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**THIS WEEK YOU NEED TO KNOW**

**A Tale of Two Cities:  
Washington and Sacramento:  
What the Dickens Is Going On?**

**by Lyndon H. LaRouche, Jr.**

*The following is the keynote of Lyndon LaRouche to the annual Labor Day conference of the International Caucus of Labor Committees and Schiller Institute, titled "World at a Turning Point." Preceding Lyndon LaRouche were introductory remarks by moderator Nancy Spannaus in Virginia and Harley Schlanger in California. Schiller Institute Vice Chairwoman Amelia Boynton Robinson introduced Lyndon LaRouche: "If you want to be free, and free at last, come and go with the great man, who will tell you the truth, and make you free—and free, indeed: Lyndon LaRouche."*

About seven years ago, there was an epidemic, of deregulation, which began to run like a rampage throughout the United States. The policy was to break up the energy system, the power organization of production and distribution, of electrical power, other power, which had been built up, in response to the collapse of the U.S. economy, under Coolidge and Hoover. Franklin Roosevelt led, as President, in restoring a system of regulation, which was an integral part of the economic recovery of the United States, from a Depression, where incomes had collapsed to about half of what they were in the 1920s. And, we went on, to become the greatest productive power on this planet, as a result of those and similar measures.

Then, about four years later, the impact of this deregulation, the separation of production of power from distribution; the lack of regulation of prices, led to the first panic in California, as the result of an energy crisis that summer. The following year, we had an artificial Presidency of sorts. You didn't quite know who was President. And looking back, you might say, that the Vice President was President, and the only thing that George Bush could manage was vice.

So, at that point, the severity of the effect of deregulation began to take hold. It's now reached the point that the state of California, has been looted of *tens of billions of dollars, by the people behind deregulation*. This looting occurred, in part, because the Vice President of the United States, who lived up to his reputation for vice, lied, and suppressed the reports which were available at that time, on the Williams' case, the Williams Power case. And therefore, the feeding went on.

It's now reached the point, that the same people, who were behind the policy, the same international financial forces, behind the policy, are now running a freak show, called Arnie Schwarzenegger, as the Governor of California—and, he is a freak show. I compared him to a case of a film that was done, called *Nightmare Alley*, which featured Tyrone Power—the younger Tyrone Power—as an actor; in which this poor fellow degenerated, in the play, and went down to become what is called a "geek." From which the word "geek act" comes: Eating a live chicken, before an adoring crowd, for pay—the only thing he could still do. Now, we have a geek act, who I suggest, should make a re-make of *Nightmare Alley*, in which he struggles, in the final scene, to eat a live turkey vulture, that's going to him. He's a big man: Give him a large bird!

But, this man's a freak. He acts, in films, each film: a freak. He did a film, called *Junior*, in which he tried to portray the role of Ariel Sharon! If you don't believe it, look at the two! Compare the two! Compare the cuts, of Schwarzenegger, as Junior, and Ariel Sharon. You see who he's trying to live up to.

But, he's only a freak show. If he were elected, he would become dangerous, in the same way that Adolf Hitler became danger. He will not be dangerous, if you put him out of politics now, as we should have put Adolf Hitler out of politics, earlier. But, he is not the problem.

Now, I'm going to lay out a number of things to you, now, which are all relevant; which have to be put together, to understand what the problem is we face. It is obvious, that what's happening in California, is a fraud—the recall action is a fraud. Let's see the Three Stooges. [photo of Arnold Schwarzenegger posing between Warren Buffett and Lord Jacob Rothschild, at Rothschild's English estate.] All right, these are the Three Stooges—these are the re-make of the Three Stooges. And the quality is not improved, in the process: Warren Buffett, the so-called second richest man in the world; Arnie Schwarzenegger, the biggest sex freak in the world; and then, Jacob Rothschild. This is taken at his estate, Rothschild's estate in London, where a large meeting was occurring to decide on the fate of the world, among powerful financial forces.

This is where the Schwarzenegger campaign came from.

Now, go back—forget them for a moment. They are the Three Stooges. You've seen them before. You can see them on old TV, any time.

Where's this start? Well, let's take a step back. Let's go back to June of 1940. In June of 1940, Winston Churchill, who was then the Minister of Defense of the United Kingdom, expressed to Franklin Roosevelt, the President of the United States, a need for immediate assistance. Here you had the British troops at Dunkirk; the fear was, that they'd be overrun at Dunkirk; there'd be no British Army left to defend the United Kingdom. That Hitler would move in, in the United Kingdom, and the following scenario would occur—and, this was according to the discussions between Winston Churchill and Franklin Roosevelt at that time:

At that moment, an organization, which is known to us as the Synarchist International—a terrorist organization, run by private merchant bankers, a syndicate, had put Hitler into power; had put

Mussolini into power; had put Franco into power; had put Degrelle and so forth into power; had put the Iron Guard into place in Romania; and so forth and so on. And, they were now moving, by the occupation of France, to take over the French Navy, hopefully the British Navy; they already had an agreement with the Japan Navy: Their plan was, to take England, to take the United Kingdom, into this fascist alliance—with the aid of the Laval and Vichy governments in France, which were already in the works, they were part of the Synarchist operation. And, to immediately eliminate the Soviet Union. And then, having this combination of navies, of the French, the German, the British, the Italian, and the Japanese Navy, they planned for an attack on the United States, which the Japanese carried out, in fact, on Dec. 7, 1941.

But, Roosevelt and Churchill, who did not like each other, who had opposite policies, but were both guided by certain motivations—on the side of Churchill, the motivation was, not to make the British Empire an appendage of a Nazi Europe. There were some very nasty people, like Lord Beaverbrook, who is, in a sense the den mother of the Murdoch press; the den mother of Conrad Black press (or the De-press, if you prefer to call them that). Lord Halifax, who was involved in the pro-Hitler plot. So, by a kind of coup inside the United Kingdom, these fellows—Lord Halifax was the ambassador to Washington; Beaverbrook became a part of the Churchill war machine, even though he had been a Nazi-lover, a Hitler-lover before then. And, because of national pride, or national impulses, the British pulled themselves together, with the cooperation of the United States.

And, the United States and Britain entered into an alliance among two people, who despised each other: Franklin Roosevelt and Winston Churchill. And that alliance went on to win World War II.

At the end of the war, or before the end of the war, once the Normandy invasion had succeeded, and the defeat of Hitler was in hand—not right to be taken at the moment, but in hand—as the German military, in July [1944] planned a revolt against Hitler, in order to get peace; that is, the war was hopeless. But, some people, in Britain and elsewhere, betrayed the plotters in Germany, who were then wiped out by Hitler; and what, with the aid of a law, of the guy who gave us Prof. Leo Strauss at the University of Chicago, Carl Schmitt—and therefore, the war took a little longer to get over.

But, in the process, those in the United States, and in the United Kingdom, who *hated* Roosevelt, but had worked with him, because he was considered necessary until the war were won; now, knowing that the war were won, moved to eliminate him. They knew that he was ill. He was suffering from the effects of poliomyelitis, was worn down, and was about to die, of complications, which could hit him at any time. They put in Truman, who was sympathetic, shall we say, to the scoundrels that put him in.

Truman dropped the unnecessary bombs on Hiroshima and Nagasaki, against the explicit advice of Eisenhower, and the implicit advice of MacArthur: There was never a legitimate military reason for dropping those bombs. Or, for that matter of fact, the firebombing of Tokyo; or for that matter, the terror-bombing of Germany, civilian centers.

The object of war, is to win the peace. Win the war, as expediently as possible, with as little damage to both sides as possible; and use what survives as the premise for peace—exactly what people didn't think about, when they were going into Iraq.

So, at the end of the war, with the dropping of those bombs, we had a tendency in the United States, and in Britain, called the "utopian" tendency. People say: "The world of history has come to an end. With nuclear weapons, and with the ability to deliver them by air, by aircraft, the world has changed. We don't need armies and navies, in the old sense, any more."

We can now terrify the world, exactly as Bertrand Russell said, publicly, in 1946. But that was his policy earlier. Bertrand Russell was the author of this policy, of nuclear terror. We create weapons so horrible, such monstrous weapons, that nations will give up their sovereignty to world government, in order to avoid war involving such weapons.

This became known as the "utopian faction" in U.S. military policy: The "revolution in military affairs" was started around the building up of the Air Force, and Truman supported it.

We avoided the worst consequences of that downturn, in our policy, because we were so disgusted with Truman, we couldn't elect a Democrat at that time. So, we elected Eisenhower, who represented the traditional military policy of the United States, and we had a sweet relief, for two terms, when we paid a price for it. But, we were so sick of Truman—as *I* was sick of Truman, then, as a returning veteran: the right wing, the terror, what we call "McCarthyism"; *all the evil*, that hit the United States and terrified the population, came under Truman.

And we got relief from this—from a drive toward nuclear war—was stopped, because some people realized that Truman had gotten us into the Korean War, which was unnecessary, and he had miscalculated. Therefore, they said, "Get rid of that. And get rid of the Democratic Party, for the time being, because it might have the stink of Truman left on it." And the American people breathed in relief, especially when Eisenhower shut down Sen. Joe McCarthy.

It wasn't good. Because the party of Roosevelt, of Franklin Roosevelt, that had saved the nation from the effects of Coolidge and Hoover; which had saved us, and saved the world from a world empire, a Hitler-like dictatorship, that party was now crippled. Crippled from the inside, by what Truman represented. And it never fully recovered.

There was an attempt to do so, under Jack Kennedy. But Jack was not ready for the job, really. Jack did not understand the military problem. He didn't understand what he was getting into. He began to—and then, *they killed him*.

And then, we had a change: We had a meeting, between Presidential candidate Richard Nixon and the Ku Klux Klan in Biloxi, Mississippi. This became known as the "Southern Strategy." We were on our way toward fascism.

Then, at the end of the 1970s, the Democratic Party went to the right, with the founding of the Democratic Leadership Council. And the Southern Strategy came over to the Democratic Party: It was called the "Suburban Strategy." Amounts to the same thing.

Since 1977—I think we can show that [slide], the drop in income, of the lower 80% of family-income

brackets of the United States [**Figure 1**]. We have had a disassociation of the general welfare, from the population as a whole. We have a doctrine, which comes out of the fascist majority Supreme Court, typified in the extreme by Antonin Scalia, which is called "shareholder value": In other words, if you bought a health-care plan, which is going to take care of you; and some stockholder had come in and bought a share of a company that had taken over the health-care plan, an HMO-style company, the shareholder of that company (who just bought the stock yesterday) had a right to a given rate of profit, even if it meant taking your life, by denying you the care you needed! That's the kind of change we made.

And, that was what happened in 1977: Infrastructure went down; industries began to collapse; the physical standard of living collapsed. The Federal Reserve System cooked up this so-called "Quality Adjust Index," under Volcker—1982-83—and the Federal government has been *lying* about the rate of inflation—and I'm talking about 10 and 20% ratios—ever since. Look at the physical standard of living of somebody in 1975, the middle of the 1970s: Look at what a week's wage would buy, in terms of a standard of living; what kind of improvements in the community; what public library; what hospitals; what kind of health services, would be provided to you *physically*, as a percentile of your wage.

Look at it now.

They took away the factory, where you were employed. Now you work cheaply. You commute long distances. You have no family life, because you're on the road, commuting, in traffic jams most of time. You're working odd jobs, to try to make it. And you can't quite make it.

