel’s theory the added doctrine of the beast-man-created Dionysiac terror of Twentieth-Century fascist movements and regimes. The most notable fascist ideologues of post-World War II academia are Chicago University’s Leo Strauss, who was the inspiration of today’s U.S. neo-conservative ideologues, and Strauss’s Paris co-thinker Alexandre Kojève.—Lyndon H. LaRouche, Jr.

stitution,” (Proposition 507), “must be the only political party federally extended unilaterally to all of the countries of the Empire,” (Proposition 508) and must “remain the inspiration and the censor of all of the orders and of all of the sectors of activity of life in the Empire.” (Proposition 510).

Proposition 113 asserts that the concrete reality of immediate needs requires the control of the following economic organizations:

- “Agreements between consumers or users;
- “Agreements between distributors of products or services;
- “Agreements between producers;
- “Finally, the bringing together of these diverse sorts of agreements forming themselves and perfecting themselves under the protection of the public powers.”

Proposition 405 prescribes the separation of powers between five powers: the cultural, the judiciary, the executive, the legislative, and the economic.

Proposition 314 clarifies this separation of powers by specifying that “The role of the political state must never be:

“A) In economic property (soil, subsoil, energy sources, raw materials, means of production or distribution, enterprises of profitable material services, or financial capital, etc.)

“B) Or direct management of one or the other elements of economic life of the people in one of the other of these nations of empire.”

Finally, Propositions 441-444 specify that the entire synarchist economy is based on the use of *plans* of coordination and direction. These plans are established by a “Bureau of Planification, which is the center and qualified chief of popular democracy in the synarchist social order, the economic coordinator of the group of free popular republics: regional, communal, and professional.”

London coordination of the French Synarchy continued throughout this period, with the Occult Bureau and the British Fabian Society playing a notable role. After the demoralizing defeat of the 1934 putsch attempt we described above, the Synarchy tried to recoup by bringing the Fabians over from London, and bringing hundreds of Synarchists out of the woodwork, to call in unison for a radical reform of the French Constitution, curtailing the legislative powers, enhancing the executive, limiting national sovereignty, and enhancing “integral human relations between complete human beings, not between simple units of production and consumption.”

This “Plan of July 9, 1934,” written by Jules Romain, led to the creation, in 1936, of the Centre d’Études des Problèmes Humains (Center for the Study of Human Problems), created by Jean Coutrot and run by the infamous Dr. Alexis Carrel and Dr. Serge Tchakhotine, and, in 1938, of the Institute for Applied Psychology (IPSA). These French institutions were run by the British Fabian Society, and personally managed by Aldous Huxley on location in France. Husson wrote that the central focus of the IPSA was the “destruction of the human personality,” transforming humans into “modified individuals” with the use of drugs and surgical intervention, “especially sterilization and castration.”

You hadn’t forgotten, had you, that H.G. Wells, of “The Island of Dr. Moreau,” was the godfather of the Huxley boys, Aldous and Julian?

Meanwhile, in 1933, H.G. Wells and Aldous and Julian Huxley had already created a brother British Synarchist organization in London, called the Federation of Progressive Society and Individuals (FPSI). In their published Manifesto, they wrote:

“Then came 1931, and there was an operation planned to bring Germany into the dictatorship-world empire scheme. The British monarchy was behind it; others were behind it; people in New York were behind it. Initially the understanding of the Anglo-American supporters of this fascist project—which was largely based in France, actually, around firms like Lazard Frères and so forth. But the intent of the project was to have the Germans re-arm, and destroy the Soviet Union. While Germany was embedded in Russia, in the process of trying to [defeat] the Soviet Union, then, the allies—France and Britain—intended to jump on Germany’s rear, and crush Germany, and be rid of the Soviet Union at the same time, and set up world dictatorship.”²

2. *Manifesto* (London: George Allen & Unwin Ltd., 1934).

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Felix Rohatyn, New York Dictator, 1975-82

The following is an abridgement of "How LaRouche Fought New York's Fascist Financial Dictatorship, 1975-82," by Richard Freeman, EIR, July 27, 2001.

The paradigm for the genocide that is carried out today in such U.S. cities as Washington D.C., or Camden, New Jersey, is the Lazard Frères' plan that was deployed against New York City from 1975 through 1982. Under that plan, every vital service needed for human existence was imploded in large areas of the city. People living in those areas either died, or fled from the city.

Katharine Graham and her gang's policy to force the closing of D.C. General, Washington's only public hospital, by an unelected Financial Control Board—which set off a national battle led by LaRouche Democrats, over "general welfare vs. genocide"—is modelled on the 1975 New York Plan, and was drawn up by the same forces, with Lazard Frères investment bank directors at the center.

New York City black and Hispanic neighborhoods, which were targetted for extinction, either were left as abandoned urban wastelands, or, in selected neighborhoods, were taken over by urban renewal/gentrification real estate interests; and new apartment complexes and fancy restaurants were built for wealthy, mostly white, tenants. The rents were often three to ten times those that the displaced poorer families would have been able to pay.

The Lazard/New York Plan was aimed at shrinking a city, and leaving only enclaves of wealthy residents. It is the City of London-Wall Street financial oligarchy's paradigm for application under conditions of financial disintegration in the near future in the United States and other nations.

In 1974-75, the financier oligarchy precipitated a financial crisis in New York. They took the known, but soluble underlying economic-financial problems that beset the city, and made them worse. By April 1975, thanks to the bankers' operations, New York City had no money, and its credit rating was so destroyed that it could not borrow from the financial markets. Seizing on the crisis it had created, the Wall Street banking elite rammed through the New York State legislature, legislation which invoked "emergency police powers," and in June 1975, created the Municipal Assistance Corp. (Big MAC), and, in September 1975, the Emergency Financial Control Board (FCB—the "Emergency" was dropped three years later).

Under the direction of Lazard Frères banker Felix Roha-

tyn, who became the unelected Führer of New York for the next several years, the FCB and Big MAC ruled as a single, unified dictatorship. The power of the City Council and mayor, in all but name, was suspended. Lazard was especially equipped for this function, because it had long pursued the racist policies of Cecil Rhodes, and in 1933 helped install Hitler into power.

The oligarchy did not hide its policy, but arrogantly branded it publicly, calling it the "planned shrinkage" of New York. On Nov. 14, 1976, Roger Starr, a member of the *New York Times* editorial board, and a spokesman for the banker and real estate interests, wrote a 4,000-word feature in the Sunday *New York Times Magazine*, advocating planned shrinkage. Starr declared, "Planned shrinkage is the recognition that the golden door to full participation in American life and the American economy is no longer to be found in New York." At that time, New York City had a population of 7.5 million. Starr decreed that, "New York would continue to be a world city [sic] even with fewer than 5 million people." This led to only one conclusion: forcibly killing or expelling one-third of the city's population.

Starr elaborated his account of how this genocide would be accomplished. After labelling sections of New York City as "virtually dead," Starr wrote that in the past, the New York government and various soft-headed people had tried to keep those "dead" sections alive. This was a mistake: "Yet the city must still supply services to the few survivors, send in the fire engines when there are fires, keep the subway station open, even continue a school. In some of these sections, under the pressure of a local official . . . the city is pressed to make new investments in housing."

So, new investment must be stopped: "If the city is to survive with a smaller population, the population must be encouraged to concentrate itself in the sections that remain alive," and leave the "dead sections" to die.

He described how undesirable districts of the city "can be cleared away" by tax policy, making it unprofitable to invest in buildings in these districts. He mentioned other means to shut a district down.

Once an area that Starr designated for closure, were cleared away, "The stretches of empty blocks may then be knocked down, services can be stopped, subway stations closed, and the land left to lay fallow." Starr realized, but did not say, that "stopping services," is a direct means to actually facilitate the clearing away of an area.

Rohatyn: 'The Pain Is Just Beginning'

At around the same time, Starr also insisted: "Stop the Puerto Ricans and the rural blacks from living in the city . . . reverse the role of the city . . . it can no longer be the place of opportunity.

"Our urban system is based on the theory of taking the peasant and turning him into an industrial worker. Now there are no industrial jobs. Why not keep him a peasant?"



EIRNS/Stuart Lewis

Felix Rohatyn became the dictator of New York City after that city's financial crisis in 1975. Here he is addressing a meeting of the Emergency Financial Control Board, which controlled the city's finances, in 1980, while Mayor Ed Koch (far left) and another admirer look on.

Starr's "philosophy" was not original, but only a working-out of the outlook that came from the higher level of Lazard Frères investment bank and Felix Rohatyn. While the oligarchy was creating the Big MAC and FCB in 1975, Führer Felix looked straight into the television cameras, and summarized the plan which Starr would detail: "The pain is just beginning. New York will now have to undergo the most brutal kind of financial and fiscal exercise that any community in the country will ever have to face." . . .

Big MAC

The first stage of the dictatorship was the Municipal Assistance Corp., dubbed "Big MAC," established in June 1975, and soon run by Rohatyn.

The powers delegated to Big MAC were:

- It would monitor the city's financial position;
- It would protect new as well as old creditors;
- It could restructure the city's debt.

The corporation could issue MAC bonds, up to the sum of \$3 billion. The June 10 law demanded that the following city income streams be "earmarked" to pay the interest and principal on the MAC bonds: the city's 4% sales tax revenues, the city's stock and transfer tax receipts, and per-capita aid paid by the state. *The law mandated that only after the city paid off its bondholders—MAC bondholders and others—could it use the remainder of its revenues to pay city workers or essential services.*

In early July, MAC issued a \$1 billion bond issue, at a 9.5% interest rate. In mid-July, MAC issued its second billion-dollar bond issue—but this one had trouble selling. By mid-August, the value of existing MAC bonds started to fall. The money that MAC received for the bonds, it doled out drop by drop to the city, keeping the city on a tight leash.

The MAC board began instituting austerity programs against the city—shutting down city programs, laying off workers, cutting wages—to squeeze out wealth to back up the bonds. But this method reduced the functioning of the city's economy further, making it even more difficult to support the bonds. The conclusion that should have been drawn is that the method of life-threatening austerity was a failure.

But Lazard and Rohatyn drew an opposite conclusion: that the level of austerity had to be increased. Rohatyn believed that a major limitation was that the MAC board still had to obey civilized standards, and did not have enough power to loot the population, institute fascist economics, and crush popular organizations. He sought a dictatorship that had all the power it needed, and would not flinch at inflicting pain.

Creating the Financial Control Board

Rohatyn then drafted a 111-page report that sought harsher austerity and a stronger institution that could enforce it. In September 1975, new legislation, arising from Rohatyn's report, was introduced into the New York State legislature. The legislation was called the Financial Emergency Act. In the early hours of Sept. 6, 1975, after the legislators had been kept up for hours, the legislation was rammed through by a close vote. The key feature of the act is contained in the summary of it in the New York State Laws 1975 (chapter 868, Sec. 1): The situation in New York City "is a disaster and creates a state of emergency. To end this disaster, to bring the emergency under control and to respond to the overriding state concern . . . the state must undertake an extraordinary exercise of its police and emergency powers under the state constitution, and exercise controls and supervision over the financial affairs of the City of New York."

The Rohatyn-drafted act specifically announced a "state of disaster" and "emergency" to exist, which it said, required "undertak[ing] . . . extraordinary police and emergency powers." These sweeping powers, normally reserved for a state of insurrection, were to be used to issue diktats for an artificially created financial crisis. This was a reprise of what Hitler and the Nazis had done in Germany in March 1933, after the staged Reichstag fire.

To effect his coup, Rohatyn had the act instantly create an Emergency Financial Control Board (EFCB), and in 1978, the term "Emergency" was dropped. The way Rohatyn interpreted the act, and the way it was used, the FCB had "the extraordinary police and emergency powers." The powers of the New York City Council and the Mayor were overridden.

The EFCB was a dictatorship. According to one summary account, the "EFCB [was placed] as trustee over all city accounts in all banks," that is, it had control over the city bank accounts, and further, "the EFCB was granted powers . . . over investment and disbursement." Thus, the EFCB controlled all of New York City's money flows. Moreover, the payment of debt was enshrined in the act: "the act created a debt service account . . . to ensure that debt service would be given first

priority.” The EFCB had the power to draw on every one of New York City’s revenue streams to pay the debt.

The act replayed the Nazis’ practice of looting workers’ pension funds to support worthless financial paper, in this case, dictating quotas to the pension funds of New York State and City, for the amount of Big MAC bonds they had to buy—the state pension funds had to buy \$225 million, the city Employees’ Retirement System had to buy \$225 million, the Teachers Retirement System had to buy \$200 million; and so forth—all told, more than three-quarters of a billion dollars.

The EFCB could either “accept or reject any contract entered into by the city.” It promptly ripped up most labor agreements.

Finally, the bankers made their dictatorship explicit, by writing, with matchless contempt for elected government, that they were the Supreme Power, to which all officials and citizens must bow down. “Violations of the emergency act or the EFCB’s policies included misdemeanor charges and, upon vote, removal from office. The mayor was not excluded from these potential penalties.” Whoever failed or refused to implement the EFCB’s policies, including the Mayor, could be removed.

Whatever power the Big MAC had lacked, the EFCB now had. They acted together as a unified dictatorship. . . .

Gutting the City

Rohatyn gutted city services. Garbage was left to rot in the streets. Preventive maintenance was ended in the public transportation system, and all capital expenditures halted. Subway train breakdowns doubled. By 1980, nearly a quarter of the city’s bus fleet was out of service every day.

Enrollment in the City University fell 40%, and tuition fees were imposed.

One out of four uniformed police officers were laid off. Police were told to limit arrests to serious crimes, to lower costs. Street patrols were cut, and the Organized Crime Bureau, which had narcotics oversight, was reduced from 1600 men to 439, as drug-dealing exploded.

