

THE INTER-ALPHA GROUP

Nation-Killers for Imperial Genocide

by John Hoefle

“What did not change significantly with that shift from the Mediterranean to the Atlantic, was the essential role acquired by Venice. Venice, once established as a power, remained the center of the organization of monetary power, while the outer husk of monetarist power, the Anglo-Dutch maritime interest, became the political and military capital of the Empire. Venice never gave up that role; it simply transferred some of its functions to the newly constituted London branch, all as a part of the adjustment to the shift from the Mediterranean to the Atlantic field of leading action.”—*Lyndon H. LaRouche, Jr.*¹

The Inter-Alpha Group of Banks is an instrument of genocide. It was formed for the explicit purpose of destroying not only the existence, but the very concept, of national sovereignty—with the United States as its primary target—as a way of permanently reducing the population of the planet. The Inter-Alpha Group has played a crucial role in the destruction of the industrial base of the United States, and the subsequent transformation of our economy into a giant, and hopelessly bankrupt, casino. When that casino imploded in 2007, the Inter-Alpha Group and the forces behind it moved

to complete the task of destroying the U.S.A., by organizing the biggest theft of public money in history, via those still-continuing, un-Constitutional, and blatantly criminal operations known collectively as “the bail-out.” The result is a nation which is not only unable to meet the physical needs of its people, but is also rapidly destroying its own currency through hyperinflation.

In a limited sense, this operation has been a success. The imperial monetary system, mediated through a system of central banks, private banks, financial markets, and global cartels, is the leading power on the planet. But in another and very real sense, it has been a colossal failure, because these royally arrogant fools have, in destroying nations, also destroyed themselves, and set the world on the path toward a new Dark Age. Their doom is sealed, because only through increasing man’s mastery over the universe can this Dark Age be averted, and in doing that, we will create a world that will no longer tolerate the medieval practices of these imperial parasites.

They are finished, one way or the other. The question is, will the rest of us go down with them?

The purpose of this report is to put a spotlight on the Inter-Alpha Group and its controllers, so that we may defeat their evil machinations. You, the reader, will come away with a better understanding of the nature and the mission of the Group, why that mission must be defeated, and how we can do it.

1. Lyndon LaRouche, “The Economic Past Is Now Behind Us! Money or Credit?” *EIR*, Sept. 10, 2010.

The solution begins with the reinstatement of Glass-Steagall in the United States, and the adoption of the Glass-Steagall principle by other nations, combined with a return to the Bretton Woods system of fixed exchange rates. These two steps will put Inter-Alpha out of business, but they should be accompanied by a third measure: the seizure by the U.S. government of all operations and facilities of the Inter-Alpha Group inside U.S. borders. We are sure that a future Pecora Commission-style investigation will find the resultant records quite illuminating. As will a new Nuremberg Tribunal for crimes against humanity.

Setting the Stage

Although the Inter-Alpha Group was not founded until 1971, the operation which launched it actually began in the latter stages of World War II. Once the British Empire realized that Hitler would be defeated, it turned its attention to restoring its former infamous “glory.” Doing so, meant destroying the U.S.A., which, under President Franklin Roosevelt (1933-45), fully intended to break up the Empire, and set its colonies free. As the U.S. was far too strong to take on directly, the Empire decided to lure it into committing economic and cultural suicide.

This report deals primarily with the financial side of this trap, but the reader should be aware that these financial moves were part of a coordinated assault on the political, cultural, economic, and psychological state of the nation, in which all the skills the Empire had honed in centuries of subjugating nations and peoples were employed. The goal was to dumb us down, kill our sense of optimism, eradicate our commitment to infrastructure and industry, and make us forget our heritage. Such moves must be done slowly, decade by decade, generation by generation, to avoid triggering a revolution.