So, there's a transformation in our country, from a society based on the general welfare principle of our Constitution, to a society based on a Lockean conception of "shareholder value"; which was called, in the Confederacy, "slaveholder value."

So, we underwent a change. And therefore, by people say to themselves, "Well, you can't do anything about it. The Democratic Party has abandoned us. The Republican Party is out to eat us." "There's nothing you can do about it. You can't put the toothpaste back in the tube." And so, these things happened. And so, deregulation came.

But who's behind it?

Go back to the 1930s, and look at this organization, which had been formed, called the Synarchist International. And take another step back, to the 1780s. What was happening in the 1780s? The American Revolution had happened. The American Revolution was a project *conceived in Europe*, by the greatest minds in Europe. Mediated, in part, especially since the 1750s and 1760s, through Benjamin Franklin, who is the leader of this nation: the man, who actually decided what would be written in the Declaration of Independence. Franklin re- wrote the draft, which his subordinate, Jefferson, had sketched, after the discussion: crossed out this; crossed out that; put this back in; so forth. Franklin is the father of this country; not George Washington, to whom certain honors belong. But Franklin was the father of this country. And Cotton Mather, before Franklin, in a certain sense.

So, this is an intellectual movement, about the idea of creating a republic, modelled upon the idea, the Classical idea, associated with the memory of Solon of Athens, and the work of Plato: to create a true republic. In which the republic would be sovereign; the people would be sovereign. They would have no external overlord, over the nation, or over themselves. The legitimacy of the government would be based, entirely, on a commitment of the government, efficiently, to promote the general welfare of *all* of the people. And to promote the general welfare of *posterity*, as well. The principles of law, enshrined in the Preamble of our Constitution, which is the fundamental law, of our Constitutional republic.

We created that republic, at least in embryo, as a commitment. At that point, all of Europe was inspired by the American Revolution. The American Revolution was in the process of taking over Europe. France was first on the list. The whole group in France, which had been behind the American Revolution—supported it—wanted to the same thing in France. Throughout Germany, the leaders of Germany, of the Classical humanist tradition in Germany, were mobilized around the American Revolution, during the 1770s and 1780s.

People aspired to *free* Europe, from the systems of Europe. And to have a system in the nations of Europe, which corresponded to the *intent* of the Constitution of the United States.

That did not make everybody happy.

You had the head, the actual political controller, of Barings Bank and the British East India Company, Lord Shelburne, who from 1763 on, began to make major moves, in several directions, to try to stop the American Revolution, which was already seen by them, at that time. And once it had happened, when Shelburne was Prime Minister, in 1782 and 1783, he set into motion, through his agents in Switzerland and France—especially French-speaking Switzerland, especially around Geneva, Lausanne, and around Lyons in France—set into motion a cult, which became known as the Martinist Freemasonic cult: of Cagliostro, of Mesmer, of Joseph de Maistre, and so forth. This cult.

This cult pre-orchestrated the French Revolution, from 1789 through the fall of Napoleon, through all phases. And it was controlled by British intelligence, under the direction of Lord Shelburne, then Jeremy Bentham, his key man, and associates.

For example: The siege of the Bastille, on July 14, 1789, was orchestrated by two British agents: Philippe Légalité and Jacques Necker. Why was it done?

Because Bailly and Lafayette had led, in forming a Constitution, presented to the monarchy. The monarch had rejected it at first, but it was still on the table. The storming of the Bastille was a terrorist incident, run by synarchists, under the direction, and sponsorship, and control, of Lord Shelburne, from England, from London. Danton and Marat were agents of Shelburne's, and were personally trained and *directed* by Jeremy Bentham. And so forth, and so on.

What the synarchists did, and they outlined this conception in their writings of that, time and later—they're called the "synarchists" now; but, they were called then, the "Martinists"—they laid out, what happened in the French Revolution, from 1789 to the fall of Napoleon. It was plan! It was a

doctrine. It was an ideology: And they ran every step of the way; in concert with certain forces in Britain, around the British East India Company, and Barings Bank.

What was this for? This was to stop the spread of the American Revolution's idea in Europe! The American Republic was the greatest danger, to whose interests? The Martinists? Well, they're fascists—what we call fascist, today. These are your Hitlers; these are your monsters. These are your Nietzscheans.

But, who was behind them? Bankers. What kind of bankers? Venetian-style bankers. What kind of bankers, Venetian-style bankers: *Private, family, merchant banks*. Like the India Companies; those are the India Companies of Holland and Britain. Private banks, like Schlumberger interests, and similar kinds of interests— which exist to the present day.

These banks were already penetrating the United States, with agents like Gallatin: *an enemy agent, inside the government of the United States!* Gallatin! A Swiss agent—actually a synarchist agent.

What did they decide? They said: "Never will we allow—we bankers: We will never allow the existence of a government, which places the authority of the state, above the interests of the bankers."

What do you have in Europe, today? What kind of a system do you have, as opposed to the Constitutional system, prior to the Federal Reserve Act: What you have in Europe, today, is essentially, the Anglo-Dutch liberal model of parliamentary government.

How does it work? It works on the basis of: You have a state apparatus, under a monarch, or some nominal President, which just keeps running as a state apparatus. You have a Parliament, which can be dumped, any time you decide to orchestrate a crisis. A parliamentary government *has no continuity*; it has no assured continuity.

Then, you have a third branch of government, called, today, an "independent central banking system." The independent central banking system controls the emission of currency; controls national credit; and, any time the government displeases it, it uses its power to orchestrate and overthrow of the government.

So, the issue, today, is to rid the world, of that vestige of the Anglo-Dutch liberal parliamentary model. And, to return to what the American Constitution prescribed and *intended*, which we were not able to carry out fully, because we were isolated, by these developments in Europe of that period, the Napoleonic period and afterward; and because we had internal problems we could not resolve.

It was not until Lincoln brought this nation to victory over slavery, that something resembling the actual intention of the Constitution came into being. And even that was in trouble. In the meantime, within our own country, we had a banking interest, centered in Boston, centered in New York City, which had the same kind of mentality, and often direct connections to, what we call the synarchist bankers of Europe. That has been our problem.

Now we come to a point, that the entire system is collapsing; the entire international financial system is collapsing—just as the Versailles system was collapsing, in the 1920s, but this time, it's much more severe, much deeper as far as Europe and the Americas as concerned, at least—and Africa. Therefore, the amount of debt which is outstanding, financial debt in the system, *could never be paid by the existing nations*. Never!

So, what does that mean? That means, that nations have the choice of either telling the financial interests, *to eat their losses*: because the care for the people and the nation comes first [applause]. The power of sovereign government, is the care the people and the nation. But, if government runs a bankruptcy receivership operation, which it must do now, with the entire IMF system, with the Federal Reserve System, and so forth, then what happens to these powerful bankers? *We pay what has to be paid, first*. We meet the standard of the general welfare and posterity. We exert our sovereignty, that *no external authority*, including bankers, can subvert our sovereignty; can destroy the general welfare of our people from outside; can damage our posterity.

What's the bankers' reaction? Well, some bankers will say, "All right. I'm just a banker. Put me through reorganization. I'll stay in business. I'll work for you. I'll get back in business." But others: "No."

And that's what this is.

You have powerful, private banking interests, of a family, merchant-banking style, who operate as a syndicate, like a Venetian oligarchy, Venetian financier oligarchy: They were behind the synarchist operation, or the Martinist operation, which was the French Revolution. This is the organization—exactly the same organization—in Europe, which put Mussolini into power in 1921; Hitler into power, 1933; Franco into power; and so forth and so on.

This was agency which was determined to destroy the United States in 1940! *This is our enemy!* That was our enemy, *then*. That is our enemy, today!

The difference today is, the leadership of the enemy, at that time, came from Europe, which was determined to destroy the United States. The problem today is, the leadership of that operation is *in* the United States. And, its *puppet*, is the Bush Administration. Its puppet is those in the Democratic Party National Committee, who are the instruments of this kind of policy.

And, if you go by that standard—you say, "Here we're in a great crisis, great financial crisis. Worse than Versailles; worse than the collapse of the Versailles system. We have one choice: If we make the choice, of defending the sovereignty of nations; of promoting the general welfare of each and all nations; of promoting the interests of posterity of each and all nations; if we come to treaty agreements and cooperation, in taking over the IMF and so forth, under these terms: Then, we shall survive." We can not create instant prosperity out of this great poverty. But, we can take the road *up*, as Roosevelt led the road up, in 1933, in March of '33 on. We can do that. We can give optimism and a future to our children and grandchildren. And, that's about the best we can do. And survive, in the meantime.

We can also, we hope, by coming to agreement in a great crisis, which is the times, that people make,



usually, great decisions: We can say, "An *end* to this kind of conflict! An *end* to a Hobbesian world!" The time has come, to create what the United States has always been committed to, by its Founders, from the beginning: the establishment, around the United States, of a community of respectively sovereign nation-states on this planet, sovereign nation-states, which together form a community of principle.

The essence of this matter is—and, I'll take for a moment, this deeper question: Why a sovereign nation-state? It's very difficult to define a sovereign nation-state to most people in today's culture, because our culture is so decadent. In former times, when we had the semblance of a Classical culture in schools, before we had Hollywood, before you would have a Hollywood screen, which would feature so much of this Schwarzenegger on it: a freak show! Not drama: a freak show! Television: not drama: a freak show! [Photo displays Schwarzenegger in *Junior*, in which he becomes pregnant, flanked by Buffett and Lord Rothschild.] You have the fathers of the bride!

Our culture is so degenerate, our popular culture, that our people do not know what it is, that gave us the great culture that we did have; the great political institutions we did have. There is no longer Classical culture. People don't know what irony is. They don't know what poetry is. They don't know what great music is. They think "thump, thump, thump," like a bunch of chimpanzees in heat, is music! They think entertainment is one big rave dance. They think a political convention is a rave dance.

So, they don't understand, the difference between man and the beast. Just as a synarchist does not understand that. The idea of man, prior to Christianity, and prior actually to the Renaissance, the 15th-Century Renaissance, most people were treated as cattle. Either as hunted cattle—you go out and hunt them down, put their horns on your mantelpiece. Or, you herd them, like cattle. If you're nice to them, you put them in the stall, and feed them every night—and you only cull them when they stop giving milk! The way we're doing with our health-care program today: it's called a "culling process." Sometimes it's called "triage." In the animal kingdom, it's called "culling the flock," of people, who are not "useful" to you any more. Because, after all, "shareholder value" must be supreme.

So, in that kind of culture, where we don't accept the value of man, as man, not as a beast. And, the difference is, man's ability, which no beast has, to discover from the anomalies of sensual experience, to discover physical principles of the universe "out there"; to master these principles; to prove them experimentally; and apply them, to increasing the power of man to survive, the power of man to improve our conditions on this planet; and to take responsibility, for the management of this planet, for the benefit of all the people who live in it: That's man.

Therefore, the human individual is sacred. This quality, that we have, of being able to discover principles; to transmit them to others; to transmit them from generation to generation: That is humanity. That is culture. Now, this culture is associated, in every case, with what is called a "language-culture." People have a language, in which the legacy of the ironies of the past, their Classical art, and so forth, are transmitted in terms of that culture, their language-culture. Not in the dictionary reading of the language. But, in the usage of the language, with its characteristic, artistic ironies.