Over the next two decades, five out of the 17 public hospitals in New York City were shut down, and now other public hospitals are threatened with closure. The attack on the public hospitals was the wedge-end to shut down New York’s hospital system, private, non-profit, and public. In 1960, New York City had 154 hospitals; by 1990, that was slashed to 79.

Starting 1975, the FCB/Big MAC vastly expanded the arson policy started earlier by Mayor Lindsay, by making deeper cuts from an already-depleted Fire Department. As a result, in constant dollar terms, the 1980s budget for the Fire Department was slashed 35% below that of 1975. Many fire stations were shut down. Between 1976 and 1979, residential inspections had been cut by more than 30%, on top of the two-thirds cut in the number of inspections over 1966-76. Between June 30, 1975 and April 30, 1981, an additional 10% of the

city’s firefighters were laid off.

The arson policy was one of the earliest and most “effective” forms of urban renewal, from the criminal standpoint of the oligarchy and real estate interests. The real estate moguls hired arsonists to do their dirty work, a fact that was known to everyone in the city, including the Fire Department. In a study, “Fire Service in New York City, 1972-86,” researchers Rodrick and Deborah Wallace gave a graphic example of how the urban renewal through arson worked:

“The [New York] Planning Commission informed the Fire Department that certain sectors of the Rockaway Peninsula [in Brooklyn] were to undergo urban renewal and that fewer fire units would be needed. . . . After elimination of one of the [fire] engine companies, large areas of that sector were cleared by [arsonists’] fire for redevelopment without the city having to spend time and money for legal urban renewal work.”

The financier-real estate elites in New York got two bonuses with the arson. First, they were fully compensated for burnt properties through their insurance policies (that they were not indicted, bespeaks something about how this operation worked). Further, they also could deduct losses on their tax filings. Second, they could either leave the ground fallow—as per Roger Starr’s recommendations—or they could retain the land or sell it to a new landlord for development. This meant urban renewal/gentrification. An entire area could be designated to become an apartment area for high-income, predominantly white tenants. Not only could the landlords collect rents as much as ten times what they had collected from the previous poor tenants, but from New York City they got special tax abatements and exemptions. Thus, the landlord/real estate interests made profits several times over.

But as a result of this process, if a family could manage to continue to live in the same area of the city, its rent shot up relative to its income. A study conducted by Columbia University found that in 1975, there were approximately 225,000 housing units in the South Bronx area, one of the nation’s poorest neighborhoods, which charged \$150 or less per month. Already, as a result of economic decline, the white population had begun leaving the South Bronx in the early 1970s. After the FCB/Big MAC-supervised real estate transformation, by 1978, the study found that there were only approximately 115,000 units that rented for \$150 per month or less, a loss of half of the 1975 level. In the intervening three years, 46,000 were “upgraded” into more expensive units, and another 60,000 had been abandoned outright.

Roger Starr had the South Bronx as one of the areas in mind when he stated in his Nov. 14, 1976 *New York Times* piece that the place should be left to die, and “services cut off.”

Even back then, Rohatyn’s most feared opponent was Lyndon LaRouche, but the reader is directed to Richard Freeman’s original, complete 12-page article for the circumstances of the struggle between them.

The Global Real Estate Bubble Is Beginning To Blow

by Helga Zepp-LaRouche

Mrs. LaRouche is the chairwoman of the German party Civil Rights Movement Solidarity (BüSo). Her article has been translated from German.

If a patient shows symptoms of acute sickness in several critical organs at the same time, a radical operation is required, or else soon any solution will be too late. The current situation of the world financial system can be described in these terms.

It takes the same approach to deal with the apparently totally different problems of the real estate market bubble; the threatening bankruptcy of the whole American auto sector; the enormous difficulties in reaching a compromise on the European Union (EU) budget; or finding a solution at the Hong Kong summit of the World Trade Organization (WTO): They are expressions of the ongoing collapse of the system of globalization.

For the first time ever in post-war German history, a so-called “open-ended property fund” was closed on Dec. 13. The fund, named “Grundbesitz Invest,” had 300,000 investors and belongs to DB Real Estate, Deutsche Bank’s real estate subsidiary. Its total capital amounts to 6 billion euros, invested mostly in commercial buildings, of which two-thirds are located in Germany. The fund’s capital had already shrunk significantly in the recent few years.

On Dec. 9, DB Real Estate announced that, due to the need for an overall “re-evaluation” of the real estate owned by Grundbesitz Invest, the fund would no longer accept new investors. According to immediate market rumors, the “re-evaluation”—which could last until February—would likely result in a value write-off of 10% or more. Because shares in open-ended property funds can be traded freely, the prices of such shares dropped precipitously by 10%. On Dec. 12 and 13,

several thousand investors of Grundbesitz Invest withdrew all their capital, so that the fund was running out of cash. At that point, it was closed.

Why would Deutsche Bank take such measures, and risk creating a panic in the entire real estate market?

The leader of the German financial supervision agency BaFin, Jochen Sanio, raised the alarm by demanding daily information on any German public real estate fund, concerning capital inflows and redemptions. Deutsche Bank claims that it had informed BaFin in time. However, it was leaked to the media that BaFin officials are upset about Deutsche Bank’s decision, and are demanding an explanation by Deutsche Bank head Josef Ackermann. German legislation allows the closing of such a fund only under “extraordinary circumstances.”

Lyndon LaRouche commented on the situation as follows: “The damage is already done. The problem lies in the fact that all the banks are in a situation similar to that of Deutsche Bank. They will have to handle this very quickly. This should not come to the point of panic. We find ourselves at a point where the entire system can collapse. We must admit that this crisis is also in effect at Freddie Mac and Fannie Mae in the U.S. The fact that the real estate bubble in Loudoun County, Virginia is beginning to collapse, is part of this same picture.”

Global Repercussions

The case of Deutsche Bank has ominous implications for the entire financial sector. The financial press has for months been concerned about the global real estate bubble being on the verge of an immediate collapse. But the size of this bubble in Germany is much smaller than, for example, in the United

States, Great Britain, Australia, or Spain. There has already been a stepwise devaluation of up to 20% in the real estate sector. But if now the unsecured investors should also pull their investment out of other funds, they could shake the prices in the real estate market still further downward.

Then the question of the effects on the hedge funds, which in recent times have proceeded wildly to buy up everything in sight: *Mittelstand* [small and medium-sized] enterprises, houses, apartments, office space, castles, simply everything, comes onto the table. And these hedge funds are operating, on the other hand, on an international basis and in all directions, and even if the situation comes to a relatively less “blown-out” result in Germany, the effect on the international scene could be a chain reaction.

BaFin head Sanio briefly expressed his concerns at one of the conferences organized by Goldman Sachs earlier in 2005, saying that the question of an explosion of the hedge funds was not a question of “if,” but only a question of “when,” and his nightmare was that no one was prepared for this catastrophe.

Above all, the real estate speculation exposes how much the whole system is built on sand, or papier-mâché. Because the investors are not simply people who want in some way to realize the dream of a single family house, but are people who invest in these funds in order to get the highest possible profit, whether those profits cohere with reality or not. So, Deutsche Bank Real Estate had to already put the sale of shares into another of their funds, the “Grundbesitz Global,” because the investor interest was so large that no more rentable properties could be found.

In the United States over recent years there has been no such problem. Because the building regulations usually allow unrestricted growth and have maximum speculation as their objective, over the last years literally millions of so-called “McMansions” have sprung up out of the ground. In this way homes are put up in a couple of weeks, with walls of papier-mâché, but with several hundred square feet of living space and golden faucets in the bathrooms, houses which are many times overvalued as luxury villas, often saddled with two or three mortgages. If the situation is now approaching a collapse in real estate prices—which is inevitable—many of these people will be left with mortgages which are many times more expensive than what the real estate will then be worth.

EU Expansion Crisis

Simultaneously, the European Union summit in Brussels showed that the whole concept of EU expansion under the current policy of the Maastricht Treaty (1992), the regulatory changes of the Treaty of Amsterdam (1997), the budgetary and investment constraints on EU member economies imposed by the Stability Pact (1999), and the European Currency Union cannot function without political union. The wage differential among the ten new EU members in relation to the core countries, for example, means a difference of 6 to 1,

which makes admission of these countries into the euro-zone absolutely impossible.

Because the whole concept of Maastricht, which amounted to intentionally weakening the German economy and making Germany into the paymaster of Europe, has now led to their bad intention boomeranging. Germany has been milked to the limit of its capability. Great Britain will not give up its “British rebate,” France needs its farm subsidies, the new Eastern countries want their part of a shrinking pie. The only reason the EU summit didn’t collapse, was that all the problems were put off until 2008.

But also the WTO summit, which took place a few days later at the other end of the world, with 149 states participating, had to fail. The reason simply lies in the fact that globalization always thrusts the majority of the world’s population—and that majority now lives in the poorer countries, especially in the Southern hemisphere—further into poverty, and therefore there already arose at the earlier WTO summits, such as the last one in 2003 in Cancun, an unbridgeable conflict between the supposed interests of the so-called industrial nations, and those of the other countries.

If one now takes into account the threatened insolvency of the American auto sector and the dramatic consequences of globalization in Europe (AEG, Conti, Telekom, and so forth), then only a blind man could overlook the fact that not only a few real estate funds have fallen into a pit, but the whole system of globalization as well. If a building does not have stability, then the balcony hangs down after a while, and breaks off, as the roof is broken through, the windows break, and finally the whole construction collapses.

Thus, there can only be one conclusion: We need another, better construction of the world order. We need re-regulation of prices and markets, the protection of the common good and the social state. If the United States turns back again to the better tradition of the American Revolution, as this is signified by the dramatic change in the Democratic Party, therein lies the point of orientation. President John Quincy Adams developed the idea of an alliance of sovereign republics, which are bound together through the common interests of mankind. These concepts go back to the thought of Nicholas of Cusa and Leibniz. In this spirit, we must put on the agenda the question of a new financial architecture and a just new world economic order, before it is too late.

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LaRouche Defines the Fight To Save Civilization Today

Lyndon LaRouche gave this speech to an assembly of the LaRouche movement in Europe on Dec. 29, 2005.

There are changes in the world, which are coming from the United States, which I've played a key part in initiating. There's no guarantee of victory. The world is too far gone, for anyone to think of assured survival of civilization, in this period. The changes should have been made a long time ago, and they weren't.

It's been 40 years since the beginning of the collapse of the world economy, especially that of Europe and the United States. The collapse came in the context of the period from 1964 to 1972, in which there was a deliberate destruction of U.S. civilization and that of Europe, which had been planned immediately at the end of the war. And this took an effect upon a generation which was born immediately after the war, which was subjected to a form of brainwashing, known as the Congress for Cultural Freedom, and similar kinds of things.

It was a reign of terror, under Truman, beyond belief. In fact, what we have to understand is, that the crowd in Europe, called the Synarchist International, which gave us fascism between 1922 and 1945, was an Anglo-American crowd, centered in London and in Paris, which created fascism as its tool.

In the early period of the rise of Mussolini, the leading financial circles in New York, were sympathetic, including the circles of John Dewey, the famous liberal, were sympathetic to fascism. The approval for fascism in the form of Mussolini, in the United States, in leading intellectual circles, was strong. And initially, the same thing was true of the Hitler period: In leading financial circles, in the United States, especially in Britain, the sympathy for Hitler initially was very strong.

But there was also a confusion, which was typified by the case of a famous Jewish figure, who had been an agent of the Russian Okhrana, who appealed from Italy, twice, to Hitler, to make a pact with Hitler. This was the leader of what became

the Israeli right-wing: Jabotinsky. He wrote twice to Hitler, appealing for a pact with Hitler. Why? Because he believed that, the principles of fascism would require Hitler to put aside anti-Semitism and the persecution of the Jews.

In this period, in the 1920s and 1930s, fascism was considered the same thing as socialism. It was considered a variety of socialism. And it was so called, because of the history of Europe. Go back a long period, to understand this: European civilization started in ancient Greece—before Aristotle. By the time Aristotle appeared, Greece was destroying itself culturally. And the influence of Aristotle has continued to be a destructive force in European civilization to the present day. If you could get Aristotle out of the churches and out of the schools, you might have a better chance at civilization.

But the rise of civilization, from the collapse of Greek civilization, through forms of evil which were actually Babylonian projects called the Roman Empire, or the Byzantine Empire; or the medieval system of Venice and its Norman chivalric allies, the so-called ultramontane system, Europe went through a long period of mostly degeneration, under forces which controlled Europe, which were morally and otherwise degenerate.

The Renaissance of the 15th Century launched a revival of the Classical Greek tradition, as a Christian Classical Greek tradition. Immediately, the Venetians, who had suffered because of a financial collapse which they had brought on themselves, came back by organizing the fall of Constantinople. And the right wing began: From 1480 to 1492, under the influence of a Satanic figure called the Grand Inquisitor, Spain, which had been a civilized part of the world, among Moors, Jews, and Christians, became uncivilized, under the Inquisition, a revival of the Inquisition. This led to the Expulsion of the Jews from Spain in 1492, which was the beginning of a period of religious warfare, which dominated Europe until 1648, with the Treaty of Westphalia.

European civilization, today, has three major points of



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"Aristotle is what has destroyed Europe more than anything else," LaRouche argued. If you can get rid of his influence in the schools and churches, you have a chance to save civilization.

reference: One, is the Pythagoreans and their kind of that time, through Plato and what he represented. The second, was the European Renaissance of the 15th Century. And the third was essentially the Treaty of Westphalia, which established—not with full success—but established essentially what became known as modern European civilization.

Now, from the beginning, the forces behind religious warfare, the Venetians, have maintained essential control over European civilization through its monetary-financial system. Europe has a monetary system. The United States, except when it's degenerate, does not have a monetary system. We don't believe in monetarism. Europe believes in monetarism. In the United States, the fight right now, as it has been consistently since 1789, the fight has been to free the United States, itself, from the influence of European monetarism, of the type typified by the Bank of England, and typified by the European Central Bank, and other forms of moral degeneracy which abound in Europe today.

