LaRouche: Stop Genocidal Bailout of Big Insurance

by Dennis Small

President Barack Obama's nightmare experiment in Nazi medicine, known as Obamacare, has already gone way too far and must be shut down immediately, Lyndon LaRouche stated Nov. 6. The leading health-insurance companies are financial vultures that are a branch of Wall Street, and they should be wiped out, LaRouche said. We don't need Wall Street, and we don't need the health insurance predators either. They are killing our people, and those of other nations, Hitler-style. What they are doing is a crime against humanity, and genocide is still illegal in the United States.

These are policies that Obama and his Wall Street backers have been instructed to execute by the Anglo-Dutch Empire and Queen Elizabeth herself. Their policy is to reduce the world's population from 7 billion down to 1 billion human beings. Their policy of bail-out and bail-in of the so-called too-big-to-fail banks, just like the policy of bail-out/bail-in of the health-insurance golems—which is all that Obamacare is—is already leading to mass murder, which is precisely the Queen's intention. This oligarchical principle has been the stated policy of the Empire gang for centuries, as their own words attest (see below).

In the same way that a return to FDR's Glass-Steagall law will wipe out speculative banking, and allow commercial banking to serve the needs of productive activities, in health care, LaRouche added, all we need is a single Federal system—along the lines of Rep. John Conyers' (D-Mich.) "Medicare for All" bill, HR 676—in combination with a return to the time-tested Hill-Burton medical standards, which will allow for rebuilding the physical-economic health infrastructure to provide real medical care.

A swift return to Glass-Steagall, and an equally swift departure of Obama from the White House, are the first steps needed to return the United States to good health.

Obama's $300 Billion Bailout of the Insurance Vultures

If you liked TARP, and then the QE 1, 2, 3, and 4 bailouts, and then Dodd-Frank's Title II bail-in of the banks, you are going to *love* what Obamacare will do for the Wall Street subdivision known as the major U.S. health-insurance companies.

The Oct. 31 issue of *Forbes* magazine ran an article by Avik Roy which documents that the Obama Administration knew in 2010, that some 93 million Americans could lose their insurance policies under Obamacare, a.k.a. the Affordable Care Act or ACA, in most cases to be replaced by more expensive ones. This is what Obama keeps referring to as "better policies"—which of course they *are* ... for the insurance companies.

Working up some of the *Forbes* numbers gives the broad picture of those currently insured, and those ex-

FIGURE 1

Category	Total Insured (millions)	% Losing Policies	Total Losing Policies (millions)
Large Employer	109	45%	49
Small Employer	47	66%	31
Individual	14	75%	10
Other Non-Group	11	27%	3
TOTAL	**181**	**51%**	**93**

Sources: *Forbes*, *EIR*

pected to lose their existing policies under Obamacare (**Figure 1**).

Although precise numbers are difficult to pin down, our conservative estimate is that about half the 25 million people now covered by individual and other non-group insurance policies, will qualify for government subsidies—many to the tune of $5,000 per policy every year. That, along with the 30 million *new* enrollees expected under Obamacare, many of whom will also be subsidized, will provide in the range of $130 billion per year in new revenue flow to the insurance companies, straight from the U.S. government—a direct bail-out of the health-insurance giants if ever there was one. Part of those subsidies is purportedly to be paid for out of the approximately $55 billion/year in cost "savings" (i.e., reduced payments to Medicare, etc.) that Obamacare has already been implementing.

Those cuts in reimbursements to hospitals for Medicare and Medicaid already total nearly $100 billion since 2010. The result has been a decline in health services use by seniors for three years running; plans for further sweeping cuts, such as a 12% reduction in dialysis treatment for kidney-disease patients, shutting down as many as 800 of the nation's 5,000 Critical Access Hospitals, and so on.

In other words, Wall Street's health insurance subdivision will have its pockets lined by denying your grandmother needed medical care. Hitler would be proud.