Therefore, if we're going to have self-government, it has to be a self-government *by* the people, not just

for the people. It must involve the participation of the people, in understanding, and agreeing upon the policy deliberations which are made. That can only be done, in terms of the culture of the people. And changes can occur, only by strengthening, and improving, and developing the culture of the people.

Therefore, to have a community of nations, rather than a collection of cattle, roaming around the planet, without national identity or whatnot; in order to have that, you have to protect the people as being sovereign in their own decisions; their own policy decisions, as a people. Then, you have sovereignty. Otherwise, you have a capricious situation, where the nation does not know what a principle is, and therefore, they're easily moved, in the short-term, by sudden impulses, by sudden fads; crazy ideas—like the idea that Arnie Schwarzenegger is human, or something like that. Crazy ideas.

And therefore, you have to have a people that has moral character. And moral character is not a set of dos or don'ts. Moral character is the understanding, that we are not beasts, we are not animals: that's number 1. That the other fellow next to you, is not a beast; he's not a animal, number 2. And that the transmission of culture, and the cooperation in terms of the culture, is what makes us human. And therefore, you have a moral sense, which is derived from the root of the conception, of the difference between man and beast.

Therefore, if we try to build any system of government on this planet, which does not recognize that, does not recognize the importance of the sovereignty of the nation, in terms of its choice of culture, and the participation of its people in its culture, we will create a monster which will fail us.

The time has come, because of the great troubles that the world faces—the troubles from the United States, the threats from the United States, from Cheney and so forth—the time has come to change that. The time has come, to recognize, in a time of trouble, *we need each other*.

The time has come to make real, on an international scale, the agreement which ended the great religious war of thirty years, of 1618 to 1648, the principle of "the advantage of the other," which is the only thing that brought peace under those conditions. *We must recognize the importance, of the "advantage of the other nation"!* And ask them to do the same for us. The advantage of the other; not *competition against* the other, but the advantage of the other. We are one human species. Not different species. We must live together on this planet.

But we must live as human, in terms of human cultures, in terms of cooperation of human cultures, and compassion and love, for people of a different culture. And say to them: "What should we do *for you*? And, we will tell you, what we would like to have you do for us."

We can live on this planet. Yes, we will probably still need strategic defense capabilities, for some time to come. But, the time has come, in this time of crisis, to come to that point—which means we must stop treating ourselves as beasts. As we are treating ourselves as beasts, with deregulation, by this kind of destruction. We're treating ourselves as beasts, by the idea of shareholder value: That somebody *owns us*! That the Three Stooges own us! And therefore, we have to obey their rules, *because they own us*! They *own* our indebtedness, which they created!

And, what you're seeing in California, with deregulation: the rape of the United States, the rape of California, by the Three Stooges, for which this freak show, Arnie Schwarzenegger, is working.

Are we going to continue to submit to that? Think! Think where we are: We are on the edge of nuclear war, of a new kind, throughout this planet. Not this year; perhaps not next year. But, already, nations in Asia, are thinking in terms of new methods of warfare, by which they could constrain a *nuclear threat from the United States*! It would be several years, before they are ready to do that. But, probably, in the middle of the next Presidency of the United States (if it should happen), the danger point will come, for war! For nuclear war, of an asymmetric type, of the type that nobody in Washington, right now, is thinking about.

And, that I have confirmed. That is exactly what the situation is, right now. That's what governments, which are capable, are *thinking* about! Now! And *doing something* about—now!

If we wish to avoid that, then we'd better make sure, that what Cheney represents, inside the United States *is out of power*! We must understand, that we can not submit to the Synarchist International, any more! We must understand, that we must show at least as much courage, as Roosevelt and Churchill did, in stopping what would have otherwise become, a world takeover by Adolf Hitler and his type.

Now, my job in this, is rather significant, even though it's sort of a funny situation to be in. I'm on the inside; I can tell you that.

We're in a situation, where we're not only facing a war, but the problem we have, the problem the American people have, is, in a sense, largely of their own making: When the American people voted for deregulation. They were crazy! They were stupid! Just absolutely no reason to do so! But, they were stampeded into it, because, over the period, since the assassination of Kennedy and the start of the Indochina War, and the missile crisis before then, they became stampeded into new values: They ran away from productive society, from technology; and ran into the idea of consumer society, of the "Now Society," the "Me Society," the "Pleasure Society," the consumer society—as opposed to productive society.

And therefore, they voted for this stuff! Everybody in California, who could vote, at the relevant moment, voted for deregulation! No one is innocent! They're all guilty!

But, should they die, because they're guilty? Are we going to say, "consequences," like George Bush with Death Row in Texas? "Consequences," therefore, you die?

No. They made a mistake. The cultural trend, in the United States, over the past 40 years, has been a mistake. What is treated as generally accepted popular opinion, is wrong! And this is only an example of it.

Therefore, the time has come, where the survival of the people in the United States *demand*s that they *change the way they've been behaving*! Especially their political behavior! They've got to come to their senses, in time to be saved!

Now, it's the characteristic of people, up to this point, that people generally don't come to their senses, willingly. They come to their senses, when they're frightened. When the pants are scared off them.

But, that's not enough: There has to be the sublime element, as Schiller points out. Someone, or some people, must stand up as leaders, and *confront the people*; and say, "*You fools! Stop being fools—or you'll die!*" You can live, but you've got to give up your *stupid* ways. You've got to give up that, in you, which allowed you, to tolerate deregulation. You've got to give up that in you, which resists taking immediate, emergency action, to *re-regulate the entire U.S. economy*. Because we won't survive, unless we do that."

So therefore, someone has to be the maverick. Someone has to violate all the rules of good courtesy, in the existing society, because the society's rules stink! Because the society stinks! And, when a society stinks in its behavior, there's something wrong with the basic assumptions, which are popularly accepted.

So, there's no leader for a time of crisis, who's one bit damn good, unless he's going to take on the people, and point out *their* corruption, in themselves, and tell them to change it! Whether they like it or not. That's what Franklin Roosevelt did. That's what every capable leader has done. That's what Abraham Lincoln did. That's what Benjamin Franklin did. That's what Cotton Mather tried to do. There is no such thing as "democratic consensus," "the expression of the consensus." When people become stupid, the consensus is their worst enemy!

And, at that time, someone has to step up, and say to them: "You've been wrong! Change it. Change it." Don't worry about hurting their feelings. Better you should hurt their feelings, than let them die. Or let them kill each other.

And, we're at that time. And therefore, my situation, and that of some other people, who more and more are tending to work around me, with some degree of reluctance—because they get upset by what I do: I tell the truth. And they say, "Can't you, sort of, soften it up a bit?" I say, "No. It won't do any good." You've got to confront the people, with the fact that this *is* the truth. Don't try to influence, through appeals to public opinion. Public opinion is what is wrong! But, you've got a situation, in which the public is capable of recognizing, that its opinion is wrong. And the California case, is a case in point.

So, what we have, overall, strategically, is the following: We have a so-called election campaign going on, now, in the United States. And, I can't find a rival anywhere! [applause]

People say, "Well, what will you do, if you're elected?" I look at them. I say: "Do you know what world you're living in now? The question is: Are we going to *get* to the next election?!"

For example, you've got a case for disorder: Suppose, by some chance, that they elect a monkey, Arnie Schwarzenegger, the governor of California. What's the effect? You're going to have a fascist movement throughout the United States—run by the Three Stooges, or people like that. You think you'll get the United States back? You know that the way California goes, will determine the way the

nation goes, in the 2004 elections? If California is not on the Democratic Party side, or is not in the camp of sanity, who do you think can win an election, in an honest election, inside the United States?

No, every citizen of the United States has to be concerned, about what's going on in California in these weeks, between now and Oct. 7. They *have* to be concerned about it! Otherwise, *you may have no United States*, implicitly, after Oct. 8. That could happen! I don't think Arnie Schwarzenegger's going to make it. I think we're going to damage him enough. I can not assure you we're going to win, the case in California. But, I can assure you, that the only chance we have, is to stage the kind of *fight*, which will moralize the nation to fight. You know, I say, "You can often lose a battle, in warfare. But, you don't say, 'Let the battle decide the outcome of the war.'" But, if you have not lose the confidence of the people, or if you've mobilized the confidence of the people, you'll find a new way to fight. You will find new options, as every great commander in warfare does.

The point is, is: If we sit back, and were to sit back, and let it happen in California, without the kind of challenge, which will shake the enemy in his boots, we don't have a chance. Therefore, we must fight. We must fight to turn back this threat. And, what is at stake, is not California. What is at stake is Washington. What is at stake, is the world, because of the danger of nuclear war, if something like Cheney continues to control Washington.

That's the situation we face. We are now in a situation, which is comparable to that, of the conversation between Churchill and Roosevelt, in June of 1940. It's that serious: The fate of the world, depends upon those of us, who will take on that fight now, with that understanding, and that determination.

Our job is not to win the next election: Our job is to win the nation, back to safety. And, if we win the nation back to safety, in these months ahead, starting with the three-month period of crisis immediately ahead of us, then we will have the forces mobilized, *to carry the next election!* To transform this country—and to transform the world, which is waiting for us to do something decent about the world situation today.

So therefore, the next election is not the thing to worry about. The question is, are you going to be in a *position*, to win the next election? Are you going to be able to *carry* the nation, and its people, and mobilize them, to make sure that we're going to bring back the Democratic Party—as Mervyn has emphasized? Bring it back! Re-create it! Use the Franklin Roosevelt model. Re-create the Democratic Party, the way he sort of brought it back out of the grave, back then. A

And *that's* what's important.

I'm not running, for the next election. I am, but I'm not. The serious running, is not done by going into the polls, and organizing for the polls, in next November. Running, now, for President, *is being* like a President, now! And, providing the leadership that this nation needs.

Thank you.

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## Feature:

### Synarchy Against America

by Anton Chaitkin

Anton Chaitkin presents the work of a team of *EIR* researchers, on the two-centuries-long project to counteract the stunning success of the American Revolution and America's intervention in world affairs. This enemy totalitarian project came to be self-named, about a century ago, as "Synarchism." Not coincidentally (from the standpoint of Britain's Earl of Shelburne), the first target was France—notably the collaborators of Benjamin Franklin.

- [De Maistre's Synarchist Religion](#)
- ['Executioner' Binds Mankind](#)
- [Shelley: 'Feelings of a Republican On the Fall of Bonaparte'](#)

## Counterintelligence:

What Ashcroft Would Prefer You Not Know:

Religion and National Security:

The Threat from Terrorist Cults

by Lyndon H. LaRouche, Jr.

A Presidential policy study on the subject of "Synarchism as a terrorist cult," by Lyndon H. LaRouche, Jr. "The continuation of [the] Synarchist effort from during the World War II period, is not only the continuing connection behind the fascist insurgencies of 1921-45, but is that thieving, international financier syndicate behind today's role of Vice President Cheney and his Enron, Halliburton, and similar accomplices, which orchestrated the Enron-led swindle of California. That is the syndicate which has pushed the freak-show candidacy of an 'Elmer Gantry'-like confidence man, the United States' imported Austrian Arnold Schwarzenegger, as a proposed head of state."

## International:

Blair Testifies on Iraq WMD Lies:

Will He Resign?

by Mark Burdman

In his Aug. 28 testimony before Lord Hutton's judicial inquiry into the death of British weapons scientist Dr. David Kelly, the Prime Minister mooted his own resignation—while quickly denying that it was appropriate. A growing number of Britons disagree on that point, disgusted as they are with the government's seemingly endless lying.