Europe's Problems Today

And the problems of Europe, today, relative to the United States, are two things, apart from the tradition of the Inquisition, which still reverberates in various ways: One, is that Europeans do not accept, in general, as a culture, do not accept the principles of citizenship. There's too much left over from the oligarchy in European tradition. People sometimes model themselves, even those who are not oligarchs, model themselves on the *idea* of an oligarchy, or ideas that are consistent with oligarchy. And therefore, you find in Europe, in dealing with institutions, you're dealing with a different kind of system than you are in the United States, because the oligarchical influence is still strong in Europe.

It was against this oligarchical influence, in the first place, that the United States was founded, in effect, especially with

the landing in Massachusetts: the Massachusetts Bay Colony. And the idea was to get rid of the influence of oligarchism. And those who supported that idea from Europe, the intellectuals of that period who supported the American Revolution—actually from the middle of the 18th Century on, until 1789, till the French Revolution—supported it with the idea that the United States, and its emergence, would become the foundation for playing back into Europe those ideas of Europe, of a Europe free of monetarism and oligarchy, on which the United States had been premised, to get away from this evil in Europe, and then to bring freedom back into Europe, in the form of what was established in the United States as the form of government established under our Constitution. That's always been the fight, the central fight in civilization.

Now, with the collapse of the Soviet system, there's no question that there are but two systems of any significance on this planet, which dominate the planet. One, is the American System, as typified in most recent memory by the case of Franklin Roosevelt's revival of the United States' economy, from the despair into which it had been plunged by previous Presidents. And the other side, is the monetarist influence, centered in the Bank of England, or the Anglo-Dutch Liberal system, which still dominates European governments and European systems. There is no such thing as a truly sovereign government in Europe! Every government is subject to the overriding control, by a concert of private interests called a central bank, or a central banking system.

Europe functions on the basis, economically, of a monetary system. The United States, by its Constitution, functions on the basis of a *credit system*. For example, you had this fellow in Ascoli-Piceno [Italy] I met some time ago, and he came on with this crazy idea about "honest money"! That you could create "honest money" independently of any government. And that by creating an honest money system, you would solve the essential problems of society.

Now, these were the ideas of a noted American fascist and traitor, Ezra Pound. These were the ideas of fascism! But in Europe, there still is a tendency to accept the root of fascism, in the sense of accepting a monetary system. The idea that there is an intrinsic value of money.

For example, Marxism is actually the same thing: Marxism, as taught by Marx, which he learned under the influence of his patron, Lord Palmerston, whom he attacked unwittingly; he didn't know who owned him: Poor Marx was dealing with property, but he didn't know who owned him. It was the British monarchy, or Palmerston's crowd, who owned him, through Mazzini. And Marx did the same thing: The search for a *true value of money*; a *proper determination of a value of money*, based on a system.

This is a monetarist system. This is a relic of ancient Venice. This is a relic of Babylon, a relic of the ancient Greek system that was destroyed under the influence of the Cult of Delphi. The Roman system, the Byzantine system, the ultramontane system, were all based on a monetarist system, on



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To this day, Europe is plagued by the stink of oligarchism, unlike the United States. Even non-oligarchs imitate the nobility. Here, a drawing of the French super-oligarch, Louis XIV.

the idea that *money*, a correct value of *money*, must determine economy.

And the regulation of money to determine that value, is politics.

In the American System, under our Constitution, money does not, by Constitution, determine politics: Money has no intrinsic value.

For example, in the 17th Century, the Massachusetts Bay Colony established a system of scrip, of paper money—there was no attempt to find a hard monetary value for paper money. It was guaranteed by the Commonwealth, by the government. And the government of Massachusetts, at that time, was independent. It was under the King, under a charter, but it was not under the British Parliament. And so, the colonies in the Americas, were not under the British Parliament. They were independent states, but subject to the same King, as the British system, the British monarchy.

So, we had a system that worked: paper money. The system was suppressed by the Dutch East India Company when it took power in London. But nonetheless, you had Cotton Mather, and then Benjamin Franklin following, set forth the argument which became the Constitutional argument of the United States, for paper money. *Not* money as defined by

European monetary systems.

For example: Take the case in Europe, today—Germany, in particular. All of Europe is bankrupt, every part of it. It's just a question of when somebody declares the bankruptcy. Because the income, that is, the physical production and the supply of needs, by the governments today, by the nation today, *is below the requirements of the existing population at its previous standard of living*. Hartz IV, for example, is an example of this. And without a massive creation of credit, by the state, to use credit as a basis for capital formation, to increase employment, especially productive employment, there's *no hope of saving any part of Europe from an absolute disaster*. Therefore, getting rid of the *teuro* [teuer (expensive) + euro], is one of the leading issues in Germany today. As long as the euro exists in its present form, *Germany can not continue to exist: It is doomed*. But also, every other part of Europe is doomed, as long as the European Central Bank system exists. The European Central Bank is simply a form of globalization of the system.

Now the solution is, if Germany creates a credit, and regulates it as state credit, and spends that credit for creating new employment in productive forms, then, the problem can be solved. There is still the physical potential in Germany, as in France, the physical potential to revive the economy. But to do this requires the credit. *There is no money for this purpose, within the monetary system; with the rules of the monetary system. Under the ECB, Europe can not continue to exist, physically! Get rid of it, or it will get rid of you!*

Under the American System, we don't have a problem with this: We have a problem of doing it, but not the problem under the Constitution. In Europe, it virtually is constitutional, to accept a European Central Bank, and national central banks, which essentially are consortia of private interests.

Today's Fascist Threat

This brings us back to fascism, and to the case of one of my favorite enemies: Felix Rohatyn. Felix Rohatyn, as you will discover, if you don't already know it—Felix Rohatyn was a protégé of André Meyer. Meyer was a leading member of Lazard Frères. Lazard Frères *was*, and remains, the leading institution of fascism in Europe today. It was the institution which was key, in France, in bringing Hitler to power, from the French side, and was key inside the Nazi system, through its front organization, which was Banque Worms. And which was never really shut down, it was sort of liquidated. And Lazard Frères continued.

This is the system of bankers, typified by Lazard Frères, for which Rohatyn works, which—with the death of Roosevelt, the minute Roosevelt was dead, they controlled Truman and around him, and they began to apply their principles to the American model. We had a taste of fascism in the United States—not as fascism, but as a repressive action by a group of financier interests, international financier interests—including Lazard Frères of France, including the Bank of En-

gland, including these institutions of Europe—which together with their partners in the United States, controlled the United States, and *brought fascism into the United States as a ruling force*. Not as a political system! But as a ruling force.

We lived in a reign of terror, in the United States, from the day that Roosevelt died until Eisenhower was elected. We went back into a reign of terror, in the 1960s, in a way which was warned against by Eisenhower: the “military-industrial complex” is nothing but the same thing. It’s the same bankers who created Mussolini, who created Hitler, who created the system. The same group of fascists who, at the end of the war, tried to destroy *everything* that Roosevelt had accomplished. They couldn’t do it immediately, because the economic system wouldn’t allow it. But they began to do it in the middle of the 1960s. They did it with the launching of the—well, the launching of the Indo-China War, for example. And other measures.

They did it through the 68ers! Remember! Some of us remember: What did the 68ers say? Stop growing. Suppress nuclear energy. Go to a services economy. Get rid of the blue-collar economy. Get rid of factories, get rid of industry, get rid of agriculture. Stop growth! The idea of *zero growth* was brought in. And the reaction caused by the 68er phenomenon, split the political base of the political parties: you had a section of the Democratic Party which went over to the Republican camp, out of *horror* of the 68ers, and the anti-labor policies of the 68ers.

And then, we went into another dark age, over the course of the 1970s, we went through these changes, where we’ve got these windmills—we’re looking at Don Quixote to get rid of these windmills in Germany! Another abomination, a destruction of the economy, with the same thing in view.

Our Fight To Stop Brzezinski’s War

Let me take one step back: In 1976, early ’76, I acquired, almost by accident, a letter by a Committee on the Present Danger, which was then headed by Rodney Schlesinger, which was an arm of the Trilateral Commission. And this letter outlined the proposal, by Brzezinski and others, for a nuclear weapons confrontation with the Soviet Union, under the incoming Carter Administration. Now, some of you here will recall, that we, without publishing the letter itself, that we took the fact of the letter—that we had the documentation, the signed documentation of the Brzezinski government (really what it was), to launch a new nuclear confrontation comparable to that of 1962, as a part of the package of the Trilateral Commission, once Carter were elected.

You may recall, that here in Europe, as in the United States, I switched my campaign a bit, my Presidential campaign, which had been addressed primarily to what was happening that summer of ’76 in Ceylon, Sri Lanka; and added this feature, as the leading feature in the closing weeks of my Presidential campaign: We put on two nationwide NBC broadcasts, one, five minutes, and one, a half an hour—in



EIRNS/Chris Strunk

LaRouche’s independent campaign for President in 1976 focussed on stopping Brzezinski’s plans for a nuclear confrontation with the Soviet Union.

which we exposed this confrontation: The threat of a new nuclear confrontation with the Soviet Union. Which was the basis of Brzezinski’s policy.

What we succeeded in doing, as opposed to what we did *not* succeed in doing—what we succeeded in doing is making such a scandal about this, that this was dropped. And as a result of that, once Brzezinski was, officially, the National Security Advisor, he set up a special group which has later been identified, which we knew about at the time, to have me assassinated! Hmm? He didn’t like what I did in exposing his pet project, and getting it killed.

But at the same time, we were involved, with various scientists in the United States, initially, on the issue of: Could we develop an approach to ending the reliance on this confron-

tation with nuclear weapons? Nuclear confrontations. And it was demonstrated from what we knew, that this was feasible. It was not something we could do in the morning, but it's something, if the Soviet Union would agree with the United States that we would do this, this would be a way of avoiding immediate confrontations, and would actually solve the problem of confrontations over the longer term. This became a campaign, my 1980 campaign, in '79, a program for a change in weapons-systems orientation for military policy.

As a result of my meeting with candidate [Ronald] Reagan, in New Hampshire, and the defeat of George Bush's candidacy in New Hampshire, I came into discussion with more and more of the Reagan people, of a certain group of them, including leaders in his campaign. And so, when Reagan was elected President, I was invited down to Washington, to meet with people in the incoming Reagan government, and to make my recommendations to them, as to what measures the incoming President should take. Some of these measures were accepted; some, not. One that was accepted, but with some discussion, for which I was given a special status for back-channel negotiations with the Soviet government, was the proposal for what became known as the Strategic Defense Initiative, later.

This led to a process internationally, where we were meeting regularly with general officers, retired general officers, and so forth, and others, in France, in Germany, in Italy, the United States, and so forth. And many of us here, participated in meetings with flag officers of various countries, sometimes cross-national, sometimes within national bounds. And the discussions were in this direction, of working toward the alternative to a nuclear confrontation, to give Europe, in particular, a strategic option, other than sitting under this endless threat of nuclear extermination. And there was a period of optimism.

In this time, one of these generals had been a fellow who had been a chief general, a leading general under Charles de Gaulle, at the high point of de Gaulle's ascent to power. It was General Revault d'Allonnes. He was a very charming gentleman, of interesting background; one of the most delightful people I've ever met. And we were having a discussion, one of our discussions we had here, in Germany, which he had attended, and he said, "Well, you know, I was in occupied Germany with the French occupation, and I was the only colonel in the staff in charge of this occupation force. So, we had a meeting of the staff. And around the table were all the generals, and down in the corner, the little colonel, me. And the discussion came, as to what do we do, in the case that there's an outbreak of war again in Europe? What does a government do? Nobody would answer the question. Nobody thought of an answer, until the little colonel put his finger up, and said—and they said, 'Yes?'—he said, 'Fire all the generals.' "

He was that kind of person. But he was the guy who was chasing, and running down, the fascists who were trying to

get de Gaulle killed. He was a very serious military man. And he had a sense of humor, which every good military man has. If a military man doesn't have a good sense of humor, don't trust him with command. Because what you're going to do, if you're dealing with warfare, you're dealing with a ridiculous situation: If you don't understand that, you don't understand war! That war is inherently ridiculous.

So, he recalled then, that this typifies the period, in which in Italy, in Germany, in the United States and elsewhere, we in our organizing, together with the work around the Fusion Energy Foundation, we had tremendous influence; expressed influence, in and outside of governments. We had serious enemies and so forth.

As a result of President Reagan's presenting the proposal for the Strategic Defense Initiative, and the turning down of that by a pig, named Andropov, everything went to pieces. I was targetted. We were targetted. We continued to be targetted. A point came—well, first of all, we were going to be dead—Helga and I, and others were going to be dead in early October of 1986. You know, 400 people with one large armored detachment, assigned to come in and clean us out! It was called off by the White House. But the threat continued, and you saw some of the spillover, here in Europe. The international thing was, *eliminate us*. And eliminate me, above all.

The problem was, it was too obvious. And therefore, they got an agreement. They said, "If he's convicted, and goes to jail, we don't shoot him. If he doesn't get convicted, if he beats the charges, *we kill him*."

But being myself, as soon as I got from under legal control, out from under control by parole agencies and so forth—and I got out only because of Clinton; I mean, all the other work that was done was crucial, but the decision was made personally by President Bill Clinton. Otherwise, I'd have *never* gotten out. I'd have died in jail. And despite our differences, mine and Clinton's.

Our Organizing Process Against Bush/Cheney

So, as soon as I was out of the restraint, we began to come back to exactly where we had been, or a comparable position, back in 1983-84. So, I began to do this, as you knew from here, when I produced a tape here, which as some people here remember—we organized this "Storm Over Asia" tape, which was a leading element in an organizing process, going into the end of 1990s. An organizing process, and if you look at the tape today, which I believe is still around, and compare what has happened since then, and look at the situation today, with what I described in that tape, you'll find it highly accurate.