A second group will be those who don't qualify for the subsidies—either because they are individual policyholders with incomes more than four times the official poverty level, or because they still have employer-provided group policies. But most of these people will have to pay for Obamacare's increased premiums out of their own pocket. This will provide something in the range of an additional $150 billion in revenue to the insurance vultures—a kind of *bail-in* of the insurance companies, with funds directly seized from people's own accounts, living standards, and so on.

Thus, a conservative preliminary estimate is that Obamacare means $280-300 billion per year in "windfall" revenues for the giant health-insurance companies, which are documented to be part-and-parcel of the Wall Street financial apparatus. That compares with other estimates, including that provided by a 2012 report of the prestigious PricewaterhouseCoopers consultancy group, which stated happily: "For the insurance industry, the new state-based exchanges represent a major business opportunity—an estimated $205 billion [per year] in premiums by 2021."

Vultures, Inc: The Insurance 'Industry'

Who are the insurance giants that stand to benefit so handsomely from Obamacare's genocide?—and who, as it happens, directly drafted the law itself?

Under the banner of their trade group, America's Health Insurance Plans (AHIP), a group of the nation's largest health-insurance companies, met with top White House officials and Health and Human Services Secretary Kathleen Sebelius on Oct. 23 to "iron out" problems with Obamacare implementation. The CEOs of Aetna, Wellpoint, Humana, Kaiser Permanente, Health-Net, Centene, and others, were among the participants. A follow-up meeting was held at the White House on Nov. 5, where Obama's chief of staff, Denis McDonough, met with the CEOs to get them to "ramp up communication and education efforts" to the millions who are losing their insurance plans.

Those meetings followed hot on the heels of an Oct. 2 White House gathering, in which President Obama met with the CEOs of the 19 largest banks and insurance companies operating in the United States, as represented by the Financial Services Forum (FSF). That meeting was held in the midst of the government shutdown, to demand that Obama block Glass-Steagall, continue the quantitative easing, and extend the debt ceiling. The FSF, self-described as the most powerful lobbying force in America, was founded in 2000 to oversee the implementation of the Gramm-Leach-Bliley law, which repealed Glass-Steagall. Thus, the group includes many foreign banks and insurance companies that have a large market presence in the U.S., including Deutsche Bank, HSBC, Credit Suisse, and UBS.

The following insurance giants are part of the FSF: AIG, Metlife, Prudential, and Allstate. Non-banks including Edward Jones, GE Capital, and Fidelity are also participants, along with the Boston Vault's State Street Bank and the BNYMellon Bank. The group's chairman is Lloyd Blankfein of Goldman Sachs and the vice chairman is Brian Moynihan of Bank of America.

As with the broader policy of bail-out/bail-in of the financial sector, what underpins the Obama health-care nightmare is the intentional take-down of the physical economic capabilities and health services provided, which translates into millions of lives that will be wiped out and cut short, which is the biggest "savings" under the Nazi economic regimen that is already in place.

In Their Own Words

The Empire Demands Genocide

Nov. 10—*The oligarchical principle of intentional genocide shines through clearly in these citations from leading spokesmen for the British Empire, spanning over 200 years.*

1791, Parson Thomas Malthus, hired pen of the British East India Company College: "We should facilitate, instead of foolishly and vainly endeavoring to impede, the operations of nature in producing this mortality; and if we dread the too frequent visitation of the horrid form of famine, we should sedulously encourage the other forms of destruction, which we compel nature to use. In our towns we should make the streets narrower, crowd more people into the houses, and court the return of the plague."

1951, Lord Bertrand Russell: "War has hitherto been disappointing in this respect [in accomplishing population reduction], but perhaps bacteriological war may prove effective. If a Black Death could spread throughout the world once in every generation, survivors could procreate freely without making the world too full."

1968, Paul R. Ehrlich in his famous *The Population Bomb*: "A cancer is an uncontrolled multiplication of cells; the population explosion is an uncontrolled multiplication of people.... We must shift our efforts from the treatment of the symptoms to the cutting out of the cancer. The operation will demand many apparently brutal and heartless decisions."