Mumbai Rocked by Bombs;

## **India a Terror Target**

**by Ramtanu Maitra**

## **Sharon's Maneuvers**

### **To Kill the Road Map**

**by Jeff Steinberg and Michele Steinberg**

## **How We Can Win the**

### **War Against Synarchism:**

#### **Start With the Truth**

**by Lyndon H. LaRouche, Jr.**

Lyndon H. LaRouche, Jr.'s keynote speech to the Schiller Institute Summer Academy in Frankfurt, Germany, on Aug. 16.

## **Report from Germany:**

### **Euro-Russian Deals Skyrocketing**

**by Rainer Apel**

## **National:**

## **Cheney's Energy Pirates Behind**

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## **California's 2001 Crisis:**

### **Cheney Covered for the Energy Pirates**

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## **GAO: Cheney Hid Truth on Energy Dealings**

**by Richard Freeman and Arthur Ticknor**

## **New Gulf War Syndrome**

### **Hitting Troops in Iraq**

**by Carl Osgood**

## **Stop the Coverup on Gulf War Illnesses**

An interview with Steve Robinson, executive directory of the National Gulf War Resource Center.

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## LaRouche Defends Zayed Centre

by Lyndon H. LaRouche, Jr.

Sunday, August 31, 2003

It is my information, which I have received through channels which I know to be responsible and reliable, that the closing of the Zayed Centre for Coordination and Follow-up (ZCCF) in Abu Dhabi, where the U.S.A.'s James Baker III once spoke, as I had done, occurred under heavy pressure from elements within the U.S. Bush Administration. Such action by the U.S. is another piece of idiocy, like the continuing U.S. war in Iraq, which is directly contrary to the current and long-term security interests of my republic, the U.S.A.

Under the present circumstances, when I am, at this moment, the only legally registered candidate competent to be chosen in the 2004 U.S. Presidential election, I have a special responsibility to speak out, on various occasions, in defense of the present and future integrity of the Presidency of my nation. Therefore, on this occasion, it is my immediate duty to point out the important role which the Zayed Centre had performed in contributing to the cause of world security and peace, and for which it is needed, more than ever before.

The world at large must accept as a matter of fact, that since the aftermath of the events of September 11, 2001, the control of the U.S. Presidency has been usurped by a group, centered around Vice President Cheney. This group around Cheney is part of those same circles, formerly known as the Synarchist International of the 1921-1945 interval, which the U.S. President Franklin Roosevelt and Britain's Winston Churchill united to join with others in defeating during World War II. This same Synarchist current which brought us Hitler then, is presently a powerful, subversive influence inside the institutions of the U.S.A. Cheney and his so-called neo-conservatives, are an instrument of that influence.

On account of that usurpation, my responsibility at this time, is to play a certain central role of leadership, in the effort to free the U.S. from the group of that still-active Synarchist interest, which has usurped control of my nation. I am committed, as all thoughtful anti-colonialist, and well-informed leaders of my nation, to work for the establishment of that just new world economic order at which President Franklin Roosevelt, and the 1976 Colombo conference of the Non-Aligned nations had aimed, and which is urgently needed today for the peace and security of the world at large.

The strategic problem posed by the Middle East today, is historically situated, summarily, as follows.

Since the beginning of historical times, about 6,000 B.C., when something like modern geography and patterns of climate had emerged from the approximately post-17,000-10,000 B.C. melting of the last great ice age, the region of Southwest Asia has emerged to become a principal cockpit or flank of great struggles throughout adjoining regions of Eurasia and Africa. Since approximately the emergence of



the Sumerian colonization of southern Mesopotamia, the area bounded by Egypt, Sudan, Ethiopia, Persia, Turkey, and the Transcaucasus, had developed as a center of both conflict and civilization for much of the world at large. Today that region, with its presently geographically extended, largely Islamic cultures, contains many of the elements which will tend to be a crucially included factor, or even a trigger of unleashed generalized, asymmetric modes of nuclear warfare throughout the world at large today.

It is time to speak frankly about ending the relevant follies of current U.S. policy generally, and, with special emphasis on the urgency of establishing not only peace, but a durable peace in Southwest Asia.

What I am working to bring my U.S. fellow-citizens to understand, urgently, now, is that the current, grotesquely aberrant, policies of Vice President Cheney are insane from any rational military-strategic standpoint, as many retired and serving U.S. general officers and others, serving or retired, have said variously, that in their own way, within the bounds of professional discretion incumbent upon them.

The essential military policy of the U.S.A., as of other leading nations, is governed by a doctrine of Classical strategic defense, a doctrine shaped by the 1648 Treaty of Westphalia, the leadership of the great commander Lazare Carnot in France, by the circles led by Scharnhorst in Germany, and exemplified by the work of von Wolzogen and others in designing the strategy for defense of Russia against the Grand Armée of the Emperor Napoleon Bonaparte. That should be the policy of the U.S. and other powers today.

The presently contrary, imperial, utopian doctrine of world government, was brought about through a terrifying use of nuclear weapons, which was authored principally by Bertrand Russell. Now as then, the utopian military faction, that U.S. enemy from within which President Eisenhower called a "military-industrial complex," has always threatened, since Hiroshima and Nagasaki, in 1945, to plunge the entire planet into a prolonged dark age. Whoever proposes such a utopian "revolution in military affairs," such a policy of nuclear preventive war, as Cheney and his confederates have done, must be considered a threat to all of humanity, including the U.S.A. itself.

Now, we witness what was virtually inevitable, accelerating irregular warfare resistance of the people of Iraq against the looting and other destruction being conducted by the occupying forces at the disposal of imperial Proconsul Bremer. The informed circles of the world know, that the U.S.A., as long as it remains under the present Administration, and as long as a durable Israeli-Palestinian peace has not been secured, must withdraw from all roles which suggest a military occupation of any part of the Middle East in general. Otherwise, the situation created by continued U.S. occupation will produce even incalculable effects for the larger world, including the U.S. itself.

The behavior of the U.S. in its bullying of nations of the Middle East region today, is often a copy of the extortionist "protection rackets" by those U.S. organized-crime circles which Cheney's Halliburton operations are imitating today. Such thuggery may induce temporary submission today, but will drive enraged victims to war-like violence tomorrow, as we see in the irregular warfare building up in Iraq today. If we do not protect the governments of the region against such blackmail, the people of those nations will revolt against the governments which submit to such pressures, and bloody chaos will result. Soon, unless Cheney's role is checked, or, better, his removal effected, it were inevitable that the

violent reaction will not be limited to the territory of Iraq.

Therefore, the U.S. must get out quickly, and the UNO must be brought in under appropriate conditions and mandates, with a mandate for the early reestablishment of a stable and fully sovereign Iraq. There might be a U.S. alternative, were I already President of the U.S.A., a President the people of the region could trust. Otherwise, there is no sane alternative. U.S.A. submission to a UNO role is the only realistic course of action presently available. The practical question is: How shall that effort involving the UNO's leading role, be made successful? At the present, degenerated state of affairs produced by the war and the lunatic practice of the U.S. occupation, peace in Iraq can no longer be an Iraq issue. Peace requires the voluntary, active cooperation among the nations of the region of Southwest Asia bounded, most immediately, by the Caucasus, Turkey, Iran, and Egypt.

The consequences of the stupid and outrageous folly of some U.S. representatives' thuggish attempts to stifle the voice of the Zayed Centre, must be assessed against that background.

The Arab world within that region of Southwest Asia is a group of relatively small states, many thinly populated, with much of their area presently desert. These states, many of which are fiercely jealous of their independence, do have profound common interests; but they require a forum through which definition of those common interests may be deliberated, that with little obligation but that of free choice to accept the influence of moral and intellectual persuasion.

If we are to build durable peace to replace the presently ominous situation in Southwest Asia and adjoining places, we must engage the consent of the people, the nations, which inhabit that region. We need means to step outside the formalities of formal diplomacy, to create the environment which is fertile for successful diplomacy. U.S. pressures to shut down the Zayed Centre are disgusting to anyone who prizes democratic freedoms of peoples. Such disgusting measures, as presently set against the background of Proconsul Bremer's role in supervising the carpetbagging role of Cheney's Halliburton, are not the road to successful diplomacy; under the circumstances, such behavior by certain U.S. officials is less than human.

The Zayed Centre's role as a place for such a forum among the member states of the Arab League, has been proven most appropriate, and valuable on this account. Here, the world has had the opportunity to engage in dialogue with the Arab world most immediately, and, implicitly, a larger part of the world of Islamic cultures. Until now, the Zayed Centre's role in fostering of emergent consensus among Arab states, on numerous matters, has become a critical element in defining constructive goals among nations of the region. We need that channel more than ever in its past existence, at this time. By "we" I mean also the United States.

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**LaRouche on the Stockwell Show:  
The First 100 Days of a  
LaRouche Presidency**

*Democratic Presidential pre-candidate Lyndon LaRouche was interviewed for one hour by Jack Stockwell on Salt Lake City's KTKK "K-Talk" radio on Aug. 27. Here is an edited transcript. Subheads have been added.*

*Stockwell:* Let's say, with what appears to us, here at K-Talk radio, staying away from nominalism, staying away from populism, supposing you were going, you were walking in to the White House today, as the newly elected President of the United States, who would you be bringing with you? What would you be bringing with you? And what could we expect out of you, in the first 100 days of office?

*LaRouche:* Well, the first 100 days—to take it in reverse order—you could expect a lot, because what we're in is a crisis which is comparable to, but worse than that which Roosevelt, Franklin Roosevelt, faced in entering office, in March of 1933. It requires solutions which, in principle, are based on the same principles which he invoked of our Constitution, and tradition. But the problems are different, and larger.

Now, we do have, as you may have observed—and you observed this in the thing you referred to, about people protesting against the Patriot Act, on the state level, and local level—that's part of a resistance movement, where something more is required. Even though a resistance movement is valuable, someone has got to take the action which removes the problem. Of course, getting Ashcroft out would be a big help, and anybody else who comes from that Leo Strauss variety of fascist background, would also be a great improvement in the situation.

No, what we need to do, essentially, which is my mission, even before considering walking into the White House—it's got to be done *before* then; it's the key to what my campaign must represent functionally, not as a freak-show, like the Arnie Schwarzenegger freak-show going on in California—but as an effort to mobilize the American people, to recognize they have leadership. Not just me, but a number of people they can recognize as being authoritatively qualified in their respective areas, who are going to come in with me as President, as a team, to do what Roosevelt's team did back in 1933, in the first 100 days.

I don't know who the Vice Presidential candidate will be, at this point. I'm going to have to find out. And I'm not going to be fiddling around with public-relations tricks, but a very serious consideration. After all, I'll be 81 next month. I'll be in excellent condition, probably live to 95, or something like that, those are the biological characteristics I have, the genetic pool, and so forth. But nonetheless, anyone who's going to be President, has to think about a successor, to continue the function of the President, if he were to be taken. And when I look at what the transition from Roosevelt to Truman was, and why many people of my generation thought that a Republican President, that is, people who liked Roosevelt, thought a Republican President, Eisenhower, was a sweet relief from Truman—we're not going to make the same kind of mistake, that was imposed on Roosevelt, of having a Truman, or something like that, lurking in the corridors, if I'm President.

So, that is not yet decided. But I know what direction I'm going in.