Then, on Nov. 7, 2000, the day of the election, we began to get into full swing. We were presented with an administration, which I said, with prophetic accuracy before Bush was inaugurated in 2001, that we already have plunged into a general collapse of the system, which had been oncoming—that is, the qualitative shift in the economic system, we were going



EIRNS/Neil Martin



The intervention of LaRouche and his youth movement at the Boston Democratic Convention in July 2004, shown here, radically changed the course of the Democratic election campaign, and the party itself.

down, period. Down! And under present policies, there is no result except a general collapse of the system—which has been ongoing ever since then. Under those conditions, I said—this is before the inauguration of Bush—under those conditions, we must expect, first of all, a *worsening* of the economic situation; and secondly, we must expect soon, an event like that of Hermann Goering setting fire to the Reichstag, to give Hitler dictatorial powers. And then, on Sept. 11, 2001, we had a *Reichstagsbrand*. And Hitler Bush, and Hitler Cheney, walked in that day, with *prepared dictatorial powers* in the true Crown Jurist Carl Schmitt tradition, in that tradition!

We have been living under dictatorial threat.

Our conditions, however, were not as bad as they were in Germany, when this happened in '34. Therefore they did not succeed, in getting the absolute dictatorial powers they desired. There was too much resistance. But we've been under that kind of threat. We've been under wars, which have been conducted, under virtual dictatorial authority. *For no good purpose!* There was no serious intention *to win a war*, in any of these wars! They said, "We have to win a war"—there was no intention to win a war; there was intention *to spread war!* There was no intention to build up a conventional military, there was an intention to have *irregular warfare*, to spread it. To bring about the destruction of nations, to collapse the economy, to establish a world dictatorship called *globalization*, in which people no longer have nationality, and go swarming from border to border, across borders, to try to find desperately a few crusts of bread *to live!* People who no longer

have homes, who live under aqueducts and things of that sort, or under highway bridges. Just moving around, in migratory hordes, like people in the 14th-Century New Dark Age. That's what they intend!

So, we went to work. We continued to work through the following years, to the present time. And then, last summer in Boston, because I forced the U.S. organization to do what the leaders did *not* want to do—that is to accelerate the campaign in the mobilization for the Boston Convention, the Democratic Party Convention. We did! They were screaming and yelling, and I said: "No, we do it. This is my campaign, we're going to accelerate it to the end!" And we did. It was my campaign, not theirs. My authority.

My doing that, brought about a change in the U.S. situation: First of all, the attempt had been to block me out entirely, a continuation of what had happened in 1983-84. Eliminate me, politically. It's an institutional commitment on the part of certain people: Eliminate me! They didn't eliminate me. They came close, but they didn't succeed. And I would hate to tell you what the world would be like today, if I had died in '98. Because *there was no other place in the world*, no other source from which an alternative was coming, for what *is* coming on now!

All right, so, July, last year: The Democratic Party, as a result of the deployment of over a hundred youth, and other things we did in Boston, said, "Okay, we give up. You're in." Then, the election campaign, the September part of the election campaign began, and Kerry wasn't doing so well, and so Clinton and others said, "You've got to bring him in!

You want to do anything with this election campaign to save this candidacy, you bring him in!" So they said, "Okay, we'll bring him in." So, I was brought in, as a background advisor—Debra [Freeman] was the actual advisor—to the Democratic campaign committee, for Kerry. And we salvaged a good deal of the Democratic campaign for Kerry that year.

It wasn't enough, it was too late. And he wasn't ready to fight the way he had to fight. But we did the job.

Then, we had this Nov. 2 election, which was a mess. And we had, the Democratic Party was prepared to lay down and die! I said, "You don't die." "I don't allow you to die! I don't permit you! I'm taking charge." And we had this little event, and out of that event, the aftermath of the event, we began to move the Democratic Party.

Some people in the party moved. The policy was, "*We're going to turn this Bush into a lame duck, before he is inaugurated for the second time!*" And we did!

He was a lame duck the day he was sworn in for his second term in office. And he's been a lame duck ever since.

We mobilized then, for a defense of Social Security, because we knew that Social Security was going to be attacked by the Bush Administration. We *stopped* them!

As a result of that fight, we changed the Democratic Party *back* into the policies of Franklin Roosevelt. As a result of that change, and the defeats we have administered to these clowns to the present day, we now have not only a commitment to a Roosevelt, FDR approach, not only a commitment to the General Welfare, but we have, actually, industrialists, Senators, and probably a majority of the Senate and similar people, mobilized for a serious reindustrialization program for the United States.

We have won the battle, but not the war.

The World Needs the United States

There is no other part of the world that could do this: only the United States. The reason is simple: *Only the United States has the active tradition in government, embedded in the memory of its people, which enables us to mobilize it for this kind of purpose, as it was mobilized for the war against Hitler.* It can be done.

Europe could *do nothing* without the United States. Anybody who says, "There's a European solution," is an *idiot*! Without the United States, Europe is finished! European nations are about to disappear from the map, without the United States! That's the reality of the situation.

China couldn't do it, India couldn't do it. No other part of the world, or *no concert* from other parts of the world, could save civilization from a catastrophe, *without* a leading initiative of the type we're making from the United States: *That is reality.* Any contrary opinion is insanity, because it's functionally insane! You're going to get nothing autonomous out of Europe, that will save Europe. You have things that can be done in Europe, and *must be done* in Europe, which are absolutely indispensable for the planet as a whole, the things

that Europe must do. But it will not be *able* to do them, without the U.S. initiative.

India can't! What do you expect? A nation that has 70% extreme poor, whose ability to sell goods on the world market is based on keeping 70% of its population in worsening poverty? Because you have to keep the incomes of the 70% down, in order to keep the prices down, in order to keep India as an exporting economy. And the problem in India, is, the caste system is integral to the problem! Integral to the inability to solve the problem.

The arrogance—it's the same thing: It's oligarchism. As we have also residues of it in Europe! *Die Oligarchie.* The residue of that in Europe, this idea that the image of the oligarch as the leader! The image of the oligarchy as the body you must *influence*, to shape policy!

It was against *this*, that the United States was founded! To get away from the areas that the oligarchy controlled, get out from under the European oligarchy, take European civilization and its ideas across the water, as Nicholas of Cusa has proposed! Take it across the water! And build up a true republic, without an oligarchy—*away* from the European oligarchy! And then, by establishing that republic, with support from people in Europe—which we had, at the time, until the French Revolution—then *go back* into Europe, and free Europe from oligarchism. And Europe has not been freed from oligarchical traditions to the present day.

The rainbow press is only typical of that, and the rainbow press, of course, is *Bildzeitung*, is the best example of oligarchical thinking you want to see! And how many people in Germany read it? How many people in Germany have minds that are susceptible to *Bildzeitung*? Hmm? You find out who your neighbor is, take his clothes off!

So, that's the issue.

Understanding the Generational Problem

Now, what we're up to here, is, we're also dealing with a generational problem. Now, every part of history—if you don't understand generational problems, don't tell me you know anything about history. You don't know nuthin' about nuttin' if you don't understand generational problems. Because successive generations differ. They differ for reasons, in some part which are unavoidable and in some part avoidable. There's no reason to become old and stupid, at the same time. It's not justified. It's not desirable, either! You get a bunch of grouchy old, snarling characters, who can't think any more! And it's a *terrible* thing for politics. But, unfortunately, we have a culture which has *built into it*, habits which say that "you get old, and you get stupid." They won't call it "stupidity"; they call it, "our traditions."

And the younger generation, which is still thinking, or still of a thinking age, which is generally under 25 years of age, in our institutions you find when you get a university degree, you become stupid. And you don't call it stupidity. You say, "I have a degree, now. And what I have memorized

so far, and the tricks I've learned to do, so far, are what I do. And this is what I've been certified to do! And this is what I will do for the rest of my life. My opinions are formed"—we have a case of this idiot, who was a bright young idiot, Dave Goldman. Some of you guys knew him. And Dave Goldman said, when told he had to study mathematics, "But I've been perfected, already!" But he was that type of person. He would make that kind of outburst: He had a certain kind of inherent stupid arrogance that he would say stupid things like that.

But people think that: They think that with their feet. They think, "I have now been perfected. Look, I've reached this age in life. Look at what I've done. I'm perfected!"

"Who're these young guys to challenge me? I'm perfected!"

They're not perfected. And you should never be perfected. I tell you, never become perfected. Don't! Becoming perfected is called "death." And the onset of death, you know—the onset of death is the day you say, "I'm perfected." You're going to die, then, because you're not going to change. That which makes you human is not going to do anything more inside you. You're just a carcass carrying the remnant of what used to think!

And thinking is not repeating things you've learned, or interpreting things you've learned. Thinking is that which distinguishes a human being from a monkey. And what happens is, people get past a certain age, and they begin to monkey with their future. They begin to stop thinking, stop accepting the challenge of being creative, of making discoveries.

Young people tend—if they don't degenerate along the way—to be active into their middle 20s, in this culture. In some cultures, they're brutalized at an earlier age, and it stops. But in our culture, a European standard of culture today, young people tend to be pretty intelligent up until about 25; they're still capable of learning things, they're still capable of changing their minds, and getting over bad habits and so forth.

They also have something else: The Baby-Boomer generation today, is now between, generally, 55 and 65 years of age. That is the generation that's running the world, at least Europe and the United States. We have some of them who are viable. We have some in the U.S. Senate, for example, who are quite viable. They're going to be very useful for humanity. We have other people in parts of the society, who are quite viable in that age-group. But we have the people who are really on top, usually, are not viable, especially in business, especially in the universities. In the university today, typical students who have not yet graduated and have \$80,000 or \$100,000 debt to pay off—before they start to work in their career. And what are they learning? Almost nothing.

The guy who's doing the teaching is some poor slob, who's underpaid and neglected. The higher paid professors

are kept on, because they're peddling papers which attract support from foundations. They don't know much of anything. They simply are trying to plagiarize, or do similar kinds of things, to peddle these papers to foundations for foundation grants! Universities are places trying to get foundation grants. People of my generation could not have received a university education at today's prices. Couldn't have done it.

So we have destroyed, we are destroying the population who would become the professionals. And it's being done, in the corporations, in the management of the corporations, by the way work is organized; it's being done by deindustrialization; it's being done by conversion to a services economy; it's being done by the increase in poverty through service economy.

Like the case of Berlin: Berlin can not survive, because the Allies won't allow it. The British and French would start war, if Germany were to reindustrialize the area around Berlin. Berlin can not get enough income, to support Berlin! As the nation's capital. Why? Because they're not allowed to maintain AEG and the other types of industries that used to be there, which provided a key part of the tax-revenue base to support the city of Berlin! Berlin is now shrinking and decaying: Because it is not *allowed* to raise enough income, to generate enough income, to pay for its own people, to pay for its own government. It's bankrupt! And other parts of Germany are in similar conditions.

Thatcher and Mitterrand, and also the French fascists generally, do not want Germany to survive. They hate Germany! And therefore, conditions are imposed under which Germany will die, unless these conditions are broken.

You have similar conditions in other parts of the world. It's an extreme case, because Germany is the key country for any survival of Europe. Without the German economy functioning, there's no possibility of a functioning European economy: It's not possible! It's dead. France can't do it for ideological reasons. It could under de Gaulle, with the de Gaulle-Adenauer alliance. That was a positive direction. But Mitterrand ripped that up, and it no longer exists.

So therefore, we have this problem.

The Development of the Youth Movement

Now, what you do, if you're smart, and you see it inside the United States, what we've done with the Youth Movement, what you see with this recent publication in *EIR*, which I think some of you have seen by now: that we have produced a development among the youth, the Youth Movement in the United States, which is now having a certain independent quality of character. And you see it in the work they've done.

What we did, essentially, we did what should have been done a long time ago, which I've insisted upon: *Scrap* what is taught as a standard of science today—scrap it! Go back to the beginning of European civilization, in ancient Classical Greece. Forget Aristotle! Urinate on Aristotle every chance



EIRNS/Sylvia Spaniolo

The education program of the LaRouche Youth Movement has ensured the survival of Classical scientific method, and, in effect, the immortality of LaRouche. Here, LYM members in Oakland, California work on Gauss conformal mapping.

you get. Because Aristotle is what has destroyed Europe more than anything else. The idea—it's the destruction of the ability to think.

We went back to the Classical Greeks, went back to something which, of course, I've been committed to for a long time—but, we have these young fellows around, they wanted to learn something, they need to learn something, universities won't teach them. We're going to have to teach them. So we set forth a program in the work of science, and also similar things in music, limiting ourselves, essentially, to one thing, essentially to Classical musical composition. And to understanding particularly the chorus principle. Because, instrumentalists sometimes have great difficulty in understanding music, because they believe in a fixed *do* scale. They calculate an arithmetic scale. And assume that the piano keyboard, tuned, is the standard of music. And a piano keyboard is not the standard of music.

The Bach choral work is the standard of music. Because, as you do the same thing with, say, a string quartet: A string quartet is a chorus, it's a singing chorus. It is not a keyboard. Because the performer, the string performer, in a quartet, is actually *singing* in the mind; and is able to cause the strings to sing, in resonance with the mind. And therefore, as in the chorus, where you slightly flatten or sharpen, in order to fit the modality that is required by the composition, so in the string quartet, as our dear friend of the Amadeus Quartet [Norbert Brainin] did, you could hear it clearly: You would hear a sense of the perfection of a complete unity of effect, from the beginning to the end. And the unity of effect was caused by these adjustments in modality, which anyone

can hear if they're listening carefully, in choral work: You hear, that if you sing the notes as what you think is on pitch, you're going to miss it. You're going to make a mess of it. You're going to produce a corpse, not the living music.