Today’s British Empire is the latest incarnation of a maritime monetary system which has existed since the days of the Cult of Apollo, and has its immediate origins in a faction fight in Venice, in the late 1500s, when the *Serenissima Repubblica* was a major world power

Since 1971, the Inter-Alpha Group of Lord Jacob Rothschild (right) has been the spearpoint of the British Empire’s drive to destroy the United States. Rothschild revealed the mission of the project in 1983, boasting that “two broad types of giant institutions, the worldwide financial service company and the international commercial bank with a global trading competence, may converge to form the ultimate, all-powerful, many-headed financial conglomerate.”



LPAC/Chance Magee

in its own name. The *Giovani*, or New Venetian Party, wanted to build up England and the Netherlands as maritime powers based upon the Venetian model, while the *Vecchi*, the Old Venetian Party, wanted to stick with the existing Mediterranean base.

The *Giovani* began moving northward along the Rhine into Germany, the Low Countries, and England, taking with them enormous financial power. Although they often adopted the names and customs of their new locations, they remained Venetian by method and intent. They set up the Bank of Amsterdam, the Dutch East India Company, and the British East India Company. The latter eventually took over England to create the British Empire. As with Venice before it, the British Empire is based upon its ability to control monetary flows, and manipulate national currencies. That is the basis of its power, and of its post-World War II assault on America.

To accomplish this goal, the Empire first built up its banking apparatus in war-torn Europe, as the basis for what would *appear* to be a new globalized financial structure, but what, in reality, would be a return to the imperial model that existed before the American Revo-

lution. The planning for this new Europe began even before the fighting stopped, and led to the creation of the European Coal and Steel Community in 1951, and the formation of the European Economic Community in 1957, as the initial steps toward today's European Union and its supranational euro currency.

With these moves toward the elimination of national sovereignty, the Empire began the process of building a borderless European financial system. In rapid succession came the development of the Eurobond and Euro-dollar markets, and the consortium banks. These banks were syndicates or joint ventures—mostly based in London—linking British banks with banks based in Europe, Asia, and the Americas. They were designed to outflank national banking regulations, and, as such, represented the beginning of the “globalization” (that is, imperialization) of finance.

National banking laws were not the only regulatory obstacle to this globalization. There was also the international system of fixed currency exchange rates that had been implemented as part of the 1944 Bretton Woods Treaty. Fixed exchange rates were a crucial part of FDR's plan to end the colonial era, as these took away much of the historic ability of the Empire to manipulate nations through the manipulation of their currencies. Thus, defeating the Bretton Woods system was a necessary step in creating the Empire's new global order.

When President Nixon ended the Bretton Woods system by taking the dollar off the gold reserve standard in 1971, he opened Pandora's Box, and set free the money manipulators who had been so carefully boxed in by Roosevelt.

The Venetians Strike

The Inter-Alpha Group was founded as a mechanism to take advantage of this currency vulnerability. The group arose out of six relatively small European banks which represented the family fortunes—or *fondi*—of the Venetian system. Each of these banks had significant private banking arms, private banking being a term for banks which specialize in handling money for the wealthy. Each of its six members was chosen to represent a bank in one of the principal nations of the European Economic Community: Kredietbank, of Belgium; Nederlandsche Middenstandsbank of the Netherlands; Credit Commercial de France; Banco Ambrosiano, of Italy; Williams & Glyn's Bank (a unit of the Royal Bank of Scotland), in the U.K.; and BHF Bank,

of Germany. A seventh bank, Privatbanken, of Denmark, was added in 1972.

Inter-Alpha took the form of an alliance among these banks; each bank maintained its separate identity, while they all worked together to advance the Group's mission. The Group, and its member banks, were dedicated to restoring imperial rule.

The operation was run by Jacob Rothschild, initially out of N.M. Rothschild in London. The Rothschild banking network, from its inception in Frankfurt in the late 1700s, has been a Venetian operation. One of its early sponsors was the Thurn und Taxis family of Bavaria, the controllers of Venetian intelligence and one of the leading families of the Habsburgs' Austrian Empire. This Venetian connection is the true source of the fabled Rothschild intelligence network, as well as the source of the family's financial power. The Rothschilds are also close to the British Crown, *primus inter pares* of the royal families of Europe, and a considerable power within the Empire. Jacob Rothschild, for example, manages the funds of Prince Charles, among his other crimes.