## **A New Financial System**

Policies: We're going to have to put the international financial system into bankruptcy reorganization, that is, receivership, by action of governments. I already have knowledge, from abroad, that there are a number of countries which would be prepared immediately to support my initiative on this, if I were to make it as President of the United States. So, that could be done. We could put the international financial system into reorganization. We can reorganize the IMF as such, back to a fixed exchange rate, gold-reserve standard—not a gold standard, but a gold-*reserve* standard—as Roosevelt did. We can set up a system of protectionist systems, of regulated trade, which promotes the actual investment in industries in the United States, by offering them the protection of fair prices, as opposed to this floating exchange rate things which bankrupts our firms, and put our farmers and others out of business.

We'll take those kinds of measures.

We must launch a large-scale infrastructure program. The 50 million people suddenly without electricity in the Northeast of North America, typifies that. The California mess typifies that—which was done by Cheney's friends, and Enron, and so forth. This typifies it. We need now, for example, an immediate major national program, done largely by states, but with Federal backing, to set up a power-generation and distribution system, integrated again, regulated again, to meet the growing power requirements of our nation, and to make power, once again, affordable to people, and to businesses.

We also need major water projects. Southern California's ground is subsiding, as a result of draining down the water tables. We can do something about it. We have to do it. The famous project, which once, a famous Senator from Utah was pushing, the North American Water and Power and Alliance—that project must go through. It must be done in cooperation with Mexico and Canada. That will change the character of that whole strip which is called the Great American Desert of the United States, and open it up to a great promising development.

These kinds of measures, done now, or done immediately, will stimulate the economy, increase employment, and if you increase employment, you increase business, and you increase income, and you're able to balance your tax bill. So, that's in general what must be done.

At the same time, we need new treaty agreements among nations of the world, which get us out from the danger of what is now, presently, a rapidly accelerating danger of possible nuclear war, of an asymmetric new type, breaking out in the middle of the next Presidency. And that, I know how to fix.

*Stockwell:* All right, we're back, 17 minutes after the hour of 7 o'clock. It is the 27th day of August, 2003. I have live on the line with me now, Lyndon LaRouche, Democratic candidate for president of the United States, in the next election in 2004, and we're all sitting back with our fingers crossed, that there will in fact be an election.

Mr. LaRouche, you were just describing some of the things that needed to be done immediately, in the sense of empowering some infrastructure and getting people back to work, changing essentially, the economic basis upon which the American dollar operates. You briefly mentioned a couple of things regarding some foreign-policy changes, in the sense that we need to probably back off from our imperialist attitude, and restructure some treaties out there, that might bring together a community of

nations, maybe back in the tradition of John Quincy Adams, that would work together, as a system of sovereign states; that we could spend an awful lot more time building our own economies, and increasing the general welfare of all of our peoples, rather than sitting here on the brink of a new age of mini-nuclear engagements.

Along with what you already described, might be part of your first 100 day operation, what would be taking place in the Middle East? What would we see over there that's different from what we're seeing now?

*LaRouche:* What has to be done now, is, the United States has to sit on Israel. That is, particularly the present fascist government of Israel. There are many Israelis who would agree with that, at least in principle, would agree that we must have a solution. The problem is this: that the nuclear/utopian freaks of the world, including France and the United States, and Britain, during the 1950s, decided to make Israel the third principal strategic nuclear power in the world. And they created an Israel which became, in the second-half of the 1970s, when the Likud came into power, that is, the right wing, which is, essentially, followers of the fascist Jabotinsky, when they came into power, we had a situation, a changed situation, in which Israel was transformed from a Labor-Zionist state, as it had been earlier, with all the pluses and minuses that involved, into becoming a virtual strategic hand grenade, a nuclear-strategic hand grenade. Because, once the hand grenade were thrown against its immediate target, which is principally the adjoining world of West Asia, or Southwest Asia, Israel would cease to exist, because of the repercussions of that kind of process. But it would have a strategic effect.

Therefore, these utopian freaks, of the type typified by Cheney, the Vice President now, and the crowd around him, would like to use Sharon, who's sort of the real-life equivalent of "Junior," played by Arnie Schwarzenegger, would like to use him—or Netanyahu, who's even nastier—as this kind of instrument.

But, the only power in the world that can actually peacefully induce Israel to behave itself, to bring the fascist element in the government of Israel today, under control, is the United States. And that means essentially the Presidency of the United States.

Obviously, George Bush, who might be inclined to do that, or have advisers who might be incline him to do that, does not have the guts to do it. At least not so far.

*Stockwell:* Well, if we change the crowd that he was hanging with, would he then have the gumption required to make some major policy changes, if there were somebody different in this immediate crowd, that he hangs with?

*LaRouche:* Well, the point is. Look, you've got to look at the President.

*Stockwell:* Does he have the ability to even understand that change needs to be made?

*LaRouche:* No, he does not. That's the point. He doesn't have it now; he won't have it then. This man

is—he may have brains, which he's never used, and probably never will. He has limitations. You've got to be frank about this. We got this guy as President. I'm stuck, as a political figure, with an elected—or not really elected—but a President of the United States, a sitting President, an institution that I must defend, which, he's sitting there. This guy is an absolute idiot! He's a mean-spirited idiot, not a soft-spirited idiot. And he's concerned about *his* way, *his* opinion, his ability to exert power, personal power, with no comprehension whatsoever, of the American economy, the American people, or the world at large.

His opinions are largely shaped, like a man watching a fantasy on a television set screen. Whoever paints the fantasy, will control him. Even if it's the truth, to him, it's a fantasy. And therefore, if you get the people who are orchestrating his eyes, ears, and what passes for a mind, which is largely Cheney's crowd, out of there, then the President would be required to go to the other Republicans—that is, the real Republicans, the sane ones, the human ones—and also to the Democrats, and to his own institutions of the Executive Branch, as well as the Congress, to get a perception of what his options are.

So, with a President of these mental limitations, how you define his options for him, will generally tend to determine the way he reacts. So that, if you rid of this thing, we're going to have a change.

On top of that, we have some fundamental changes which are now occurring, which nobody can control at this point.

First of all, we have a general collapse of the present international monetary and financial system. No one can stop that for much longer. The real-estate bubble, the mortgage-backed securities bubble, could blow it out. But it's going to blow, *soon*. The United State is now isolated in the world. There's virtually no nation in the world which likes the United States, under the present Presidency. They're becoming hostile to it. They fear it. They despise it. They're trying to find out how to control the effect of it. That's the attitude of the world. George Bush has made the United States hated in the world, in a way which had never existed in my memory.

## **The Uniqueness of the U.S. Constitution**

*Stockwell:* All right, we're back. Twenty-seven minutes after 7 o'clock. You're listening to the Jack Stockwell radio talk-show program, now in its ninth year, here in Salt Lake City. My guest is Lyndon LaRouche, who I try to get on the show quite often, if possible, about every two or three months. And he is in town—well, kind of in town, he's back in the country.

Oh yeah, let me mention that. Lyn, if I may call you Lyn, one criticism I often hear is, you know, this guy spends an awful lot of time out of the country, for running for President of the United States. You know, what do you say about that?

*LaRouche:* Well, people don't understand the Presidency of the United States. Not remarkable, of course, since the condition of our school system in the past 40-odd years. They don't know anything about American history. They don't know what the United States is. They don't know what the difference is between the U.S. system, and other systems. Our Presidency is a unique institution. Our

Constitution is absolutely unique in the world. There's nothing like it. Very few people outside the United States understand our system.

Remember, look, we're going back now, to between 1776 and 1789, from the Declaration of Independence, to the adoption of the Federal Constitution. This was a unique phenomenon in world history, out of which the first true republic, free of control by bankers and so forth, in terms of Constitution, there.

European countries, for example, at their best—with the exception of a brief period of de Gaulle's Presidency in the Fifth Republic—have never had a true republic. They have had something like, at best, the Anglo-Dutch liberal parliamentary system, which is not a good form of government—it's a very weak one—in which, government itself is subject to a cabal of private bankers, which is called an independent central banking system, which can often override, and control the government itself. At least under our Constitution, we have true sovereignty, including in our currency, control of our debt, and so forth. And the Presidency, the Executive Branch of government, is unique. We give great powers to our President, under our Constitution, but the people who formulated our Constitution, under the leadership of Benjamin Franklin, very carefully crafted features of that Constitution, including on the question of the war-making powers of the Presidency, and advice and consent generally, which mean that the Presidency, though a powerful institution, is controlled by its Constitutional obligations. And therefore, no other country has that.

Which means that the American Presidency is *unique*, among institutions of the world, and most people, who are conditioned to parliamentary government outside the United States, don't understand how our system works. We have not had in this entire period, an overthrow of our Constitution, and *there's no government in any other part of the world that can say that*.

*Stockwell*: So, who better than to introduce these kinds of self-governing concepts, emboldened in our Constitution, to foreign nations, than the President himself?

*LaRouche*: Exactly. That's what I do. I know the U.S. I know other countries, aggregately, in a way that nobody else does. We have many people I know, who are professional diplomats, and so forth, and who I have great respect for; they know things I don't know. But as President, I have the knowledge to be a President, which will make the best use of the talents of such professional people, and others.

## **LaRouche as the 'Exception' to Current U.S. Policy**

*Stockwell*: Well, how would you go about that? What kind of treaties would you put together?

*LaRouche*: Well, first of all, I am already in a sense, an implicit treaty. Around whole parts of the world, in leading circles in various parts of the world, I am respected as the *exception*, among what is otherwise seen as the government of the United States. That my being the President, or even the *hint* that I'm about to become President of the United States, would change the relationship between the United States and the rest of the world, for the better, *immediately*, with immediate beneficial effects for our nation, from various parts of the world.

*Stockwell:* Such as?

*LaRouche:* Oh, Eurasia. I'm integrated into—what I do abroad, for example. I was the initiator, back in the 1980s, of a policy to be implemented, under the conditions of the expected collapse of the Soviet system, and I've followed that policy, and I've built it. We have people around the world who also share that view, which I've been pushing for these more than a decade and a half. And they are ready to move. In China, in Russia, in India, in Europe, and other countries—they're ready to move. They're ready to move on monetary reform. So therefore, I have a position, that even the smell of my getting near the Presidency, in the coming period, would mean a *change* in the thinking of other countries, around the world, a lot of them, toward the United States.

*Stockwell:* As opposed to the posture that these foreign nations are taking now, with the current Administration, where a lot of them are probably, maybe anyway, sitting on the edge of their seats, wondering when the first mini-nuke is going to explode.

*LaRouche:* Well, that started in the middle to latter part of 2002, when it became apparent to the world at large, that George Bush, under the control of Cheney, and people like George Shultz and so forth, behind the scenes, were going toward world war. The kind of world war which Cheney had proposed, as Secretary of Defense, back in 1991-1992, when he was turned down by the first George Bush. They're going to that direction.

Now, the reaction was, in China, in Russia, particularly, other countries, and in Europe, that the United States is headed toward war. So therefore, you had a development, for example, in Russia, a rearmament process. We're now in a situation where the military capabilities, developing, say, six years from now, or four years from now, the military capabilities which will exist in the world, will have created the conditions for an asymmetric warfare, which will render relatively, strategically obsolete, as decisive factors, the so-called nuclear triad of the United States. That is already in progress.