Because the purpose in musical composition, is to have unity of effect from beginning to end, so the *mind gets a single idea*. Not several ideas. Not parts. Not a jigsaw puzzle. But a single conception from beginning to end, which draws the mind in. So that, you forget the performers, you forget the faces, you forget the score. You have a *singleness of effect, a single idea* . . . as an entire composition.

And of course, this is what Furtwängler was attacked for, which he sometimes referred to as "playing between the notes": It's this adjustment, which comes from the experience of directing vocal polyphony, choral polyphony, in the Bach mode. *That's* where the training comes from. Because the *idea*, what music *is*—the difference between Romanticism and music, is *that*. The *singleness* of effect. A composition is a single idea. A book should be a single idea. A musical composition should be a single idea. A Classical painting is a single idea. It's a unity of effect. Because, it's the same thing you get in science. One of the great difficulties in this whole process, is, that some people think there's a difference between physical science and art. There is none. Except, unless the art, or the science, is incompetent. If they're competent, they're the same thing. Because the same thing comes up. It's the quality that distinguishes the human mind from that of an ape. An ape can learn to play the piano, but an ape can not learn to sing in a chorus.

You think about what we demonstrated, with what the

youth did in these examples, these 19 examples they did in this edition of *EIR*: In each case you locate an idea. A universal principle can not be seen. It is not an object of sense-perception. But it's something that controls the effect which you perceive. Because it's universal, it is not an object you can see! Because it's universal! You can't see gravity, because gravity does not run around with arms and legs! Gravity is not a ball; it is not an object you can see in a mirror; it is not an object you can see with a telescope. But it is *efficient*, as a universal principle.

So, if something is efficient, and universal, how can you see it as an object? You can't: Because you're inside it. That's true of all principles. All true scientific principles, all principles of Classical composition, are of that nature. You can not see them as objects with the senses!

However, in teaching, it's important to try to find a way, of representing the *effect* of a universal principle, in a way which is visible. For example, let's take the case of what they did in Boston, with the construction of the catenary curve. Now, there are things you can do—you can think a catenary curve. You can take a hanging chain and you can move it around, and you can draw, photograph it, draw the picture. But that's not the catenary. You're not presenting the principle, you're presenting a *mirror* of the principle.

Now, what you want to do, is say: What's the principle? *Generate a catenary* by some means other than a hanging chain. Construct it! The way a machine-tool designer would construct something.

So now, you don't show the principle, as such. But what you do, is, you show *how the principle works*, by generating a curve which corresponds to the catenary. And by generating it, by your willful action, you show that your understanding of the principle, is correct. It is now discussable, it is now communicable.

What you do with any discovery, is, you make a discovery of principle: The very fact that it's a principle means *you can't see it!* It is not sense-perceptible. Its *effect* is sense-perceptible, but *it is not* sense-perceptible. Now, you have to find out, to demonstrate this principle, to demonstrate you have willful control over the use of the principle. So therefore, you *do* something that demonstrates that you have willful control over what you contend to be a principle. And by what are called "crucial experiments," or "unique experiments," as Riemann called them, you now know what you're talking about.

But our society is based on people who don't know what they're talking about. Because they will go to a dictionary. They will go to some reference work. They'll play with a computer, and say, "I don't see this on my computer."

"Ah, but it sees the computer." The computer doesn't see the principle, but the principle can see the computer. Hmm?

So anyway, this is the kind of issue that's involved here: Is to get a generation of young people, who will revitalize old people, and get them to become human again. Revitalize

them, by going through the experience of making actual discoveries, *as opposed to learning to "repeat after me" to pass an examination.* The experience of actually *making a discovery.*

Now, the only place in physical science, where this is done effectively and consistently, is with the method of *Sphaerics* of the ancient Pythagoreans, Plato, and so forth; and their continuation. And therefore, the thing you do, is, you take Aristotle, you take Euclid: *You throw them away!* Just throw them away! They're garbage! They're brainwashing! And avoid piano keyboards, until you've learned to sing, and sing in chorus effectively.

The principle is the same: the principle of chorus, the principle which Furtwängler expresses so emphatically, so brilliantly, by his conducting, is something that you can not measure, in the sense of measuring an object. But it's something that the human mind can comprehend. The audiences find themselves inspired, by something *they don't understand.* It works! And they're fascinated, by hearing this again, and again, and again, in different forms. It works!

It works—just like we used to—Norbert Brainin and [the Amadeus Quartet], what they would do: It works! It keeps working, and they keep improving it! And you can see it's an improvement. Not that they become much better musicians, in quality, they just developed. They now understand, have a deeper insight into the same thing; and now, they do it a different way!

This Andras Schiff, for example, every time he does something, it's different! The same work, it's different! Why not? He's a creative personality. He's constantly seeing new implications. And you say, "Well, what's your formula for these discoveries?" He doesn't have a formula! It's the act of discovery! Of a mind which is attuned to making these kinds of discoveries.

So, what we need, is, we need young people who come from a generation, who are adults, who don't think of themselves as adolescents any more, but think of themselves as having the responsibility of being adults, that is, a sense of *sovereignty*, of sovereign responsibility for their own development and lives. Hmm? And you have to enable them, to discover within themselves, those powers which distinguish the man from the ape—which many people have preferred to forget about.

Because, if you take the youth generation we have, what we've produced, we've produced the children of broken homes; the children of broken promises; the children of broken formulations and broken families. If the young people today, coming into adulthood, follow what they have been destined to be, if they follow the trajectory which has been laid out for them, *they're doomed.* They are not 65 years of age. They are not about to be dropped out of the employment roster—as most of our business executives are today, and politicians. Therefore, they have to find a future. They have two generations, at least, before them, of life. They can't say,



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New York Historical Society

Historically, revolutions have been led by youth, and the American Revolution was no exception. Shown here are the Marquis de Lafayette and Alexander Hamilton, both of whom were in their early 20s during the War of Independence.

“My life is finished, I need a retirement someplace.” They *need* a life, they need an active life, expressed as a human being, not as a monkey, but a human being. And what they’ve been conditioned to do, by their society, *does them no good!* They have to break free of what they’ve been on a trajectory to do. Therefore, they must find *fundamentals*, which have universal validity, and subordinate the development of their personality and life to the discovery and mastery of those principles.

And by that means, you bring vitality back into the entire population.

Creating the Idea of a Future

If you look back in history, you will find that every important revolution, in history, has been made, chiefly, by a youth generation of young adults. The American Revolution: Look at the authors of the American Revolution. Look at the leaders of the American Revolution. Look at the *ages* of the leaders of the American Revolution, at the time they were leading. What age were they? *They were the same age as our Youth Movement! The same age.*

Look throughout history, before then: *the same thing.* A few older people, a handful of older people, and young people. Why did they condemn Socrates to death? A man in his 70s? He was “corrupting the youth.” How was he corrupting the youth? By opposing Sophistry.

And therefore, a smart society, an intelligent society, like mine—my generation or before—would realize that the education, the educational development of the youth into young adulthood, was the foundation of the future of the entire society, was the only premise for the realization of the purpose of the *existence of the society*. Because we all die, and therefore, the purpose of our existence as human beings lies beyond the experience of our life. Our life depends, and the value of our life depends upon, what we can confidently believe, will be the outcome of our having lived, and to that purpose, therefore, the development of the generation of adult youth, is a

thing of primary concern to us. Otherwise, we are no-future people.

And what has been done to the population of the Baby-Boomer generation, through what it’s been subjected to, is they were converted to becoming a no-future generation! In a society, which is dedicated to the proposition of creating a no-future generation: End of History Generation!

And therefore, if you’re older—my age or slightly younger—and you want your future back, you’d better be concerned about letting the youth develop in a creative way.

This principle is understood, in leading circles in the U.S. Congress. When people saw the Youth Movement, what they said, was (referring to me), “My God! He’s going to be around for a long to come!” Because we’re relieved of the certainty that my death will eliminate me: They just won’t eliminate me! It’s going to *haunt* them for generations to come!

You can’t get rid of me! Maybe you could have gotten rid of me in ’98, but you can’t get rid of me today! I’m imperishable.

And that’s the point. We’ve done this in the United States. I understand these things very well. I’m an old, wise man at this point, and I can say things that nobody else would dare to say, but I just stick to—they’re *true*, that’s the only difference.

What we’ve done in the United States, in the influence we’ve exerted for ideas, which are largely my ideas, but they were not propagated by me only: They were propagated, because we have a Youth Movement, and because we have a related *handful* of our total membership—I tell, you a *handful* of our total membership in the U.S., of the adult generation, or shall we call it the “adulterated generation”? A *handful* who actually have made any intellectual contribution, at all, to what we’ve achieved in influencing the U.S. government today, and institutions in society, today. A relative handful of the older people. And that’s the way things are! It’s the mediation, and development of the young generation.

Our problem, of course, the biggest problem we have in the Youth Movement is a lack of money. Not *merely* because young guys don’t get much money—that’s stretching it somewhat, hmm? Because we can’t *afford* to recruit them! We can’t afford to support them! Otherwise, we’d have thousands, including here. You want a 3,000 youth movement in Germany? We could do it. We could organize it, we could recruit it—no problem at all—provided the money’s available. And they don’t take much; they work cheap! I don’t know how long that’s going to go on, though! They probably get more expensive, as time goes on.

But anyway, that’s the reality of the situation.

It’s a relative—it’s this *idea of a future*, the idea of creating a future for mankind, for society. The understanding that, here we are, most of us who have been running this organization for a long time, are now between 55 and 65 years of age. What’s the future? How much grease have they got in their joints? To keep moving, the way they have?

Therefore, what’re we doing about the future? What is



U.S. Navy/Mate 2nd Class Angela M. Virnig

Our immediate mission is to save the machine tool capability, particularly in the United States, LaRouche concludes. Here we see a skilled machinery repairman at work on a U.S. ship.

our opinion today worth if we don't have a future? Who cares about the opinion of a man with no future?

So therefore, the struggle is that. And that's what we did in the U.S. The intelligent people saw. When our people go into the Congress—you can't do this in the institutions here, it's one of the backwardnesses of Europe; you don't have the freedom, of young people to walk into the leading legislative offices of Europe, and meet with those organizations, as we do in Washington, D.C. Our youth who are in Washington are all over the place, they're all over the House of Representatives and Senate; they're all over the institutions of Washington, D.C. And since they're young and active, they're able to go into many institutions in the course of the same day. And the impression you get in Washington, when you talk to some of these guys who've met the youth, they say, "We had a couple thousand of your youth"—we had maybe 50 there—"a couple thousand of your youth were all over the streets yesterday, all over the institutions, yesterday!"

So, that's where the future lies. And that's what we've done.

Americanism, Not Oligarchism!

And we have to make, before us, as the program to summarize it, the machine-tool principle is the exemplification of this: the machine-tool layer of the population, which in Germany tends to be the *Mittelstand*, concentrated in the *Mittelstand*. Now the *Mittelstand* is comparable, as you've seen recently, to our machine-tool specialists in the unions in the United States, like the auto unions. They think the same way, they have the same motivation. The *Mittelstand* in Germany,

if they're serious, are not interested in business as such. To them, business is a way of expressing what is important to them about their life. The tendency in the *Mittelstand* is the closely held firm, which the owner would like to pass on to somebody of his own family, or somebody else who worked in the place, to come. They have a sense of the future: Their orientation is to the future. Their orientation is to ideas. Their orientation is to creativity. The same kind of essential motivation, that we see in the machine-tool specialists in the United States in the auto industry.

The thing to understand from this, is, that we are on the verge of entirely new types of products, and new kinds of industries, new extensive development in infrastructure: All of these ideas are now present, in what we have in the United States. They're present—how well they're going to be gotten implemented, I don't know. I can't tell. But

they're in that direction. We need the same thing here.

What you need to do, is produce an American-type factor in Europe. Not a European-type factor. Europe already has too much Europeanism. It needs a little Americanism, of this type.

It must understand that oligarchism—look self-consciously about the idea of oligarchy. Look at the television sets. Look at the newspapers. Read them, with trying to see what kind of mind you're looking at, in the author. And you're looking, usually, at the *oligarchical tradition in Europe*, which is one of the great advantages in the United States. The second thing you're looking at, is, the respect for *monetarist principle*, or Venetian principles, which you don't have in the United States, in anything like the same degree. We have the corruption of it, but it's not intrinsic to us. These are our advantages.

So, think American. Don't think European. Because European, as such, is doomed. And recognize that what we built in the United States, with all the imperfections we have in it, was an expression of the *highest intention* of Europe, which was *sick* of the defeat that Europe had subjected itself to, over the period since ancient Greece, ancient Classical Greece, until modern times.

The United States represents the highest expression, existing on the planet today, with all its imperfections, of European intention. This is the intention of the soul of Europe: Use it. Understand it.

The death of the organization in Europe, would be anti-Americanism. Bush is not American—we're not even sure he's human. So, that's it.

Implications of The Iraqi Elections

by Hussein Askary

First putting things in context: The drive to impeach U.S. Vice President Dick Cheney and his obscure bodyguard George W. Bush is the factor that would make Iraq, or break it. As long as Cheney remains at the wheel of the ship of the state of the United States, Iraqis would not be able to sleep quietly nor enjoy the daylight.

The fact that there has been a political process tending to “relatively” stabilize the military situation in Iraq and to get the different Iraqi factions, including the insurgents, to allow the elections to be held on Dec. 15 in a peaceful atmosphere—where everyone would be allowed to participate, and where U.S. military attacks in rebellious areas would cease—has depended on the weakening of the position of Cheney and the neo-conservative cabal in Washington in the recent months.