1988, Prince Philip of Edinburgh: "The more people there are, the more resources they'll consume, the more pollution they'll create, the more fighting they will do. We have no option. If it isn't controlled voluntarily, it will be controlled involuntarily by an increase in disease, starvation and war.... In the event that I am reincarnated, I would like to return as a deadly virus, in order to contribute something to solve overpopulation."

1991, The Club of Rome: Founded officially in 1972 out of the fraudulent "Limits to Growth" study, the Club of Rome is patronized by the monarchies of The Netherlands, Spain, and Belgium, to this present day. From its 1991 *The First Global Revolution*:

"In searching for a new enemy to unite us, we came up with the idea that pollution, the threat of global warming, water shortages, famine and the like would fit the bill.... But in designating them as the enemy, we fall into the trap of mistaking symptoms for causes. All these dangers are caused by human intervention and it is only through changed attitudes and behavior that they can be overcome. The real enemy, then, is humanity itself."

April 2012, Paul Ehrlich, fellow of the British Royal Society, upon the release of the Society report, "People and the Planet," issued this comment to the London *Guardian* on the need to reduce population:

"How many you support depends on lifestyles. We came up with 1.5 to 2 billion because you can have big active cities and wilderness. If you want a battery chicken world where everyone has minimum space and food and everyone is kept just about alive you might be able to support in the long term about 4 or 5 billion people. But you already have 7 billion. So we have to humanely and as rapidly as possible move to population shrinkage."

"The question is: can you go over the top without a disaster, like a worldwide plague or a nuclear war between India and Pakistan? If we go on at the pace we are, there's going to be various forms of disaster. Some maybe slow motion disasters like people getting more and more hungry, or catastrophic disasters because the more people you have the greater the chance of some weird virus transferring from animal to human populations, there could be a vast die-off."

Criticism of German Surplus May Backfire

Nov. 11—*Helga Zepp-LaRouche, the President of the Civil Rights Solidarity Movement (BüSo) in Germany, issued the following statement Nov. 10, on the international attacks on Germany's export surplus.*

Beginning with the six-month report of the U.S. Treasury (Oct. 30), an unholy alliance was forged which finally identified the "villain" responsible not only for the problems of the Eurozone, but of the entire world economy: Germany and its export surplus. The IMF, the EU Commission, *New York Times* columnist Paul Krugman, and Italian politician Romano Prodi, who even called for a "Latin Front" against Germany, all agree with the charge. "France, Italy, and Spain should together pound their fists on the table," Prodi told the *Quotidiano Nazionale*. These three countries have a majority in the European Council, as well as on the ECB Board, and in other institutions such as the European Investment Bank, and they could force Germany to curb its exports and reduce the current account surplus.

This rationale is as incompetent economically as their intention is transparent. Even the little remaining resistance in Germany to the ECB's hyperinflationary policy of "quantitative easing" is supposed to be broken, and the minimal influence exerted by the various nations on the bank resolution mechanisms is supposed to be eliminated.

To blame the trade balance deficit of Southern European countries on a German export surplus, which has been the hallmark of the German economy since the Bismarck reforms—whether under the mark, the rentenmark, the reichsmark, the D-mark or the euro—is hypocritical. The strong competitiveness of products "Made in Germany" has been the result, at least until now, of the higher rate of scientific and technical progress in the German economy.

The deficits in the South, on the contrary, are the result of the fundamental flaw of the euro, which promoted the formation of financial bubbles, and is now strangling the real economy of those countries, and shortening life expectancies, through the murderous policy of the EU and the Troika of balancing the budget at any price. The German people have not profited from the euro, only companies that export have, while the domestic market is stagnating, and urgent investments in hard and soft infrastructure have been denied.