That is in progress, because these countries believe, that as long as the Bush Administration remains in power, with the prospect that it might be re-elected, or that you might get a Democrat like Lieberman, or a combination like a McCain-Kerry ticket as President—

*Stockwell:* How about Hillary-McCain?

*LaRouche:* No, I don't think—. Hillary is a special phenomenon, but she is by no means—nobody's going to put her in the Presidency. Or even Vice Presidency. Even though she may have a commitment from her husband to support that, it's never going to work. I mean, her health-care legislation alone is enough evidence, to keep her out of the Presidency.

So, they see, they're ready, are preparing for what they see is a possibly inevitable nuclear war, coming, say, sometime during the middle of the next U.S. Administration. *That is now in progress.* The technology is developed. The new weapons systems are already being deployed, for an asymmetric kind of nuclear warfare, in which our present nuclear submarine, our present carrier fleets, are obsolete. That is what we're looking at.



## Asymmetric Warfare

*Stockwell:* Okay, now, explain a little more what you mean by an asymmetric nuclear warfare.

*LaRouche:* Well, we're out there, we're going to fight on this battlefield. We're going to fight on the battlefield defined by the nuclear triad, with mini-nukes thrown in.

*Stockwell:* And the nuclear triad is?

*LaRouche:* The air, and missile, intercontinental missile. Naval, the carrier fleet. And the submarine, large nuclear submarines.

So, this is what we have. We have no real fighting capability, otherwise. Look at what's happening in Iraq. We shouldn't have gone in there in the first place, but we never had the capability to conduct the kind of war which is going on there. And our military, our professional military, the Army generals, the Marine Corps generals, warned the President, warned everybody: Don't do it! But, we're in it.

So, we're relying on the mini-nuclear, preventive nuclear warfare capability, to try to establish a world empire. And everybody in the world knows it. And as long as Cheney remains in there—more than Rumsfeld, Cheney is the key figure, even though he's dumb jock, he's a nasty one, and that's his commitment. But he's stupid, but he's determined. So, as long as that's going on. that's what we have.

So therefore, we're out there, playing with big toys, large-sized nuclear submarines, large carrier capabilities, and so forth, of the nuclear triad—we're going to fight one kind of war. Well, the fellow who's going to fight us, is not going to fight that kind of war. He's going to fight going to fight the kind of war, for which we're *not* prepared. Which means, mini-submarines, deeper diving, many of them, new methods of launching missiles, which are obvious, new kinds of weapons systems, and so forth, and I know many of them from my work on the SDI, back in the early 1980s.

*Stockwell:* The new weapons systems that exist in the former Soviet Union.

*LaRouche:* Yeah, there, a lot of them there.

*Stockwell:* What you're talking about is that this asymmetric nuclear triad, may end up provoking something that is way beyond the control of the current Administration to control.

*LaRouche:* You're talking about a kind of war, in which nations, such as India, China, and so forth, would expect the loss of hundreds of millions of their population. But they would do it, because they would think that their culture, their nation, would survive, with those tremendous losses. This is what MacArthur warned about, tried to warn the stupid Truman, tried to warn Kennedy about. Do not get involved in a land war in Asia! Don't get involved in it! Because, in Asia, you have a different cultural conception of man, among many cultures. In their culture, what's important to them, is the survival of

their culture, and they will give up, and surrender, a massive loss of life, as we saw in Indo-China, to defend what they see as their culture.

*Don't get involved in a land war in Asia. Don't start it!*

*Stockwell:* So, where we in the Western civilization would be very, very cautious of provoking anything, for fear of attack on our native land, they couldn't care less.

*LaRouche:* Oh, they care—

*Stockwell:* In order to preserve their culture, they'll sacrifice literally hundreds of millions of their own people to do it.

*LaRouche:* But, it's not a willful decision. It's a cultural decision.

*Stockwell:* Right. It's not somebody sitting there saying either/or. This is how their culture has developed over thousands of years.

*LaRouche:* This is how they're going to react. And they are reacting that way now.

## **A Phase-Change in the U.S.**

*Stockwell:* All right, my guest, Lyndon LaRouche. I want to hold off on the calls until next hour. We'll take calls with Lyn, after the 8 o'clock news break.

This issue that we're talking about now, this issue of the fact that Eurasia can see what the United States is doing, in the Middle East, that the Eurasia and very, very obvious to them, what kind of dynamic is in operation, inside the White House right now, and should—see now, you alluded a few moments ago, Mr. LaRouche, to mid-next Administration, which would be like 2005, 2006, something could take place, should this current Administration actually hold on to its position in the White House, if current foreign policy continues as it is now.

My question is: Is Syria really next? Is Iran really next after that? Are we going to move in on North Korea? And how long then, will China, Russia, India, Pakistan, Japan, sit still for this?

*LaRouche:* Well, you've got a point of phase-change in U.S. politics now. One phase-change is this freak-show in California, featuring Arnie Schwarzenegger and the Machine. sort of a return of the Frankenstein monster, huh? Then you have, also, a change, coming out of the hard-core of the neo-conservative movement, in which McCain, Senator McCain, is key. Senator McCain has made an offer to Senator Kerry, to which Senator Kerry has responded in an amiable manner, of their cooperation. Now, what that means is this: that the Hudson Institute, which is controlled by Conrad Black, is one of the central organizing institutions for the neo-conservative gang in the United States today, and this is international. You have Conrad Black, is British. He's part of the British establishment. He's also

Canadian, along with Murdoch, who is Australian-origin, he's also British, and so forth. All are a product of the Beaverbrook apparatus from the World War II, and an earlier period.

Now, these guys are part of a Synarchist operation, like that which led to World War II—that is, the fascist movements in Europe, which led to World War II. These guys are part of the same apparatus that was behind that then. These are the guys on the British side, who Winston Churchill opposed, and went to Roosevelt for agreement, to prevent the British from becoming part of this greater Nazi system in Europe, at that time.

All right. Now these guys, typified by Bill Kristol, and others, are now pushing, openly, for a McCain ticket, a Bull Moose ticket, to replace *both* the Democratic and Republican parties, in the next Presidential election, general election.

They have come out. Now, they are also the people who are saying, right now, we've got to spend whatever it takes, put in whatever manpower, military manpower it takes, into Iraq to salvage an otherwise hopeless situation in Iraq. They're telling the President he's going to spend whatever they want him to spend, with an open checkbook, open manpower. These guys are moving, against Bush, on the assumption that he's a failure, and the assumption they have to play a slightly different game.

So, now in this situation, these are the guys, with Cheney, who have Syria, Iran, North Korea, and so forth and so on, on their hit list. And the hit list is a nuclear preventive warfare hitlist, not just a warfare hitlist. They don't have a manpower for anything else. All they can use, for their imperial design, is an emphasis on the role of preventive nuclear warfare.

*Stockwell:* So, that's where this asymmetric nuclear triad comes in, where obviously ground forces can't handle the problem in Iraq—how could we possibly put ground forces in Syria, and Iran, so instead, we use this mini-nuke stuff, and nuclearize them into submission.

*LaRouche:* This is called terrorism, nuclear terrorism, by the United States.

*Stockwell:* And the larger nuclear powers, who aren't on the immediate hit-list, but have been traditionally nuclear counterparts to American nuclear-arms development, over the last several decades, primarily Russia and China—they're not just sitting around laughing at what's going on. They're aware there's a major policy change inside the United States, that is more threatening to their continued existence—political, social, cultural, otherwise—than has probably existed heretofore. And so, they're posturing now, for possible development, wherein they may have to respond themselves, even before we arrive at the great gates of their own borders.

*LaRouche:* Also, there's another factor here, which is a very interesting one. The United States is a stupid country, economically. We were transformed from the world's leading productive power, which we were, still, going into the 1960s, and became a pleasure society. We became a post-industrial society, based on consumerism, which meant, in effect—especially after 1971-72, with the change in the monetary system—we were forcing other countries, with poorer people, to substitute for our manufacturing, for our agriculture, on cheap prices, which we enforced, so they were supplying us,

who were now losing our jobs, losing our factories, losing our independent farms. They were charging us, at lower prices, for what we had previously produced.

As a result of our anti-technology, anti-technological progress, anti-scientific cultural policies, in the United States and the United Kingdom, and also to a certain degree in continental Europe, we are now nations which are dead in the water, in terms of technological progress. We can't produce it. Whereas, on the other hand, Russia is going through a technological revival. China is the leading nation in terms of rate of technological progress, large-scale infrastructure investments, and so forth, in the world. India is a major power. Japan is tilting on the balance, deciding whether it's going to go with this bankrupt financial system, which we helped them do, or whether they'll go back to becoming an industrial exporting power, in Asia.

So, the rest of the world is moving on a direction, outside of Western Europe, and so forth, where there are still weaknesses, but moving in the direction of scientific and technological progress. We are rearming old technologies, because we have not educated, we have not employed, but are tending to shut down the machine tool-oriented capacities of the United States. And therefore, we're trying to find, use warfare, with old technologies, whereas the other nations, which are on the target list, some of them, are major leaders in rate of development of technologies, and therefore, they are going in a direction based on new technologies, while we are trying to pull, from the dust, off the shelves, old technologies.

## **We Must Pull Out of Iraq**

*Stockwell:* Something you said, several minutes ago, before we started getting into the details here, was that if there was a hint of the possibility of your being elected to President in the next election, as soon as that hint of possibility were to reach the sensibilities of the leaders of these nations we've been describing, there would be an immediate policy change on their part.

*LaRouche:* Absolutely.

*Stockwell:* Should the leaders of these nations now, who are sitting back with kind of a raised eyebrow, as to what we've been doing for the last two to three years, and how we are fumbling terribly in Iraq—now we have more dead servicemen this side of the war, than we had to begin with. What would you then do? We have about two and a half minutes.

*LaRouche:* One thing, for example. We've got to pull our forces out of Iraq. That was one of the first things I've been discussing, that's one of the first things I would do, and I'd do it now, as a leading figure of the United States, of course, with the approval of my government, now. And turn the thing over to the United Nations.

The problem here is this. We can put in a couple-hundred thousand, 300,000 troops in Iraq, and not solve the problem; just make it worse. We should realize what we did with Indo-China. This is different, but it's the same. It's different in characteristics, but it's the same in principle.

Now, the main thing is, if we're committed to actually a sound policy, military policy, strategic defense, in Iraq, that is, if we say that the object of warfare is *peace*, which means to minimize to damage done to the people and resources required for building peace, in a post-war period, then we should approach it that way. If the people of Iraq, know that there's an institution, which is prepared to do that, for Iraq, then the Iraqi people can be mobilized, still at this point, to accept that. They will not accept the present Administration of the United States. So, you've got to get the United States of the situation, because the present President of the United States, the present congress of the United States, has no respect.

*Stockwell:* Nor credibility.

*LaRouche:* That's right, no respect. It's like, remember the famous thing, "I ain't got no respect." And, "we ain't got no respect." I do. Not because of any other reason, simply because of the position I've taken historically.

*Stockwell:* What I wanted you to talk about for a few moments, how, as President of the United States, how in the world would you pay for reconstruction?

*LaRouche:* First of all, you have to look at what the problem in the United States is. You have to realize that most of the figures that people are playing with are fraudulent, and have been, increasingly, since '66-'67 period. What we're looking at is two basic problems. I mean, this is a highly complex problem, which I understand very well, but you're not going to deal, in 25 words or less, with a problem like this.