Despite the enormous wealth these banks represented, they alone did not have the funds required to transform the world as planned. They would provide the seed money, and leverage their power through the control of other people's money, to create the markets and institutions they would ultimately need to control the world. This is the origin of today's gaggle of hedge funds, private equity funds, and related financial pools, many of which are part of the hidden side of the Inter-Alpha Group.

Jacob Rothschild explicitly revealed the mission of the Inter-Alpha project, in a speech in 1983, when he bragged that “two broad types of giant institutions, the worldwide financial service company and the international commercial bank with a global trading competence, may converge to form the ultimate, all-powerful, many-headed financial conglomerate.” For Rothschild, it was not a prediction, but a statement of intent.

Corporatist Fascism

At the 1968 Bilderberg Group meeting in Mont Tremblant, Canada, the Empire kicked off a new phase of its war on national sovereignty, launching a drive to create a system of corporate cartels intended to replace nation-states as the political organization of the planet. The Bilderberg Group, named after the Hotel de Bilderberg in Oosterbeek, The Netherlands, where the group

first met in 1954, was a fascist organization, whose sponsor, Prince Bernhard of The Netherlands, had been a card-carrying Nazi and a member of Hitler's SS. Bernhard also founded, with the U.K.'s Prince Philip, the World Wildlife Fund (WWF) and the 1001 Club. The Bilderbergs, as an elite political arm of the Empire, represented the same oligarchic system behind the Inter-Alpha Group.

The new cartel scheme, dubbed the "world company," was introduced by George W. Ball, a senior banker at Lehman Brothers, a top member of the Anglo-American Establishment, and a member of the Bilderberg steering committee. According to Ball, the new world company would replace the "archaic political structure of nation-states" with corporations, which are far better at "efficiently utilizing resources." These resources, Ball made clear, belong to the Empire, not to the peasants who happen to live atop them, and nations all too often put their own interests ahead of those of the Empire—a situation the Empire finds intolerable.

Just to make sure his message was clear, Ball praised the integration of Europe as a precondition for the success of this world company project, and cited as its model, "the overlapping sovereignties of the governments of Europe and the House of Rothschild." (If that quote does not offend you, reflect upon the concept of sovereignty, and why it is vital to the existence of nation-states. A country which "shares" its sovereignty with a banking house, is neither sovereign, nor a nation, but instead a colony.)

At the time of Ball's speech, the creation of these corporate cartels had already begun, with the formation of the early conglomerates, and this process would accelerate in the coming years. The nurturing of these horrors would become a major part of Lazard Frères banker Felix Rohatyn's life's work; and they would, in time, come to dominate the economic landscape.

The concept of the world company, though marketed as a natural outgrowth of human progress, is nothing



The anglophile bankers of Wall Street financed the fascists in Europe, and organized fascist movements in the United States. They also attempted a coup against President Franklin Roosevelt, preferring Italian dictator Benito Mussolini, who graced the cover of Time magazine no less than eight times. This issue is dated June 21, 1943.

ing of the sort. What it is, fundamentally, is a return to the oligarchic model of the British East India Company and its predecessors, combined with modern computer technology, and operating within a market structure. In a corporatist state, the power of the government is usurped by private financial and corporate interests, which use the government to keep the population in line, while they mercilessly loot both the government and the people. These private interests are falsely described as an outgrowth of nationalism, when in truth, they represent the corruption of the nation by an empire.

Corporatism is a result of George Ball's "overlapping sovereignties" between nations and the imperial bankers, and is the creation of the Venetians. It was the Venetians, and the neo-Venetians of the British Empire, who created Mussolini and Hitler, and who organized fascist movements around the globe in the 1920s and 1930s, as part of their war against sovereignty. That includes in the United States, where the Anglophile bankers of Wall Street helped finance and organize their own fascist movements, including the American Liberty League—and tried to organize a coup against FDR.

This grouping heavily promoted Mussolini in the United States, putting him on the cover of their *Time* magazine eight times, between 1923 and 1943, and praising him heavily in their other press outlets. The Wall Streeters did this not because they were enamored of Mussolini personally, but because he was an ally, a tool of the same empire which controlled them.