Interesting Anomalies

It was an interesting surprise, even to this reporter, to see the leaders of the Iraqi factions (who were on the verge of insanity in September, holding the whole country one breath away from the bloodiest civil war in the country’s history) meeting in October in Cairo to discuss national reconciliation, and bringing the insurgents (terrorists in the neo-con jargon, and freedom fighters for many Iraqis) back into the family. That meeting in late October, under the auspices of the Arab League, was the result of intensive efforts mainly by Saudi Arabia and Egypt to convince the Iraqi Sunni groups who are sympathetic to, or allied with, the insurgents fighting the U.S.-British occupation troops, to seriously consider participating in a political process to keep the country together and avoid an imminent civil war.

Reportedly, Iran, Syria, and Turkey also played a role in the effort. According to well-informed regional sources, the involvement of Saudi Arabia and Egypt (the two closest traditional U.S. allies in the region) reflected a coordination with factions inside the United States that were willing to form an organized exit strategy from Iraq, while maintaining the unity of the country and avoiding the spread of sectarian violence throughout the region. And that is definitely not Cheney’s faction.

However, it is not the intention of this report to give a rosy description of the situation in Iraq. There are certain interesting anomalies in the situation that should give rise to wondering about the dynamic of the political processes affected by the active intervention of the LaRouche movement inside the United States. However, one should not be

prevented from seeing the potential dangers lurking in every corner. It is sad, but true, to say that if Iraqi leaders of all different colors and inclinations were left on their own at this moment, they would make a miserable mess out of a potentially great nation. There is nothing in their character or ideology today, which would independently bring this ship safely to harbor. The horrific events during and after the U.S.-British invasion in March 2003, and the deep scars left by 30 years of Saddam Hussein’s dictatorship and regional wars, have destroyed a great deal of the Iraqi people’s capabilities of political judgment.

This, and the factor of Cheney’s continued enthronelement, would hang like Damocles’ sword over Iraq and the whole region. There are increasing concerns among the governments of South West Asia that the Bush-Cheney Administration is preparing a military strike, either surgical or overwhelming, against Syria, Iran, or both to cause the destabilization of the whole region, and to give Bush and Cheney a reason to continue their drive to run the United States dictatorially in a state of permanent wars.

Now back to the Dec. 15 elections. The elections were held in an unusually calm atmosphere, where assassinations and military attacks had subsided. Insurgent groups declared that they would stop their activities to allow the elections to be held. Unlike the previous elections in February when the insurgents threatened to attack polling stations, and Sunni groups boycotted the elections, this time the Sunni participation was overwhelming. The preliminary results of the general parliamentary elections in Iraq indicated beyond any doubt how the country has been divided along ethnic and sectarian lines. The uncertified partial results released by the Iraqi Independent Elections Commission on Dec. 20 show the division of the country among four main groups: the Shia Arabs in the south and in the capital Baghdad, the Sunni Arabs in the northwest, the Kurds in the north and northeast, and a secular nationalist group headed by Ayad Allawi, former Prime Minister under the occupation, which is concentrated in Baghdad and some southern cities.

Typical are the results from, for example, Missan Province in the south: The United Iraqi Coalition (alliance of Shia religious groups) 86.8%, other minor Shia parties 5%, the National Iraqi List (secular nationalist-Allawi) 4.33%. Another example, Anbar in the west: Iraqi Accord Front (Sunni religious) 74%, National Iraqi Dialog Front (Sunni religious-nationalist) 18%, National Iraqi List (secular-nationalist-Allawi) 3%. In the Kurdish region, Erbil: The Kurdistan Assembly (coalition of PUK and PDK secular Kurdish separatist parties) 87.1%, Islamic Movement in Kurdish (Kurdish religious) 10.8%, other minor Kurdish groups 2%.

The only contested province is the capital, Baghdad, which has the largest number of voters among all Iraqi provinces: 2,445,000. According to the Election Commission, the Shia United Iraqi Coalition scored 58%, the Sunni Iraqi Accord Front 18.9%, the National Iraqi List 13.8%, and the Kurdish coalition 1.6%. Upon announcement of the results in



U.S. Marine Corps/Lance Cpl. Shane S. Keller 2nd

The relatively peaceful balloting in the Dec. 15 Iraqi elections indicates that it may be possible to prevent civil war, but only if the Dick Cheney apparatus, which brought war to the country, is finally gotten rid of. Here, voting in Rawah, Iraq.

Baghdad, wide-ranging protests took place there and in other cities, demanding an investigation of massive fraud and irregularities. The Election Commission was forced to declare on Dec. 28 that it would nullify the results in various polling locals in Baghdad and five other provinces.

In the meantime, threats and counter-threats have continued to be pronounced by the different political groupings, but mostly from the Sunni parties. They regard the results, in Baghdad especially, as a conspiracy to keep them out of power, in spite of the fact that they agreed to participate in elections under the military occupation of a foreign force, something they had previously refused.

Allawi's party also protested strongly. On Dec. 26, more than 10,000 people, some carrying photos of Allawi, marched through the streets of Baghdad to protest the election results, and call for the establishment of a government that would give more power to Sunni Arabs and secular Shiites. The demonstrators chanted "No Sunnis, no Shiites, yes for national unity." This sense of national unity is also mixed with distrust among the different groups. The Shiites would rather have a coalition with the Kurds, than with the Sunnis, whom they regard as old supporters of Saddam Hussein's regime, which was torturing and killing its Shia opponents. Ironically, the current, Shia-dominated government, has been recently exposed as having secret prisons, where Sunni opponents were being tortured and interrogated with methods similar to those of Saddam Hussein's security apparatus.

The Kurds, on the other hand, are worried about the possibility of the emergence of an Arab alliance of Shias and Sunnis, which would undermine their position as a power-broker and the position of the Kurdish region as a semi-independent state. Allawi's grouping of secular forces is concerned with the fact that the country is being taken over by religious funda-

mentalist groups, whether Sunni or Shia.

The results show this other aspect of the horrendous situation, where, with the help of the Bush-Cheney Administration and the Blair government, Iraq is being delivered on a platter to religious fundamentalist groups whose objective is to turn the country into a theocratic system. This embarrassment is probably the reason behind U.S. Ambassador Zalmay Khalilzad's heavy involvement in the negotiations on the forming of the coming government. Although the results are not yet conclusive, it is clear that the Shia group will not have an absolute majority in the Iraqi parliament to form a government by itself. Therefore, a Byzantine form of negotiations is going on among the Shia, Kurds, Sunnis, and secular groups. Obviously the remaining results of the elections will not be determined by counting, but by negotiations.

As late as Dec. 28, leaders of the Shiite and Kurdish blocs, meeting in the Kurdish city of Sulaimanya, revealed that they are going ahead with efforts to bring Sunni and other parties into a coalition government. The negotiations are conducted by the Kurdish leaders Talabani and Barzani, together with Abdul-Aziz al-Hakim, leader of the Supreme Council for the Islamic Revolution in Iraq, the leading group Shiite Coalition. Allawi and representatives of Sunni groups are also expected to arrive in Sulaimanya. "We agreed on the principle of forming a government involving all the parties with a wide popular base," the Kurdish regional leader, Masoud Barzani, said after talks with Hakim.

Divisions Persist

There are discussions taking place elsewhere in Saudi Arabia, United Arab Emirates, Turkey, and Iran on the nature of the emerging government. This means that the coming government will be simply a nice cover for the actual division

of the country. It will not be capable of resolving major issues, such as changing the disputed draft of the permanent constitution of the nation, or negotiating an exit strategy with the United States and Britain if that possibility emerges.

One major aspect of the Iraqi tragedy, the economy, will definitely not be improved. The last two governments since the invasion have shown no intention or knowledge of how to improve or rebuild the collapsing Iraqi economy. Living conditions continue to deteriorate. Just a few days after the elections of Dec. 15, the government issued another insane economic policy, removing the subsidies on fuel prices. This meant an immediate eight-fold increase of the price of all kinds of fuels. The Iraqi population has depended heavily on subsidized fuel, food, and health-care for many years, because of the war conditions which existed since the 1980s. Under pressure from the International Monetary Fund, the Iraqi government is removing that protection from the economically devastated Iraqis. This shows that this government and the coming government will not act in the interest of the general welfare of the Iraqi people.

Therefore, Iraq's internal political-economic situation will not improve until the overall U.S. policy changes, and new legitimate elections are held whereby a totally new draft of a republican constitution is composed.

But Chalabi's gone

One good note is worth mentioning. It is a good sign for the forces of good, and a bad omen for Cheney's cabal. Ahmad Chalabi, Cheney's favorite pet Iraqi, and provider of much of the falsified intelligence to justify the war on Iraq, was totally smashed in these elections. As late as November, while Chalabi was on a visit to Washington to meet with his masters, he was being touted as the number one candidate to assume the position of next Iraqi Prime Minister. Iraqi voters did not give Chalabi even 1% to allow his party National Iraqi Conference a single seat in the parliament. He got 0.36% (8,645 votes out of 2.5 million) in Baghdad, 0.34% in Basra, and 113 votes in Anbar province.

His election slogan had been, "We Liberated Iraq." In the words of one political expert, it appears now that the Iraqis are liberating themselves from Chalabi.

But because of all his pre-war intelligence manipulations and dealing with the Iraqi groups who are now in power in Iraq, Chalabi remains a dangerous man. He keeps the books on most of the communication between the U.S.-British intelligence and the different Iraqi groups. His ties to the neo-cons and Cheney, and probably to Israeli intelligence would keep the Iraqis in tension.

But, unless the Iraqis are liberated from Chalabi's master, Dick Cheney, things will continue to remain in suspension. The world for the Iraqi nation, and the rest of the human race, would be a happier place once Cheney and his cabal were kept away from power, either behind bars or in some potato farm somewhere a long way from Washington.

Is Cheney Setting Up Turkey Against Iran?

by Muriel Mirak-Weissbach

It seems that hardly a day passes without a statement by Turkish Foreign Minister Abdullah Gül, denying reports of an alleged deal struck with U.S. intelligence officials concerning belligerent moves against Iran. On Dec. 24, Gül rejected reports, carried by a German press agency a day earlier, that his meetings with FBI director Robert Mueller and CIA head Porter Goss, had dealt with any third countries, be it Iran or Syria (as some reports claimed). Such claims, he said, were "pure imagination." Two days later, following a meeting in Cairo with Egyptian Foreign Minister Ahmed Abu Gheit, Gül again was asked about the reports, and again issued a clear-cut denial: "Such allegations are fictitious," he stated, adding that the CIA and FBI leaders had made "routine visits."

The story put out first by Germany's second largest press agency, ddp Nachrichtenagentur, was what the Germans call "hard tobacco;" it said that Goss, during his trip to Turkey in mid-December, had taken with him three dossiers on Iran. One alleged that Iran was working together with the al-Qaeda terrorist organization; another presented material on Iran's nuclear program; and a third, asserted that Iran viewed Turkey as an enemy, and would try to "export its regime." The upshot was that Turkey, therefore, should support the U.S. in its actions, including aerial bombardments of nuclear sites and military installations. According to the report, Goss offered the Turks a *quid pro quo*: if they assisted the U.S.—presumably with intelligence information, or basing rights—they would be informed prior to the air strikes in due time, in order to be able to launch strikes themselves, against positions of the Kurdish terror organization, PKK, inside Iran.

The claims made by Goss's dossier are patently absurd, as any competent intelligence officer should know. Iran has a long history of animosity—including armed clashes—with al-Qaeda, as well as with the Afghan-based Taliban. Furthermore, Iran's relations with Turkey have not only been unproblematic, but have steadily expanded in the recent period. As for the nuclear issue, that ball is in the court of the International Atomic Energy Agency (IAEA), in Vienna.

That Goss should have presented such dossiers, especially in light of the political earthquake in Washington, around the manipulated, if not manufactured, phoney intelligence regarding Iraq's alleged weapons of mass destruction and al-Qaeda ties, is outrageous. But that does not mean the report

is false. Indeed, most interesting in the ddp story is that it cites "German security circles" as its source. Furthermore, the story was given credence in another German wire story by Udo Ulfkotte, a journalist known to have privileged relations with high-level German intelligence circles. So, some German intelligence circles wanted to blow the story, in an attempt to kill the operation, and keep Germany out of it. Memories of the Iraq war are still fresh in Berlin.

Ulfkotte pointed out in his *Passauer Neue Presse* Online (PNP) story, that Mueller's visit to Turkey had preceded Goss's by only a few days, and that Turkish Land Forces Commander Gen. Yasar Buyukanit had been told during a visit to Washington at the same time, that the Turkish army should be prepared "in the middle term" for a U.S. military strike against Iran. Ulfkotte added that, "according to German security circles," NATO General Secretary Jaap de Hoop Scheffer, during a stop in Turkey, had been briefed on the American plans.

The story does not end here, however. On Dec. 22, Israeli IDF Chief of Staff Halutz also visited Ankara, for one day, and met with political and military leaders. In his talks with Chief of Staff Gen. Hilmi Ozkok, the agenda included "Islamist terrorism" and Iran's nuclear activities. Ozkok reportedly warned against any Israeli intervention in Iran, which would be very risky, and argued in favor of a diplomatic solution.

The message transmitted by Goss and Muller, however preposterous, was received in Turkish government and diplomatic circles. On Dec. 21, Ankara's ambassador to the U.S., Faruk Logoglu issued the first such official statement, alleging Iran's nuclear weapons ambitions. "In my view," he said at a Washington-based thinktank, "Iran is irreversibly bent on having nuclear weapons." However, he shied away from any military option, and proposed that Washington launch a direct dialogue with Tehran. "Direct U.S.-Iran talks are needed, but I don't think this is likely in 2006," he said, adding, "The Iranian situation will inevitably affect Turkey." He also noted, "Tensions between the United States and Iran will reflect on our relations with the United States and with Iran. This happened on Iraq."