But to make it simple, to simplify it greatly, there are two problems. One is, collapse of the economy, with a large hyperinflation actually been going on, especially since the end of the Carter Administration, and at the same time, stealing.

Now, for example, the Federal Reserve Board, since about 1982, has been using the so-called quality adjustment index, or whatever they call it, different names, otherwise known as the hedonic standard. It's completely fake. The United States has gone through, as every American who thinks, and reflects upon their experience, who's been around for, shall we say, 50 or 60 years, knows, that we have been undergoing a great inflation. If they look the cost of living in a house, the cost of education, the cost of the kind of medical care they would get, then, and so forth, they find that the cost of that standard of living today, is way above, the average standard of living back then. That's one part.

Secondly, deregulation, which has two aspects. It's a collapse, a looting of the economy, which causes costs. And it also a source of thievery.

Take the case of California, which is the most prominent state in the United States, which is showing the victimization of this. That Cheney's friends, Enron, and others, looted the state of California, by exploiting the foolishness of the people of California, whose representatives all, unanimously, voted for deregulation. As a result of deregulation. California has been ripped off, the costs of electricity have skyrocketed, the formerly existing system of power production and distribution has collapsed, in a way

which we see also in the Northeastern part of North America, with this thing. It's going to collapse all over the country.

So, therefore, what we've got is the stealing of tens and hundreds of billions of dollars, which comes out, as a tax on government, as in the case of California, as a result of this stealing, and also a result of a hyperinflationary collapse of the actual level of physical production, per capita, per square kilometer, in the United States. So, obviously, we're bankrupt, because we spent a lot of money, accumulated a tremendous number of bills, largely through these two kinds of frauds.

So we're the victims of a giant fraud. My view is, okay, we are the United States government. We have, under the Preamble of the Constitution, we have the responsibility of defending the sovereignty, the general welfare, and the interest of posterity. Therefore, the United States government must put this system into bankruptcy reorganization, into receivership. It must put the Federal Reserve system into receivership, because it is, in point of fact, bankrupt—as the real estate mortgage-based securities bubble will remind people fairly soon.

So, therefore, we've got to put the thing into bankruptcy reorganization. We've got to sort out the paper. But in the meantime we've got to make sure that essential functions continue. In the meantime, we've got to do the things that we should have been doing, and government is only efficient in two things, in terms of the economy: one, basic economic infrastructure. That is, all the area, all the people. That's government's responsibility. Secondly, government must promote the growth of private initiative, with the aid of infrastructure projects as a stimulant.

The basic thing we must do, we must raise the actual level of earned income of the population, to the level that we can balance our budget on the state level, and on the family level. And that means we've got to have a massive increase in employment, starting in basic economic infrastructure, and spilling over into the private sector. On that basis, we can make it. And then we can sort out, and reorganize our finances, and get out from under this mess. But we've got to put people back to work, not shuffling paper, not spinning fantasies, but actual honest work, in honest labor, and with technological progress, and we can get out of this mess. But it's going to take us a quarter-century, before we dig ourselves out of the hole which we dug ourselves into, in the past quarter century.

## **Behind the 'Terminator'**

*Stockwell:* So, a quarter-century, 25 years, that's where these long-term low-interest loans come from the government itself, re-establishing a central bank, and getting away from the old Venetian financier style of banking that we've been doing for so long.

*LaRouche:* Yup. And also stop the stealing. Enron and other companies like that, with Cheney's Halliburton, and prevent them from stealing, and prevent George Shultz and Warren Buffett, and so forth, from stealing. Prevent Arnie Schwarzenegger from stealing. Then we have a fighting chance.

*Stockwell:* There are those who say, that as California goes, in the month of October, so goes the nation a year later.

*LaRouche:* Absolutely.

*Stockwell:* So, if we find Gray Davis holding on to his seat, now that he's coming out and saying "Listen, we really messed up." What he needs to say, is "We've been messing up for the past 30 years."

*LaRouche:* Well, he's saying that. But he really also is about to say, as others are going to say very soon, the problem in California is not Arnie Schwarzenegger, though his freak-show is a problem. He's not yet qualified to be a Hitler problem, although he potentially might become that, if he were not eliminated from politics fairly soon. But the problem there, is this vast stealing in the name of deregulation, and the role of Dick Cheney—the key, especially Dick Cheney—in organizing the coverup of the stealing that was being done by his friends of the Halliburton/Enron crowd, in California. That is what the real problem is there.

Once the people of California recognize that what Arnie Schwarzenegger is saying—as much as he's saying anything—is a big lie, in which he is the thief, not the policeman.

*Stockwell:* Well, one of the first things that Warren Buffett did, once there was some interesting response from the California people toward Arnie Schwarzenegger, was to be run him off to Jacob Rothschild, in England, to introduce him to his new boss is!

*LaRouche:* We've got the picture! We've got it in technicolor.

*Stockwell:* Well, you'd have to be in the absolute state of utter denial, if you can't see what's being formulated, even further, on a very gullible California republic, I mean, citizenry, who first allowed this nonsense to start taking place, by voting for deregulation. You'd think they'd be completely coming to their senses. But he's actually garnering a very interesting portion of the polls right now.

*LaRouche:* Well, this is run by the Republican Party machine. And it's run by some of the biggest thieves in the world.

You've got would-be drug-pusher, George Shultz. You've got, in the background somewhere, lurking, you've got George Soros, another big drug-pusher. They call it drug legalization, they don't call it drug pushing. And you've got Warren Buffett, who is what he is. And you've got other people of that type. And we've got fraud up to our ears, in terms of what was done, with the help of the already incumbent Bush Administration, especially through Cheney, was done to rip off California, and Arnie is the freak-show, he's sort of the geek in the Carnival show, that did the stealing. Once the people of California realize: a) they've been ripped off by these guys; b) that Arnie represents nothing but that, and recognize what some of the international interests are, which intend to do more. The President of the United States, when confronted by Gray Davis, said, "The problem with you is, you didn't get enough deregulation!" You've got a state and a nation that already has too much.

*Stockwell:* This is what the President said to Gray Davis: You didn't get *enough* deregulation. Yeah, I know there are people out there who are saying, that the deregulation that occurred in California, isn't

the *real*—I hear this from a lot of Libertarians, that the *real* deregulation that should have occurred, would never have allowed this problem to occur.

*LaRouche*: They don't know what they're talking about.

*Stockwell*: As a result, they got a kind of a false deregulation. It was only the price that was deregulated, not the—

*LaRouche*: Never get a libertarian to repair your car, you might not survive the next drive.

## **Blame it on Cheney**

*Stockwell*: Well, I have to admit I have a few libertarian sympathies in my heart. But the British free-trade aspect of libertarianism, I have a real hard time with that one, I have to admit.

All right, we've got some people waiting to talk to you. One of our all-time favorites here, Pocatello Bob.

*Bob*: You know what the word "epar" is, don't you? We've been listening to this thing for the last hour and a half, now, going on—the word "epar" kept going through my mind. Epar is "rape" spelled backwards, all right?

*Stockwell*: Well, what do you mean by that?

*Bob*: Well, I think that Mr. LaRouche has brought out many viewpoints—

*Stockwell*: Are you accusing him of rape?

*Bob*: No! I would say that his philosophy, and I will get into particulars. I mean, after all, it was the California legislature that deregulated a monopoly, all right? And the whole idea with power regulation was the fact that you had a monopoly, and, of course, if you're going to manipulate supply, to jack the prices up, exactly what happened, this has been ruled by Federal courts in the past, to be illegal.

And a question for Mr. LaRouche: Do you think that the attack on the towers, if you look at Hegelian synthesis and logic, if that was not a provocative move, to essentially bring about war between the U.S. and Islam, being stirred up by the red press across the world?

*LaRouche*: [laughing] I would say, what Bob is talking about, reminds me of the case of a neighborhood, which has a massive crime problem, and somebody comes in, and says, "I know how to save money on crime-fighting: Shut down the police department."

*Bob*: Thank you, Mr. LaRouche, but would you answer the question?



*LaRouche:* I did. So, let's get down to reality. Reality is that you're talking about this issue of financial policy, and the case of deregulation, is a matter of, somebody, as I said, going into a crime-stricken city, and saying you can save money on crime-fighting by shutting down the police department. And that's what happened with deregulation in California. And so, it's happening over the country.

*Stockwell:* Now relate that analogy that you're talking about there: How is what we're doing with California energy deregulation like fighting crime by shutting down the police department?

*LaRouche:* The point is that, if you look at the prices of electricity paid by the state of California and its people, before and after deregulation, the case is clear. The state was ripped off to the amount of tens of billions of dollars by a bunch of pirates who are allied with Dick Cheney, George Shultz, etc. This bunch of pirates are the bunch of pirates who put up this recall operation, and who staged the thing of putting this freak-show of Arnie Schwarzenegger up on this recall operation. If that goes through, you're going to have a disaster across the nation, which you're going to have anyway—but the point is, if you destroy the ability of California to function, you're going to have a chain-reaction among 47 states of the United States, which are all now on the point of state bankruptcy, as a result of these and related conditions.

So, in California, the test case is: Can the state stand up on their hind-legs, and force the Federal government to come to its senses on this case of deregulation, at the time we have a crisis in the functioning of energy production and distribution.

*Bob:* But, deregulation was at the state level, and I might add, it was not only California that got "epared" in that; it was everybody else—. My question to Mr. LaRouche, before the subject was changed, is: Did he feel that the hit on the towers was a provocative mood to draw the United States into war with Islam? And of course, if we yanked out of Iraq, suddenly, without leaving a stable structure, might we not create a power vacuum, which will essentially [inaud] policy of the United States?

*LaRouche:* It's obvious. You're dealing with a terrorist act, which is covert in character, in the case of what's called 9/11. Therefore, you don't have to necessarily know who the persons were who did it, but you do have to know what the issue is, and what the effect was.

The effect was, to take Cheney, who was sitting there as a Vice President, with his policies generally ignored, up to that point, at least officially, and suddenly, on the day, the night, after the attack on the Twin Towers and the Pentagon, Cheney is now, and his policies, suddenly took over the policies of the United States. And therefore, the effect was, that there was no other visible effect of that terrorist act, apart from the killing of a lot of people—no purpose for it, except what was realized. It accomplished nothing, except put Cheney in the driver's seat. And then, by January of 2002, President Bush himself was totally suckered into this.

*Stockwell:* So now, we have a situation where we have more soldiers killed, since the end of the war, declared there in May, than we had killed up to the end of the war. We've got the Shia, and other religious groups, calling for people who weren't all that religiously oriented, or sitting on the borders or

whatever, to come to the defense of their country.

We have France and Germany and several other European nations, who would not be involved with the attack, because they know how bogus the whole thing was to start with, who are, "We'll give you some aid and support, but we are sending *no troops*." And so, I don't see any indication in the current Administration, of anybody saying, "Hey, wait a second, here." You know, how much longer are the American people going to put up with this?

Or, "Maybe we've made a mistake, and we need to sit here and re-analyze, and set up a new off-setting strategy, because the one we're on is sinking rapidly." It seems like they're just going to continue doing, what they've been doing. How long can this go on?

*LaRouche*: It's not going on. Bush's popularity, even by polls that they're getting, is sinking fast. Arnie's popularity in California is sinking fast, similarly. That the reality, the economic reality, and other realities, are hitting the American people, breaking through the barrier of perception.