Mussolini's Italy, largely the creation of the circles around Venetian Count Volpi di Misurata, was the test-bed for the corporatist state model which the Empire planned to impose upon the world, the model for the "world company" concept at the core of globalization. It was a state dominated by Venetian financier interests, and run for their benefit. The similarities with the United States today are not accidental.

Fortunately for the world, Adolf Hitler destroyed

the carefully crafted illusion of fascism as a benevolent movement, forcing the bankers to retreat. Their commitment to imposing fascism remained, however, so they sought new ways to package it. The name they chose for their “new and improved” corporatist fascism was “globalization.” Same evil, but in a bright new box.

Fascism, Take Two

The Inter-Alpha Group was created as an instrument of this new fascism, and is itself a nest of fascists. One does not have to scratch deep to find the proof, as these examples indicate:

- One of the first acts of the Inter-Alpha Group after its founding, was to link up with the Harriman faction in the U.S., the same Harriman family who funded Hitler, and upon whose eugenics “research” Hitler modeled his genocidal “race science” policies. The banks of the Inter-Alpha Group did this by buying a combined 40% interest in Brown Harriman & International Banks, a consortium bank founded in 1968 in London by Brown Brothers Harriman, London merchant/dope bank Robert Fleming & Co., and Suez of France.

- Founding member Kredietbank’s Fernand Collin helped the Nazis run the Belgian economy during World War II, and one of its private banks, Merck und Finck, became notorious for helping the Nazis.

- BHF Bank, the German founding member of the group which traces its roots to the Rothschild-founded Frankfurter Bank, was headed in the 1920s by Otto Jeidels, who was a good friend of both Reichsbank head and Nazi Economics Minister Hjalmar Schacht, and the Hitler-financing chief of the Bank of England, Montagu Norman. Jeidels was deployed to the U.S. in 1939 to the Synarchist (French fascist) Lazard bank, to handle the oligarchic gold fleeing Europe. Lazard, as we have indicated previously, has played a particularly nasty role in this imperial fascist plot, and is part of what we consider the hidden side of the Inter-Alpha Group.

- During World War II, Ricardo Espirito Santo Silva of Banco Espirito Silva—which became the Portuguese member of the Inter-Alpha Group in 1988—hosted the Nazi-sympathizing Duke of Windsor in Lisbon after he abdicated the British throne in 1936, and has been identified as a liaison between the Duke and Hitler, in the aborted plot to have the Duke regain the throne after a German conquest of Britain. (The U.K. had its own fascist movement, and there was a lot of sympathy for the Duke within the British elite.)

- The two Spanish members of the group, Banco de Bilbao (later Banco Bilbao Vizcaya, a member from 1986 to 1998) and Banco Santander (a member since 1998), both had ties to fascist dictator Francisco Franco, who ran Spain from 1936 until his death in 1975. Banco Santander was founded by the family of the Rothschild agent in the city of Santander.

The fascist connections were most flagrant in the case of Banco Ambrosiano, the founding Italian bank in the Inter-Alpha Group, which was tightly integrated with the Propaganda Due (P-2) Masonic Lodge in Italy. The P-2 Lodge was run by former Mussolini “Black Shirt” Licio Gelli, and was modeled on the earlier “universal fascist” Propaganda Uno (P-1) Lodge of Giuseppe Mazzini. Italian police investigations into the activities of P-2 found that both the lodge and its bank, Banco Ambrosiano, were involved in arms and drug trafficking, terrorism, neo-Nazi assassination groups, and the fascist paramilitary groups of NATO’s Operation Gladio. Control over P-2 was exercised through the Alpina Lodge of Switzerland, the Monte Carlo Lodge, and ultimately the “Mother Lodge,” the United Grand Lodge of England, headed at the time by HRH Prince Edward, Duke of Kent, of the British royal family.