Turks Want No Adventure

Turkish sources, as well as an Arab source well versed in Turkish politics, confirmed the Goss-Mueller mission to *EIR*, and agreed that there is no way that Turkey could or would sign on to any such wild adventure. One Istanbul source reported that the Goss-Mueller visits had taken place in the wake of the revelations of CIA secret flights and secret prisons. The affair had exploded into a scandal in Turkey, since there had been rumors of Turkish involvement in plane landings at Sabiha Gokcen airport on the Anatolian side of Istanbul. The Turkish press had asserted that the U.S. authorities had even questioned persons arrested by Turkish authorities, which created an uproar: Who is in charge here? Who is asking the questions, the U.S. or the Turks? were

some reactions.

All three sources agreed that the Iran caper proposed by Goss, had placed the country somewhere between a rock and a hard place: given that Turkey is a NATO member, a U.S. ally, and has a military agreement with Israel as well, it is vulnerable to such heavy-handed pressure. On the other hand, public opinion is unwaveringly opposed to participation in any regional war ignited by Washington or Tel Aviv. As became manifest during the Iraq war, when the Parliament voted against allowing U.S. troops to move from Turkey into Iraq, the political establishment could not become complicit in the conflict. Whatever assistance might have been supplied, must have been carried out with total discretion.

The bottom line is: the Turkish government does not want confrontation with Iran, and will continue, therefore, to deny that it has even been approached for such a project. The two Turkish sources stressed that Turkey and Iran have not had border disputes or any other such conflict for hundreds of years, and that there is no reason to start now.

Although concern over Iran's nuclear program has increased in the political arena, especially in light of recent anti-Israeli statements by President Ahmadinejad, clear heads realize that there is no imminent danger from Tehran. As Lyndon LaRouche remarked in this connection, the factional strife inside Iran, which has exploded since the presidential elections brought a hardliner to power, is such that there is no rationale to the argument that military action is required, to eliminate Iran's nuclear facilities. Rather, LaRouche stated, the entire affair has more to do with the trials and tribulations of Vice President Dick Cheney, than with anything occurring inside Iran. The political noose is tightening around Cheney's neck, as the multiple scandals around CIA flights, secret jails, and NSA spying on American citizens, are feeding the impeachment fever in Washington. A desperate Cheney could contemplate any wild move—including talk of a military attack against Iran—to try to change the subject. In fact, considering the quality of intelligence that Mr. Goss presented in his three dossiers, it is highly likely that it was produced in the same kitchens and sent up the same stovepipes, as Cheney's pre-war intelligence on Iraq.

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Moscow Paper Covers LaRouche Berlin Meet

by Rachel Douglas

The Dec. 23 issue of the Moscow weekly newspaper *Slovo* carried Prof. Stanislav Menshikov's report on the Dec. 9-10 *EIR* seminar in Berlin on the post-Cheney era, under the headline, "The New Program of the American Democrats: The U.S.A., Too, Needs a Recovery." Highlights of the 2,300-word article include Menshikov's report of how LaRouche explained that "Cheney must be removed," as the means to get the policy-change process going, and the professor's forceful argument that the "revolutionary" developments from the Democratic Party can spell the end of neo-liberalism, including in Russia.

Professor Menshikov, who has been one of Russia's top experts on the United States for the past four decades, presented a detailed summary of House Minority Leader Nancy Pelosi's speech at Harvard University, in which she evoked President Kennedy's commitment to put a man on the Moon. He also noted recent speeches by Rep. George Miller (D-Calif.). Enumerating the several points of their program, Menshikov emphasized that "the idea is to direct additional government financing into the development of science and technology," and towards creating new jobs.

"Preempting critics who would cynically presume that these Democrats merely want to compete with India and others in the 'information' economy, Menshikov wrote, 'Many people in the U.S.A. consider the Democrats' new program revolutionary, because for the first time since Franklin Roosevelt and John Kennedy, an influential layer of the American elite is returning to the idea of active government intervention in the economy, and is doing so not merely with respect to measures aimed at overcoming the latest economic crisis, but in connection with a program for the long-term revival and upgrading of industry—and not through an arms race, but by providing incentives for sectors of the civilian economy.'

Menshikov then reported: "In early December I once again had an opportunity to take part in the latest international seminar, organized in Berlin by the leading economist and U.S. Democratic Party figure Lyndon LaRouche. Among other questions, the current economic and political situation in the U.S.A. were discussed. It became clear, that behind the speeches of Pelosi and Miller are deeper processes, of which few people outside the U.S.A. are aware." The Rus-

sian economist then summarized LaRouche's account of how things stand in the U.S. auto industry, the collapse of which threatens to wipe out America's remaining machine-tool capabilities. He cited the response to this danger, coming from within the Congress and also from the trade unions, and reported to the readers of *Slovo* on LaRouche's open letter to William Ford. Republicans are also involved, noted the article.

Dumping Cheney Can't Wait

Menshikov quoted LaRouche, to the effect that the change cannot wait three years till the next Presidential election, but must happen now. He summarized what LaRouche said: "The situation brooks no delay. The top-priority task is to remove Vice-President Richard Cheney, who is considered the chief ideologue and strategist of Bush's policies. . . . Cheney's resignation is entirely feasible, LaRouche believes, as long as there is no retreat, but rather a continuation of the offensive against him." Menshikov then reviewed the indictment of Cheney aide Lewis Libby and the continuing investigations by Independent Prosecutor Patrick Fitzgerald. He cited the precedent of how Vice President Spiro Agnew was removed, before the final assault on President Nixon. The door could be opened, for taking control over the Democratic Party away from Wall Street, and reviving a "government industrial policy."

"Why is it so important, for such a policy coup to take place?" Menshikov answered this question by reminding readers that the U.S.A. has been "the headquarters of economic neo-liberalism," which was also promoted worldwide, with the blessing of former British Prime Minister Margaret Thatcher and under the auspices of the International Monetary Fund.

These were the policies imposed on Russia and other former Soviet-bloc countries under the destructive market reforms of Gaidar and Chubais, "and their present-day continuers, Gref and Kudrin." Menshikov noted that when he and other Russian economists attempted to collaborate with Nobel laureates like Wassily Leontieff and James Tobin, against the neo-liberal agenda, "we were scornfully told by the ignorant neo-liberals, to stop praying to the 'idols of the past.' " Meanwhile, for the past 25 years all Nobel prizes in economics have gone exclusively to monetarists, "devotees of the cult of the market."

In conclusion, Menshikov wrote, "A turn in U.S. economic policy would strike a powerful blow against neo-liberalism and would help return world economic science, not only in the U.S.A., to a more progressive direction. . . . Perhaps such a change would help Russia get rid of its own neo-liberals, the high priests of the 'stabilization fund' kitty and sowers of government corruption. We, of course, would manage to deal with them ourselves, sooner or later. But neo-liberalism is a general, worldwide evil. And that should not be forgotten."

Amelia Boynton Robinson Brings Fight For the 'Real, True America' to Europe

Immediately after a tour of the West Coast of the United States, which began in mid-November, the 94-year-old Schiller Institute vice president, Mrs. Amelia Boynton Robinson, launched a high-profile tour in Italy and Germany. The honored U.S. Civil Rights Movement veteran, who began organizing African-Americans to vote in Alabama, in the face of what most people thought were insurmountable obstacles, 30 years before Dr. Martin Luther King came to the state, focussed on two major subjects during her tour.

The first was the creation and role of a youth movement for social change, specifically the LaRouche Youth Movement (LYM), which organized a substantial number of her events. Her descriptions of her fight for voting rights, and against discrimination, are invariably inspiring to young people, and she addressed a considerable number of young audiences, including secondary school youth.

The second subject was what she calls "the real America," the majority of American citizens who reject the policies of torture and war represented by the Cheney-Bush Administration. To her European audiences, Mrs. Robinson provided a fresh look at the movement which is being built under the leadership of Lyndon LaRouche, in order to restore the policies of Franklin Delano Roosevelt.

First Stop: Italy

Mrs. Robinson made an official visit to Rome from Nov. 28 to Dec. 4. She was received by the vice president of the Italian Chamber of Deputies, Hon. Alfredo Biondi, together with a delegation of women parliamentarians from the Democrats of the Left Party. The leader of this delegation, Hon. Silvana Pisa, told Biondi that Mrs. Robinson "represents the true America." Mrs. Robinson had numerous other political meetings, including with the former mayor of Rome, Francesco Rutelli, with other officials and the media, as well as high school students. Her autobiography, *Bridge Across Jordan*, was officially presented at the City Hall of Rome.

Throughout her visit, she pointed out that she represented the majority of Americans, and emphasized the necessity of getting rid of Vice President Cheney: "We want to take the country back" (see *EIR*, Dec. 16, 2005).

Tour of Germany

On Dec. 5, Mrs. Robinson made presentations in Dresden, in eastern Germany, and in Berlin, at Humboldt University. She addressed the John F. Kennedy Institute of the Berlin Free University, on Dec. 8.

On Dec. 9, she had her highest-level meeting in Germany, with an hour-long meeting with the vice president of the Bundestag (parliament), Katrin Göring-Eckardt. Göring-Eckardt was especially interested in the work of the LYM, as well as the social and economic areas of U.S. politics.

She addressed large meetings in Magdeburg, Hanover, Düsseldorf, Munich, and the Frankfurt region.

She brought greetings from "the real United States," and when asked why Bush was elected, she pointed out that he was "selected, not elected," and said that "America's society is corrupt, especially at the top."

Despite the problems in the world and the United States, she was optimistic, because of the role of the youth. Pointing out that African-Americans had to fight for 100 years after the Emancipation Proclamation, to get civil rights, she cited individual contributions by Martin Luther King, but pointed out that without the courage of Rosa Parks (whom Mrs. Robinson had known for years and visited two weeks before Parks died), and many others, the spotlight would not have been turned on discrimination in the South. King's work would not have been recognized, and he would have been only a church pastor. The world needs leadership, she emphasized, stating that she was happy to work with the LYM and with LaRouche. Like LaRouche, King had also been vilified, shunned, and called names, she said.

One student responded: "Now I know things can change for the better. And as the example of Rosa Parks tells us, what we do can make a difference for the nation."

We Must Fight To Overcome Obstacles

The following is the speech given by Mrs. Robinson at a Dec. 7 political meeting in Berlin, Germany, sponsored by the Civil Rights Movement Solidarity, the political party headed by Helga Zepp-LaRouche. She was introduced by Mrs. LaRouche.

I bring you greetings from the *real* America, the Americans who believe in the "land of the free and the home of the brave." It is very understandable, that what is going on now in the United States of America is not because of the fact the



EIRNS/Brendon Barnett

Civil Rights heroine Amelia Boynton Robinson emphasized the importance of the LaRouche Youth Movement as a movement for social change, in her tours of the West Coast and Europe. Here, she is at a meeting in Los Angeles.

real Americans are happy, or are part of it. When they woke up and found what was going on, after the Twin Towers were bombed, we all said, “I believe this is an inside-job.” And to think that the man who sits in the Presidency, who has been *selected*, not really elected, was the man who decided at the beginning, that he would finish the job that his father started, in going into Iraq and destroying it!

We have to realize how we struggled. Because, the United States is a melting pot. Nobody can say, no race can say, that “we’ve made America what it is.” And because of the fact that people have come into the United States, from the beginning in 1492, they came to build a country where there would be freedom, where there would be justice, where there would be understanding.

And people have fought for this. Then, we have Abraham Lincoln, who believed that he wanted the Union to stay together, that the slaves who were brought there would not be slaves any longer. And they fought for it, the Emancipation! But the system was so rotten with discrimination and segregation, that they began to realize—that is, in the South particularly—they began to realize that they did not have to work, because those who owned the property, owned thousands of acres, and the people from Africa as chattel.

Some people from Africa paid for their freedom. Some went to the United States free. Some of them, from the beginning, wanted to free the other people, and we had such people before the Emancipation, who fought for it, asked for it, and finally we got it, but it was not gotten just because of the fact they wanted it. By blood, sweat, and tears, we received Emancipation.

Because of the ignorance of the plantation owners, they

held themselves down to keep others down. As Booker T. Washington said, you cannot rise by holding somebody down, because you have to stay down there with them.

I’ll give you an example of the way it was, when I woke up and found out there was such a thing as segregation. I didn’t find that out when I grew up. I grew up in Savannah, Georgia, where I’m sure there was segregation, but my mother, who was very much outstanding in the stamping out of discrimination, never told us that there was a difference. But we fought. We didn’t fight by ourselves: We had people from all over the world who came to help us. And this fight started with Abraham Lincoln and Frederick Douglass, who begged, who wrote letters to Congress and the Senate, asking that there be no discrimination and no difference because of the person’s race.

But one of the first things that happened, that kind of cracked the ice, was when Franklin Delano Roosevelt became President—and he did not become President because everybody wanted him. He had to fight. And he was a man of faith, and a man of determination, and a man who had a program. And of course, his program paid off. If you could compare what happened before Roosevelt came in, and what Roosevelt did, you wonder: What is wrong with America, that they have destroyed the programs that really made America a great, great country?

What Roosevelt Did

Before Roosevelt came in, I was working, and I knew, I worked with people, and I saw people who were jumping out of windows—in fact, I heard of those who were jumping out of windows because they lost their money. I had the opportu-



EIRNS/Kasia Kruczkowski

Mrs. Robinson met for an hour in Berlin on Dec. 9 with the vice president of the Bundestag, Katrin Göring-Eckardt, who was especially interested in the work of the LaRouche Youth Movement in the United States, and asked to meet them the next time she was in Washington. She was also interested in current social and economic aspects of U.S. politics.

nity to put money in the bank, and like millions of other people, they lost it. People were on the street, they had nothing to eat, and nowhere to go; so they just lived on the street, and lived on whatever they could find, even in the garbage can.

Just think of some of the programs which caused the United States of America to be lifted up, and be a shining light for all other countries.