See, most Americans have no sense of what's going on in the world outside the United States. I do. But most simply don't know. And we don't have any news media much anymore. You have the so-called major news media, apart from a few, which have almost nothing in them. Most of that is controlled. You have private news media, small news media, which have little reach, which reflect the reaction of the local, regional population to issues, but they have no conception of what's going on in Europe, in Eurasia, generally, in Africa, in South and Central America, they just don't know what's going on. If they could look at the United States, with the eyes of say, a European, or someone in Asia, and see what is being thought, when they see the United States, then people in the United States would be horrified.

They'd say, "We, are the most hated nation on this planet, because of the stupid policies, of this stupid Presidency? Something's wrong, it's got to change."

What happens then, is the economic crisis hits hard, and it begins to take effect. And people are now saying, the issue is the economy, the issue is the economy, the issue is the economy. And they're going to react very strongly. You're going to get a Roosevelt reflex, of the type that Hoover ran into in 1932, in the U.S. population.

## **A LaRouche Administration**

*Stockwell*: Well, there's a lot of forgotten men running around out there right now, looking for some good leadership, who will come forward, and put these people back to work, in a way that will actually put America back on line.

Another call, Walt?

*Walt*: You just opened up the door, timely making the right comment to my question. My question to Lyndon is threefold: Number one, I was wondering if you could tell us who have you chosen as a

running-mate, and if you haven't got a choice, [what about] Sen. Ron Paul? And if Lyndon could make any changes for his Administration, who would they be, and why?

If you are elected President, what changes would you make for your Administration, and why?

*LaRouche:* First of all, I have a certain affection for Ron Paul. I don't always agree with him, but I respect him and he's a person I would listen to. But I wouldn't think of him at this point, as a Vice Presidential candidate. He'd be on my horizon, but the door would be open to him on appropriate occasions.

Because I'm putting people through a test now, and I'm looking at people that most people might not know, also, who I know have certain qualifications. And I've got quite an array. But I'm looking at a whole spectrum of people that I know, or know of, who I think are people I would want on my team, in the United States executive branch, with me as President. Imagining myself sitting behind the desk, and having the responsibility, of making executive decisions, which will be carried out by people who know how to do the job. And among that, of course, I would want somebody who would fit the continuity of what I'm starting.

And now I'm going to have to find out how people respond, fully, among the respective list, respond to what I'm doing. I have some experience in life, and I know how to look at these kinds of things, and I know you don't pick somebody on the basis of a beauty contest. You pick them on the basis of doing some work together with them, and finding out how different people think. And then you say, "This guy I trust, because I like the way he thinks, for this job." And if I find somebody who I think is right for the Vice President, that's what I'm going to do."

*Stockwell:* So you don't have anybody for the moment.

*LaRouche:* My program, of course, is simply: I'm walking in the footsteps of Franklin Roosevelt, who came in on the situation of a catastrophe, which was orchestrated by the policies of Coolidge and Hoover, respectively. Coolidge was totally incompetent. Hoover was competent, technologically, but he had the wrong policy, which was too much like those of Brüning and von Papen in Germany, in his response to the '29 crisis.

So, Roosevelt had a mess. And Roosevelt made changes which are based on his understanding, which Hoover didn't have, of the principles upon which the Republic was founded. Because Roosevelt had an ancestor, Isaac Roosevelt, the founder of the Bank of New York, who was the partner, and collaborator, chief collaborator in New York, of Alexander Hamilton. Roosevelt, all his life, was reared in that tradition. His Harvard graduating papers included this theme. When he was struck with poliomyelitis, he worked through, more deeply, again, this kind of question, going into the Governorship of New York State, and his re-election there. And he went into the Presidency, fully knowledgeable of the depth of the Constitution, of what the principles were to solve the problem.

I'm in a similar situation. The problems have changed somewhat, but in many respects, they're parallel, analogous, and the challenge is about the same. So, that's the way I'm going. And that's what I'm going

to do. But people will compare what I will do as President, with what Roosevelt did. They will see the differences, and I think they will understand the differences. Our position in the world now is different than it was when Roosevelt died. At that time, the United States was the only world power, in point of fact. We were able to provide a world monetary system, the post-war Bretton Woods system, because of our power, the power of our economy, which was the greatest in the world. We're not in that situation any more. We have great power, but our power is our history, not our physical power, not our economy. And it's our history that gives the President of the United States, the moral authority among nations, to call the nations together, to do something together, which will get us out of this mess. That's the difference.

*Stockwell:* We were talking about some of the developing technologies in some of our former enemy nations, because we are trying to resurrect old technology in our armed forces. Others are moving ahead. The question was asked in reference to a comment on the Jeff Rense show last night, there was somebody describing this new weapon, that was described as fire, lightning, or laser, or something that was used, to destroy an entire bus, nobody even seeing the origin of the weapon itself. And then also comments to the effect of, these reports coming out of Baghdad, of the C-130 aircraft landing in Iraq, uploading limousines, Republican guards, as soon as the limousines were in the C-130 and had took off, taking off their uniforms and then mixing back up with crowd. All of this kind of stuff floating around out there. Saddam at one time being an asset of the United States intelligence forces, probably still is.

What do you think about all that?

*LaRouche:* I generally keep away from things that I can't prove myself. If they're possible, if I think they're possible, I will say so. But I won't presume that they're true unless I can prove it myself. And we have enough resources, in terms of what I have accessible to me, in combing around the world for information, that we can generally get the track of something, as to its plausibility.

You know, there is so much paranoia in the U.S. in particular, that I don't like to engage in public speculation, out of my mouth, which might encourage that kind of paranoia. There's too much. Therefore, I try to get the facts out.

But there are problems in these areas. On weapons systems, mysterious weapons systems, this is a question of physics. And the problem is, we don't have people who are competently trained in physics. As I've said repeatedly, recently, on this question of what would happen if someone, say, in Russia, were having a discussion, and saying, "The United States, one guy says, the United States has a perfect military system which we couldn't defeat." And another scientist says, "Do they actually believe that in the United States?" And the first fellow says, "Yes." And the second guy says, "Well, that's how we'll defeat them."

What people try to emphasize, they think have as being the perfect system, is the very system, which, if they rely upon it, can result in their defeat. And we're dealing with areas of research, and areas of development, which are beyond what is generally understood by putatively educated people in the United States.

*Stockwell:* We're back. We have a couple more minutes here. Dean, real quick?

*Dean:* Lyn, are you a devotee of Tom Clancy? Do you read his books?

*LaRouche:* Not much, I took a glance at it, and I don't like it too much.

*Dean:* I was re-reading *Executive Orders*, on page 374, where Russia looks at this new Iran-Iraq united Islamic republic, and they're saying, Whoa! All these -istans—Pakistan, Uzbekistan, Kazakhstan—we're going to lose all our wealth, and we're going to have an enemy on our south. What are we going to do about it?

If we pull out Iraq now, wouldn't we have the same thing? Wouldn't we have what the imams from Iran over there are trying to set up something?

*LaRouche:* No. That's exactly what I don't think is productive, in terms of speculation, because that's not the way the world works. You have to look at the total environment, rather than trying to take a pairwise analysis of countries as objects. The problem in Iraq is to reconstitute Iraq. Now, nobody in the Middle East, with any brains, is going to take an action which provokes a new dimension of strategic instability in that part of the world. Because they're sitting on a bomb. Iran is going to cooperate, within its own terms. Iran is a complicated country internally. Nobody is going to fool with destabilizing, from the outside, the internal processes of Iran. That would be a very stupid mistake.

What we need to do is simply rise above the situation. We've got to put Iraq back in the box. We can only do it through the United Nations, which means we're going to put in, not 150,000 troops and so forth, to replace the U.S. troops; it means we're going to put in a different kind of force, an engineering force, to assist the Iraqis in pulling themselves back together, to solve the problems, and to cooperate with them in doing. And if it's done by people that the Iraqi population trusts, it will work.

The problem is, the Iraqi population will not accept anything from the Bush Administration of the United States. Therefore, you've got to get the Bush Administration out of Iraq, and put something else in. I've talked to people around the United Nations about what we should do. There's a willingness to go in that direction, from Europe and others. They will do it. But they will do it only if the United States gets itself out of there.

And the other thing: Iran. These are not problems. These problems exist only to the degree that we are not providing the kind of the alternatives to conflicts which these parts of the world desire, and need. We could do it. My point is: Cut out the crap, and provide these alternatives instead. We really don't need to have another war. There's no way we need to have another war. We do need to maintain strategic defense capabilities, and I would do so. We'd probably put the draft back into motion, actually, as a part of doing it. But, I don't see any objective need for our intending to fight a war down the line. I think every problem which people are worried about, is manageable, if we stop being idiots.

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## This Week in History

### September 1-7, 1783

Two highly significant events for American history occurred in the first week of September. First, on Sept. 3, 1783, the Treaty of Paris was signed, which formalized the end of the American Revolutionary War. Second, on Sept. 6, 1901, President William McKinley was shot and killed by an assassin. Immediately sworn in to take over his office was Vice President Theodore Roosevelt, who acted to change the policies of the United States, fundamentally for the worse.

In one sense, the Treaty of Paris—signed by Great Britain, France, and the United States—was a formality. The British Army had been defeated nearly two years earlier, at Yorktown, Virginia, and had acknowledged as much. But the British Empire had by no means reconciled itself to losing its former American colonies, which, at the end of hostilities, found themselves bankrupt, at the mercy of Indian tribes, and virtually at each other's throats over issues of trade and land.

All the more reason that a recognition of American sovereignty, by treaty, was necessary. This was the accomplishment of a team, led by America's foremost citizen Benjamin Franklin, and including John Adams, who found themselves face-to-face with Britain's Lord Shelburne. Shelburne has enjoyed a totally unwarranted reputation as being "pro-American." In reality, he was simply more sophisticated than the ham-handed British Prime Ministers, preferring to wield the weapon of "free trade" against both the new United States, and France, rather than employ outright military means. He fought to have the Parliament accept the peace, in order to fight another day.

As for the Americans, the achievement of the treaty simply posed more starkly the question of how they were going to organize their economy and government, in order to procure a prosperous future for themselves, and their posterity.

In contrast, the shooting of President McKinley in 1901 marked a dramatic shift downward for the world's premier republic.

William McKinley of Ohio, a former Union military officer, was elected to the Presidency in 1896 on a platform of high wages and defiance of British free-trade doctrines. While he had been manipulated into waging the Spanish-American War, McKinley was still intent upon pursuing peace, reciprocity, and mutual industrial development with the nations of the Western Hemisphere. McKinley was no imperialist.

Not so his Vice Presidential running mate in the 1900 election. Rabid Anglophile Teddy Roosevelt had been effectively forced onto the Republican ticket, and he was, therefore, in place at the crucial time. That time came on Sept. 6, 1901, when the anarchist Leon Czolgosz, a self-professed disciple of Emma Goldman, shot McKinley. The President died a few days later.

As President, Teddy Roosevelt blatantly attacked and intimidated the nations of Ibero-America, broke up the U.S. alliances with Japan, Russia, and Germany, and reversed the economic policy which had

been initiated by President Abraham Lincoln. Roosevelt closed the American West to settlement, cancelled Lincoln's economic development measures, and turned over national financial power to the British banking cartel of Rothschild and Morgan. Teddy Roosevelt's "speak softly and carry a big stick" slogan came to reflect U.S. foreign policy—as it would until Franklin Delano Roosevelt took over in 1932.

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