The Alpina Lodge is interesting in its own right. Its members included Gelli; confessed British agent and U.S. Secretary of State Henry Kissinger; and Club of Rome founder Aurelio Peccei. Although he was on the payroll of Banco Ambrosiano, Peccei is rightly more infamous as a genocidalist than a banker. His Club of Rome provided the “intellectual” foundation for the Empire’s genocide program worldwide, by conducting mass propaganda for the fraudulent “limits to growth” doctrine.

Peccei was the key initiator of the International Institute for Applied Systems Analysis (IIASA), headquartered in Laxenburg, Austria, whose mission was to propagate the Club of Rome’s program under a “scientific” veneer, provided by Bertrand Russell’s Cambridge systems analysis group. IIASA aimed especially at poisoning strategic thinking in the United States and Russia, becoming a major Anglo-Venetian intelligence channel into the Soviet Union and post-Soviet Russia. The legacy of IIASA in the former Soviet Union is the entire package of disastrous so-called reforms of the 1990s, which IIASA staff drafted at Laxenburg in 1985-91, as well as Russia’s ongoing involvement in such international financial looting schemes as the Inter-Alpha Group’s Brazil-Russia-

India-China (BRIC) operation today. (A related aspect of IIASA's activity was to promote the information-age mathematical models on which today's speculation-based financial markets rely.)

Target: United States

When the Nixon Administration ended the Bretton Woods system of fixed exchange rates in 1971—a move which itself was the result of a British manipulation—the Empire was ready to begin its financial assault on the United States. The imperial termites had already started their attack on the foundations of the nation. Lazard's Felix “the Fascist” Rohatyn was busy setting the stage for the rise of the traders on Wall Street, and the “economic hit man” process described by John Perkins² was well underway. While these changes were occurring in the U.S., the British were organizing the 1973 Arab-Israeli War, out of which emerged the spot market in oil. The spot market allowed the imperial manipulators to jack up the price of oil at will, and they did, resulting in a huge and growing pool of “petrodollars” in European banks. These petrodollars, along with the proceeds from the Empire's dope trade, provide an enormous supply of “other people's money” to fund the world company/globalization takeover of the U.S. and the world.

As the markets grew, the traders assumed increasing power at the investment banks of Wall Street, and began pushing aside the “white shoe” bankers who had previously dominated the business. Wall Street was slowly transformed from an exclusive club of Ivy League thieves into a dog-eat-dog world where profits counted more than breeding. In the old days, the investment bankers ripped off their customers according to a code of sorts, and were careful to preserve their best relationships by not stealing too blatantly. But in the trading era, that connection began to break, as the stealing shifted from direct customer relationships to the more anonymous and depersonalized markets. Wall Street was slowly turned into a giant casino, where everyone gambled. Math and computer wizards were brought in to devise new trading strategies, and the whole market became a giant computer game, which did enormous damage before it ultimately blew up. By the end of the 1970s, the American industrial economy was on the ropes. The interest-rate hikes by the Federal Reserve

under Paul Volcker made it almost impossible for industrial companies to expand, giving the advantage to the dope-and-petrodollar crowd to move in and begin buying up America at pennies on the dollar.

This assault accelerated during the 1980s. At the behest of the bankers, Congress passed law after law dismantling the regulatory protections put into place by FDR. The S&Ls were opened up for looting; the hot-money boys moved in, and within a few years, had destroyed the most stable part of the U.S. banking system.

Much of the funding for the takedown of the S&Ls came from the junk bond market, dominated by the Rothschild-Morgan-linked Drexel Burnham Lambert, which had access to a steady stream of dope money. The junk bonds also funded a wave of corporate raiders, who not only took over a number of big companies, but sent many of the rest fleeing into the arms of the investment banks for “protection.” The investment banks—led by Lazard and its peers—organized an orgy of mergers, taking advantage of their access to hot money to create ever-bigger corporations, and ever more concentrated industries required to assemble the global cartels. Step into my parlor, said the spider to the fly.

The stock market crash of 1987 was a turning point. The new Fed chairman, Alan Greenspan, responded by launching the biggest bubble of all time, the derivatives markets. By the end of the decade, only derivatives, accounting fraud, and a deliberate blind eye from the regulators kept the U.S. banking system from crashing. For the Inter-Alpha Group and its controllers, it was all according to the plan.