One of the first things he did, knowing that people had nowhere to go, they were sick, they were dying and nobody cared; so, these are some of the programs that he brought to fruition and put into effect, when he became the President: The Hill-Burton program, which opened and operated hospitals all over the country, that people would be able to have a hospital that they could go to. Today, hospitals have been closed, and people don't have hospitals within sometimes 75 miles. The Medicare program, where people put money into a fund, where, after they reach 65 years of age, they're able to go to the hospital, and go to doctors and get their medicine. The Medicaid program was for those who could not work, and they were elderly people, yet they got the same medicine and the same care that anyone else did. The welfare program was for those who were sick and had nobody to take care of them.

The Works Project Administration (WPA) program, the PWA program where *everybody* could find a job, and if you weren't prepared, then there were different places that they could go—and they were helped if they didn't have the money—where, whatever their potentials were, whatever they *wanted* to be, there was a place where they could go, and where their potentials were awakened, and they were able to prepare themselves and go out into the world and make a

decent living. There were finance programs, Reconstruction Finance Corporation (RFC) programs, peace programs, Good Neighbor policy programs, REA programs—and these are just a few of what Roosevelt put in operation—and the Bretton Woods program.

Two of the most outstanding programs were the reconstruction programs, where homes that were falling down, were able to be reconstructed. Then, the infrastructure program. One of the biggest programs that we had, was the program where they built dams. Water was overflowing, rivers were running wild, people had no electricity in the rural districts, and no clean water. So FDR had the reconstruction programs, the ones where they built the dams, many dams all over the United States, and one dam would cause more than 10,000 people to have jobs.

Many of these people who did not have jobs, professional people, and all of them, could get jobs in some form. To build one dam, we had to have surveyors, realtors, blueprint readers, artists; areas had to be prepared, timber had to be cleared, lumber companies would have to employ more people; machine tools were needed; steel mills had to be opened; bulldozers that could do the heavy-duty work had to be built; special trucks, excavations of the places where the dams would be; transportation for all of these places, bringing whatever was needed to build these great dams. Special roads would have to be built, or were built, for heavy-duty work; housing for displaced people, realtors had to get up and go to work, and find places for these folk and even build other houses; schools had to be opened in areas where the children were. There was more gas to be used; plastic had to be made, according to the specifications; sand and gravel had to be gotten and that meant great sand and gravel pits and quarries had to be found; cement had to be made. Steel, of course, had to be made, and a number of other things.

But more than 10,000 people on each dam could go to work, and there were many dams. And if people had no particular qualifications for these jobs, their skills were improved so they could get these jobs. If they had no potential whatsoever, but they had an idea what they wanted to be, under Franklin Delano Roosevelt, *everybody could work*, regardless of color, creed, denomination, or condition of birth.

Faith and Determination

But Roosevelt didn't just walk into the Presidency. He had quite a few obstacles, but he had faith. He had determination, that he would be able to have his program become a reality. And I don't know whether you realize it or not, but faith is a very strong thing: Faith is something that will carry us on, and if we don't have it, we will not be able to accomplish whatever we want to accomplish.

I'll give you one example: My husband and I decided that we were going with a lady to an island, an island 15 miles away from Savannah, Georgia. The boat that the man got for us, he said that the owner of the boat went up and down that



Mrs. Robinson with President Lyndon Baines Johnson in 1965, after he signed the Voting Rights Act in the White House Rose Garden.

Courtesy of Amelia Boynton Robinson

river all of the time. The river was just off of the ocean, where the big ships would come from New York, Boston, and places like that. And there was what we called a “pass,” where those big ships would come into this Wright River, which was the name of it, and into Savannah, where they would dock.

Just as we had gone a few feet beyond the pass, then a big boat, not recognizing the small craft, plowed through the water. The first wake almost filled the boat with water; the second one filled it. The next wake, or wave (whichever you call it), turned the boat over. When it turned it over, we were washed away from the boat—there were six of us in this group. I looked around and I saw the owner of the boat with his head down, and he had a life jacket on, but we had no life jackets, and I could not swim. The water was 42 degrees. The shallowest part of that river was 65 feet, and here, I could not swim; the others could not swim, having no life jacket on. I kept on saying to God, that “I can’t afford to drown. *I just cannot afford to drown! I’ve got too much to do!*”

Now, I had nothing to do! My husband and I—this husband and I had been married only four years, and everything was behind us. I kept on telling God—I didn’t have time to ask Him, but I just told Him, that I could not afford to drown: “I have too much to do.” Behind us, we had gotten the Civil Rights bill, we had gotten the Civil Rights Act, and I had been beaten, and had recovered. So, I just figured that now was the time for me to rest on my laurels. Instead of that, it was a different thing, because I kept on saying to God that I could not afford to drown. And, it seems as though He sent his angels, and they lifted me up out of that water, when around us, these six people, only two of us lived—the rest drowned. And that other person lived for a while and then died from trauma. Later on, they took us to the hospital, and we found

out that one person who had a little life in her had passed while she was in the hospital.

Meeting the LaRouche Movement

And then, I decided I would just go on with life. Having married again a man who wanted to go to New York, and who liked to travel, we went to New York to the Shriners’ meeting. And he was not a Shriner, and he didn’t think he could get in. We spent our time going around, looking at the displays that the different companies had. Then, somebody came to me, and said, “We have a blueprint to put water across the Sahara Desert.” And I listened for the first time. Then, he said, we have a program to drive drugs out of a section or community in New York. We’re going to invite you to come on and be at this meeting we’re having. I accepted the invitation, with the encouragement of my late husband, and this young man invited me to come to Virginia to a meeting.

I went to that meeting, though I knew nothing about this man by the name of Lyndon LaRouche—I hadn’t even *heard* about anything that would give me any foundation. But, because of the fact of knowing, that when people don’t want you to enjoy something, or to get the real essence of what that person is, they’ll never say anything good about you. They didn’t say anything good about Reverend Smith (I don’t know whether you know him or not); they didn’t say anything good about Martin Luther King; they didn’t say anything good about anybody who would release the trouble and the discrimination, and cause people to be free. So, when I heard of this man, I decided that I would go to this meeting and find out who Lyndon LaRouche is.

I found a man, who—when I look back at the *30 years* that my husband and I worked to free people on the farms,

having them get a place of their own, teaching them how to fill out the applications to vote—I found that those 30 years were wrapped up in what Lyndon LaRouche was saying. I found what we did under Martin Luther King and the Southern Christian Leadership Conference, the beatings we got, the going to jail that the young people as well as the old people got, even the killings of both blacks and whites, because we were disturbing their “way of life” in the South: All of that was enfolded in what Lyndon LaRouche’s program was.

My mind reflected back to 20 minutes having been in that water, 42 degrees, asking God to please let me live, I’ve got too much to do. And when I got to know this organization, when I saw that young people, the people who are carrying the burden, when I hear each time the message which is a message you don’t get anywhere else, I say to myself, “This is what God had for me to do, when I said, ‘I have too much to do.’ ” And today, it is just a wonderful thing to work with this organization, to work with the young people, to help them—and they give me more than I give them, because they give me youth and the determination to keep on going. And I give them whatever I have dreamed, through the years that I have lived.

Faith, Not Fear

But there are many people who are afraid of this organization, because it fights against the rotten system. I don’t know if you have it in your country or not, but our country does not want to be disturbed. The few people who are controlling the country, do not want anybody to pull the cover from off of the corruption, and that is what Lyn [LaRouche], the young people, the Youth Movement, are doing.

Because, first, they do not fear. They realize how detrimental fear is. Fear kept African-Americans down for nearly 200 years. They were afraid because the system said, “I’ll kill you.” But they were not brave enough to say, “Well, I’ll take it.”

But fear is something that starts in our minds, and it starts when we are afraid of little things—bugs, afraid of the dark, or whatnot. But it grows! Unless we do something, it grows. And when we become adults, often, if we don’t do away with that fear, we become paranoid. We become sensitive, every little thing hurts our feelings. We doubt anything but what we want. And we become gossipers.

If we have known anybody that seems to be successful, we become jealous of that person. And that jealousy turns into hate. And the hate is like a beaver that dams up a river; it’s like a mole that’s going underground, but you can see the effects of it. And finally, it becomes a cancer, that nobody can cure but the individual and God—they sometimes live in Hell; they become a living Hell because they’re not happy. And when you find people trying to take advantage of other people, they hate what they are doing, you can’t get a good conversation out of them—they’re living in Hell.

If each and every one of us were to realize the importance of spreading good news, it will help us individually. And it

will not only just help us, it will give us faith in what we do, because faith is just the opposite of fear, just as good is the opposite of evil. We have to try to get faith deeply rooted in our minds. Often, one thinks that there is an idea, and that idea is born, and he plans to develop that idea. The idea becomes a reality. The reality becomes a success—all because he has faith in what he does.

Number 1, we have to love ourselves. Faith loves himself. Faith is strong. Faith is challenging—you just don’t expect something to come your way, it is challenging. Get up and challenge it! And faith will insist. It is adventurous, and faith will tackle any problem that it wants to tackle.

Faith grows courage. Faith believes. Faith will listen—you don’t have to take everything everybody says, but one of the greatest virtues in the world, is to be able to listen and accept or reject whatever it might be.

Faith loves people. In faith, there is strength. Faith—and you have heard this before, I’m sure—faith is the substance of things hoped for, and the evidence of things unseen.

If we want to overcome a problem, we will have to have faith that we can overcome that problem. Because, in doing so, we have to realize that we can’t be complacent, we can’t be powerless if we have faith. And if we have faith in ourselves, we’ll have to do that. We’ll have to realize, when somebody comes to us and says, “I don’t want my child to be in that organization,” let them know the importance of being a part of an organization that is growing. It’s not only a political organization: It’s an organization that exposes every one of the youth who is in this movement to astronomy, to all kinds of languages, to culture of all description, to be able to make comparison with the right and the wrong. And it’s something you don’t get in a classroom.

And it is so much better for these young people to come in and help. And the thing about it is, they will stoop down and pick up the fallen, and help them to be somebody, and to do something.

These young people will soon take the place of chancellors, or parliamentarians, of Presidents, and in every field—it won’t be long—they will be prepared then, and they will realize that they’re not doing this for themselves. And you will find that these young people are the key, that unlocks the doors of the hearts of hate, fear, and anger, and replaces it with love. They are the match to light the fire of war against injustices, and mistreatment; and politically doing things that ought not to be done; that others cannot get any information as they do in locking down many of the things that are going on and people really don’t know, because it is censored. They are the ones that will help, to not only light the fire, but to keep it ablaze. They are the wind that is like a gentle breeze, that is being inhaled as a breath of love. And as it is being inhaled, it is a medicine of love, and justice. For justice is *sure* to come, when these young people are making contact with others. These young people will teach us, that we are on the wrong road. And if we listen to them, we will be able to get a sunshine of warmth of love in our hearts.

Editorial

Now, Are You Ready To Learn Economics?

There is no more appropriate New Year's resolution that American citizens could make, than that they will finally settle down to learn economics. This issue of *Executive Intelligence Review* is a good place to start.

The first step, is to forget about money. The amount of money available in an economy tells you nothing about whether it is prosperous or not. Indeed, the vast amount of money floating around in the current U.S. economy, which is officially declared to be prospering, is nothing but *debt*. The insanity of the situation is underscored by the fact that the Gross Domestic Product, which is what is rising, has nothing to do with what this country *produces*, but is itself a product of the speed and amount of purchases, a large part of which are speculation.

It is an encouraging sign that some modern economists understand the insanity of this situation. In his Dec. 29 broadcast on National Public Radio, economist and former Secretary of Labor Robert Reich took apart the idea that GDP reflects the reality of the living situation of the U.S. population: "We've had four straight years of declining MDP [Median Domestic Prosperity]," Reich said, "which puts us deep in an MDP recession. . . . Let's be honest. Unless you happen to be in the top 20% of income, this economy is nothing to cheer about."

In reality, the situation is much worse than Reich says, as our Baltimore feature in this issue shows. What we are conveying in this study is the *dynamic* of a depression collapse into a New Dark Age, a process of devolution whereby the interaction of deindustrialization, denial of health care, destruction of education, and deliberate destruction of infrastructure creates what can only be understood as a "black hole," or "death zone." And while we are talking about Baltimore in specific, the message should be clear. To the extent that the very same process which created the "death zones" of Baltimore dominates in the United States economy as a whole, the closer the entire nation will move toward a similar terrifying spiral of decay.

An understanding of the dynamics of a devolving

economy, will prepare you to understand the opposite dynamic process, that of creating a region of economic recovery. Thus, we will be following up the Baltimore study with LaRouche's design for reindustrializing the Upper Midwest, which will involve defining a total environment appropriate to jumpstarting into prosperity. We will look at the required interaction between industry at the point of production, local agriculture able to satisfy most nutritional needs, infrastructure, neighborhoods with their various inhabitants by principal occupation, and age and demographic structure, in order to create modern agro-industrial civilization. You can't drop a factory, or a road, or, worse yet, just money, into the middle of a desolated area, and expect to get prosperity.

We are aware that it will be very difficult for most Americans to grasp this concept, in the wake of the last 40-60 years of brainwashing into the post-war monetarist system. To most people, economics means "making money," not producing products or prosperity, much less scientific breakthroughs. To get the concept through, *EIR* will be rapidly expanding its program of *animations* (see www.larouchepub.com/animations), which permit us to convey a closer approximation to the economic process which has brought us to the point where we are today.

This education program is not just a "good thing." The mismanagement of our world economy by monetarist financiers, and their Baby Boomer business dupes, has brought our planet to a point of crisis which could, in fact, create the conditions for the decimation of the human race. If we don't replace the current system, with an American System approach based on sovereign nation-states, we are going to find ourselves ruled by the likes of fascist bankers such as Felix Rohatyn, and fascist goons such as Dick Cheney.

As LaRouche points out in his year-end cadre school presentation in Europe (see *International*), there is no assurance of victory at this late hour in history. But the ideas for getting out of this crisis are at hand, for those willing to act. Now, are you ready to learn economics?