Should the international pressure continue, and should Germany be pushed against the wall, we will have no alternative but to draw the consequences and change our orientation. In any case, close economic cooperation with growth-oriented countries in Asia holds out better perspectives for the future than remaining in the trans-Atlantic dynamic, which is much more committed to high-risk speculation than to a return to real economic growth. The fact of the matter is that neither Germany nor any other country in Europe has the slightest chance of escaping the "liability cascade," and thereby expropriation by EU institutions, as long as they stay with the failed experiment of the euro.

In contrast, by introducing a Glass-Steagall bank separation and re-establishing monetary and economic sovereignty, we could put an end to the casino economy and develop the real economy throughout the world.

Support Spreads For Glass-Steagall

Nov. 12—In the face of the threat of a new financial crash, as well as the ongoing economic depression, support continues to grow for the re-instatement of Glass-Steagall in both the United States and Western Europe. Here are several of the latest developments:

United States

Michigan: On Nov. 5 in Lansing, State Rep. Brian Banks (D-Detroit) introduced HR 260, officially described as, "A resolution to urge the Congress and the President of the United States to enact legislation that would reinstate the separation of commerical and investment banking functions in effect under the Glass-Steagall Act."

The bill, which has been referred to the Committee on Financial Services, is a companion to one introduced into the state Senate, as S 98, on Oct. 23, with an initiating roster of eight lawmakers.

HR 260 has 11 sponsors, in addition to Representative Banks. Among them is Phil Cavanaugh, former Wayne County Commissioner.

Michigan is the 25th state to have such measures introduced.

Western Europe

Iceland: In late October, a resolution for Glass-Steagall-type bank separation was reintroduced into the Icelandic parliament, the Althingi. It was debated on Oct. 30, and referred to a committee.

The text of the resolution is the same as the March 18, 2013, amended version, unanimously passed by the Economics Committee, but for a change in date.

"Parliament resolves to entrust the Minister of Industry and Innovation with the task of appointing a committee to investigate whether, and by what means, a separation of commercial and investment banking shall be conducted, in order to minimize the risk of the banking system to the economy of the nation. The committee should examine the policies of neighboring countries in this regard, and submit its recommendations before October 14, 2013," shortly after the Fall session begins.

Belgium: With the Belgian government set to present a bank reform bill soon, three associations (Réseau Financement Alternatif, FairFin, and Collectif Roosevelt) have launched a petition drive calling for a strict separation between deposit and investment banks along the lines of the original Glass-Steagall Act. The initiative, which aims at quickly gathering 100,000 signatures, is part of a European campaign waged by Finance Watch, an anti-banking-lobby NGO based in Brussels.

The petition, which can be signed at www.scinderlesbanques.be, calls on the government to "adopt a law that totally separates banking activities, imposing a legal separation between the activities of financial speculation on one side, and deposit banks on the other side. This separation, in the form of the Glass-Steagall Act, was demonstrated to be effective over more than 50 years in the United States. It will allow deposit and credit activities to be safer and to be disconnected from market activities. Taxpayers will no longer be accountable, directly or indirectly, for risks of these market activities."

Italy and Switzerland: In both countries, there is a spirited debate in the newspapers on the Glass-Steagall question. On Nov. 5, three articles appeared promoting the banking separation, by economists Giulio Sapelli, Alfonso Tuor, and Walter Wittmann. Sapelli is professor of economic history at the University of Milan; Tuor is a columnist for *Ticino News*; and Wittmann is professor emeritus at the University of Freiburg.

Austria: At the national convention of the Action Committee of Christians and Social Democrats (ACUS) in Vienna Nov. 2, Dr. Matthias B. Lauer, the recently re-elected chairman, said: "Especially at times of protracted financial crisis, of the escalated budget-cutting policy in the EU, and of the widening gap on all levels between poor and rich, a structural criticism of the unsocial economy is required.... The dependence of politics on the financial sector must be put to an end. The ACUS calls for the implementation of an authentic bank separation system and for a ban on speculation."