Inter-Alpha Grows

In this environment, the Inter-Alpha Group began to expand. Membership in the group had not changed from 1973 until 1982, when Banco Ambrosiano failed in the wake of Italian investigations into its connections to the P-2 Lodge. A minor change occurred in 1985, when Williams & Glyn's Bank was absorbed into the Royal Bank of Scotland, giving RBS membership in its own name. But European banking would change dramatically in 1986, and Inter-Alpha would be right in the middle of it.

Globalization took a major step forward in 1986, with the “Big Bang” deregulation of financial markets in the City of London. Having launched the casino in New York during the 1970s, the Empire decided to

2. John Perkins, *Confessions of an Economic Hit Man* (San Francisco: Berrett-Koehler, 2004).

bring it home to London, and turn the City into the new center of the global derivatives scheme. The banks of the U.S. and Europe would flock to London, where the rules were looser, and the regulators friendly. Even more than before, London became the financial center of Europe, and the center of globalization.

The Inter-Alpha Group took full advantage of the changes, adding four banks between 1986 and 1989, and even more in the 1990s. San Paolo di Torino and Banco de Bilbao joined in 1986, the former filling the slot vacated by Banco Ambrosiano, and the latter becoming the first Spanish member. A couple of years later, in 1988, the group got its first Portuguese member, Banco Espírito Santo. AIB (née Allied Irish Bank) joined in 1989. The National Bank of Greece joined in 1990, followed by Nordbanken of Sweden in 1995 and Merita Bank of Finland in 1997. Banco de Bilbao—by then Banco Bilbao Vizcaya—left in 1998, and was immediately replaced by Banco Santander.

In addition, the Inter-Alpha banks were rapidly expanding in their home markets, becoming larger through a series of mergers: Nederlandsche Middenstandsbank became International Nederlanden Group (ING); Privatbanken, Nordbanken, and Merita engaged in a series of mergers producing Nordea; Kreditbank morphed into KBC Group; San Paolo di Torino became Intesa Sanpaolo; and Banco Santander gobbled up several Spanish rivals.

Three more banks joined in 2003: Erste Bank of Austria; Hypovereinsbank (HVB) of Germany; and Société Générale of France. HVB replaced founding member BHF, which had been bought by ING, and Société Générale replaced founding member Crédit Commercial de France (CCF), which had been acquired by HSBC. HVB left the group in 2005, after being taken over by UniCredit, and Commerzbank took its slot as the German member of the group.

The Casino Economy

As the Empire's globalization project expanded, the medium-sized banks of the Inter-Alpha Group became global players, and some became giants. The Royal Bank of Scotland became the largest bank in the world by assets, peaking at nearly \$3.5 trillion before it blew up in 2008. Banco Santander, Société Générale, Intesa Sanpaolo, and ING also joined the global giants, with the rest becoming regional powers and filling specialized niches. These banks expanded their tentacles around the world, east into Eastern Europe, Russia, and

Asia, and west into the Americas. They transformed themselves from local banks in particular countries, into a vast network of global banks, answerable not to the peoples of their home nations, but to the imperial monetary system.

The real power of the Inter-Alpha Group, however, lies not within the individual banks themselves, but in the changes the Inter-Alpha operation has made in the world economy. The Inter-Alpha project turned the global financial system into a giant casino, a playground for the investment banks, the speculative arms of the commercial banks, the hedge funds, and others, so they could gamble with their own—and everyone else's—money. This casino would come to control some 70% of the world's banking assets, directly or indirectly.

In a sane and well-regulated banking system, commercial banks are mechanisms to help their local and regional economies grow. They use the deposits of their customers to fund loans that improve the functioning of the region, making its manufacturing and agriculture more productive, raising the standard of living, and helping local businesses meet the needs of the community. The local bank grows as the local economy grows, giving it a vested interest in supporting and nurturing that growth.

The oligarchic model, as exemplified by the Inter-Alpha Group, works just the opposite way. Its network of banks is used to suck capital out of localities and into the global markets, where it can be used to speculate, manipulate, and subjugate the people of the planet. Such banks do not nurture their customer base, they loot it.

This point becomes obvious simply by reviewing what happened. The Inter-Alpha Group and the Empire that deployed it, created the largest financial bubble in history. Huge amounts of debt were generated; then, that debt was used as an asset base for a multi-quadrillion-dollar derivatives bubble. This enormous mass of fictitious value spawned a vast expansion of the financial markets, which came to dominate the global economy. The game was so profitable—seemingly, that is—that money from all over the world was vacuumed up and fed into the derivatives machine, leaving precious little to support the real economy. The rest of the economy began to shut down, with predictably horrible consequences for the people.

Through it all, the rise of the casino was touted as proof that the economy was growing. But it was not: The tumor was growing, and the patient was dying.

The game blew up in 2007. In a sense, it choked on its own success, the looting growing to the point where a failing economy could no longer support it. The bankers tried desperately to paint this as a “subprime” crisis caused by deadbeat homeowners, and a “liquidity” crisis caused by unnecessarily panicked investors; but what it really was, was the collapse of the derivatives-led global pyramid scheme, run by, and through, the Inter-Alpha Group.

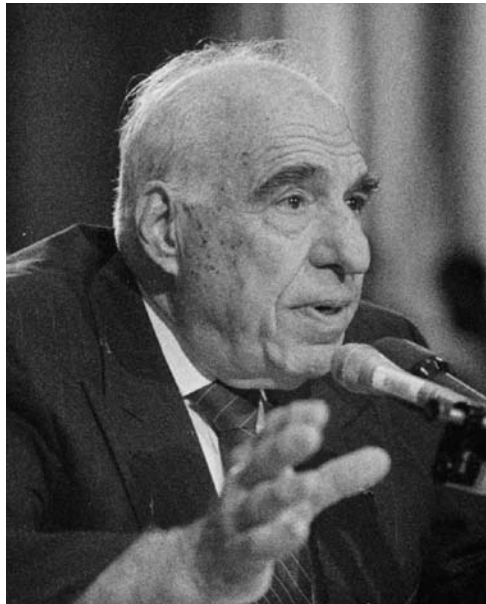
Although the bankers and fools such as Sir Alan Greenspan have told everyone who would listen that no one could have seen this crisis coming, it was, in fact, entirely predictable. Lyndon LaRouche issued repeated warnings that the global economy was on a course for catastrophe, and launched a campaign against derivatives in 1993. Our warnings were picked up by then-House Banking Committee chairman Henry B. González (D-Tex.), who summoned this author to testify before his committee that same year.

Despite this opposition, the derivatives game not only continued, but accelerated. In the late 1990s, Commodity Futures Trading Commission chair Brooksley Born again raised the matter, only to be slapped down by Wall Street and her fellow “regulators.” Wall Street insisted that the market was so sophisticated, that its managers were so expert, that nothing could go wrong, and that any attempt to interfere in the market would only hurt the economy. That argument, backed by enormous political pressure and mountains of cash, won the day.

Then it all blew up, and the world entered a new realm.

Phase Two

While most of Wall Street and Washington was in shock, the Empire was smiling, and preparing to spring the trap it had so painstakingly set. The U.S. economy was in ruins, but the potential remained for an FDR-



EIRNS/Stuart Lewis

The late Rep. Henry B. González (D-Texas), chairman of the House Banking Committee (1989-95), called LaRouche's associate John Hoefle to testify before his committee in 1993, on the threat to the U.S. and global economies from derivatives. González is shown here testifying before a Senate hearing in 1992.

style reflex, in which the American people would rise up to defend themselves and their nation. So the Empire moved to complete its mission, via the “bailout.”

To understand what happened next, one has to set aside notions of individual institutions, and instead, focus on the system that controls those institutions. The continued existence of the Empire depends upon the preservation of its monetary system, not upon the preservation of individual banks, hedge funds, and other institutions. Such institutions are ephemeral; they are not the power, but tools of the power, to be used and, when necessary, cast aside. The system is what matters.

While the fools of Wall Street and beyond were clamoring for the government and the Federal Reserve to save them with a bailout, their puppetmasters in the Empire had a different plan. The

Empire had no intention of restoring the bubble. Its plan, as enunciated by Britain's Prince Philip and others, was and is to reduce global population by about two-thirds, and smash the nation-states in the process, as a way of bringing the world back under complete imperial control. They would give the fools their bailout, but instead of saving them, it would be the final nail in the coffin of the United States, by using the bailout to destroy the value of the dollar.

Consider for a moment the differences in a financial system required to manage a multi-quadrillion-dollar financial bubble, and the financial system required to run a world of 2 billion people, the desired global population level of the imperial genocidalists. Given the smaller population, from the Empire's perspective, there is a lot of unnecessary capacity in the financial world today—too many banks, too many bankers, too many insurance companies, mutual funds, hedge funds, et al.—and a dramatic culling and consolidating of the herd will be required.

The other option is the LaRouche Plan, which involves writing off all the fictitious capital, reorganizing all the banks under a Glass-Steagall standard, going

back to a fixed-exchange-rate system, and replacing the imperial monetary system with national sovereign credit systems. That also defines a far different financial system, one dominated by highly regulated commercial banks and an orientation toward production instead of speculation.

So, if the Empire intends to shrink its system (and we of the LaRouche movement plan to eliminate it), then, other than a few delusional fools on Wall Street, who only want their money party to crank back up, and all the people who were grabbing some of that money flow, who actually believes the recovery nonsense?

Therefore, you have to ask yourself: What is the true purpose of the bailout?

The purpose of the bailout is to bankrupt the United States and every other nation which runs its own bailout operation, so that they no longer have the power to resist the Empire's plans for a fascist global financial dictatorship, run top-down by the imperial monetary system through its banks and corporate cartels. It is the final act in our national suicide, and the culmination of the Inter-Alpha project.

Shut Them Down

The issue before us should be clear: Only a return to national sovereignty in the United States, and the creation of an alliance of that sovereign United States with other nations—Russia, China, and India, for starters—capable of defeating this ancient evil, which today is known as the British Empire, can avert this catastrophe in progress.

We should begin with Glass-Steagall and the related correctives proposed by LaRouche, which will immediately bankrupt the Inter-Alpha Group and its peers, and put a stop to their predatory actions. We should also seize all accounts, offices, and records of any Inter-Alpha Group banks inside the United States, and go through them with a fine-toothed comb.

These are necessary steps, as are the rest of the measures in the LaRouche Plan, but they are not, in and of themselves, all that is needed. We must also



The first measure to be taken to address the bankruptcy of the U.S. economy, is the full reinstatement of the FDR-era Glass-Steagall Act: This will immediately bankrupt the Inter-Alpha Group and its cohorts, and put a stop to their predatory looting. Shown: the LaRouche Youth Movement organizes for Glass-Steagall in Los Angeles, May 2010.

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devote considerable attention to understanding and correcting the flaws within us, that enabled the Inter-Alpha Group and its Anglo-Venetian controllers to play us like a drum, luring us into destroying the most productive economy the world had ever seen, and turning our nation over to that bunch of crazy, greedy parasites on Wall Street.

The con men understand that you can't cheat an honest man, so they look for people who are desperate, greedy, willing to succumb to the lure of something for nothing. They corrupt you into joining their scheme, and only after it is over do you realize that you were the patsy. This, in essence, was what was done to us. The con was global, aided by all the tools and tricks of the Empire, but at its root, we were as a nation, conned.

We will have more to say about the Inter-Alpha Group as we go along. This report is but an overview, which by its nature leaves out many significant elements. Still, the nature of this criminal enterprise, and of its anti-human mission, has now been revealed, and that is the first step towards cleaning it all up.

This report draws upon the work of a number of EIR researchers, including Dean Andromidas, Allen Douglas, Rachel Douglas, Roger Moore, and Scott Thompson.