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What Your Accountant Doesn't Know: The Science of Society
Globalization Is Destroying the U.S. Labor Force
20 Years Later, Germany Must Demand a 'System Change'

LaRouche Webcast: The Great Change of 2009



No to the 'Clash of Civilizations'!

The Anglo-American financier oligarchy is trying to unleash a "Clash of Civilizations," to block the vast potential for Eurasian development. Instead, the Western powers should join in the great project of the new millennium, the Eurasian Land-Bridge.

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- The Eurasian Land-Bridge and the economic reconstruction of the United States



Helga Zepp-LaRouche known as "the Silk Road Lady," has played a major role in organizing worldwide support for the Eurasian Land-Bridge. She is shown here at Lianyungang Port in China, October 1998.

A special report
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EIR

From the Managing Editor

“This is the best of all possible worlds,” wrote Gottfried Leibniz 300 years ago, in his *Theodicy* (1710). “How can this be?” you ask, incredulously. It is, because tragedy gives us the opportunity to do good, and to change the world for the better. Never before in history has a better opportunity presented itself to mankind to do good.

In two leading elements in this week’s issue, Lyndon LaRouche addresses this seeming paradox. Our *Feature* presents the transcript of LaRouche’s Nov. 11 webcast, “The Great Change of 2009,” in which he outlines both the existential threat of a global new dark age, and the pathway out of the crisis toward a new, more moral civilization. By looking ahead 50-100 years, toward extending human civilization out into the more distant reaches of our Solar System, beginning with a Moon-Mars colonization project, we will begin to reverse the downward trends of the past 40-50 years. LaRouche’s concept of a Four Power alliance among the U.S., Russia, India, and China, to replace the globalized empire of monetarism, with an international credit system for economic development, has already begun to take shape. The challenge to Americans, is to bring this nation into alignment with the other three great powers, which have started the process.

In his second contribution to this issue, in *Science*, titled, “What Your Accountant Doesn’t Know: The Science of Society,” LaRouche reviews his unparalleled record as an economic forecaster, and discusses his now widely known “Triple Curve” function, of the interplay of financial, monetary, and physical changes, which points to the risk inhering in continuing to tolerate a monetarism-dominated system. The modern form of the alternative, the Hamiltonian system of political economy, as established, uniquely, in the U.S. Constitution, is “The LaRouche System,” based on sovereign national credit.

Helga Zepp-LaRouche’s “The Fall of the Berlin Wall: 20 Years Later, Germany Must Demand a ‘System Change’” (*International*), written as a mass-organizing statement, reminds us that sudden and dramatic change, as in Germany in 1989, can and does happen; at such times, the question, as posed by Schiller, becomes, “Will a great moment find a little people?”

That is the question before us today.



Cover This Week

*The Four
Powers*



Christopher Jadatz

4 LaRouche Webcast: The Great Change of 2009

LaRouche stated in his Nov. 11 webcast that the present world system, including the U.S. economy, is doomed to an inevitable, early, total collapse, unless we change the policy now! The United States is on the verge of disintegration, he said, and there will be no recovery unless we change the present policies of the Obama Administration now. And any American who's supporting Obama and his environmentalist, health-care, and military policies, is supporting the destruction of the United States. The only solution, is a Four-Power agreement, prospectively, among the United States (with a change in the current Administration's policy), Russia, China, India, and some smaller countries which would be willing to participate. Such an alliance would represent sufficient power to bring down the present world monetary system and institute a new credit system.

Science

42 What Your Accountant Doesn't Know: The Science of Society

By Lyndon LaRouche. All other economists have been wrong, and the world economy continues to spiral down, because nations have refused to make the policy-shaping changes which LaRouche emphasizes here. He writes that the goal must be the development of the physical economy, and to do that, the monetarist system must be abandoned, and replaced by a fixed-exchange-rate credit system, in which credit is primarily used to support the fruitfulness of the productive powers of labor in all sovereign republics.

Economics

50 Globalization Is Destroying the U.S. Economy

By following the globalization model, based on a neo-colonial-style monetarist looting system, the United States and the world have undergone a profoundly destructive shift away from physical production and self-sufficiency. The economy is dying, and the productive labor force has been decimated.

International

54 The Fall of the Berlin Wall: Now, 20 Years Later, Germany Must Demand a ‘System Change’

Helga Zepp-LaRouche issued this leaflet, entitled, “Learn from Schiller: Think Only the Highest! System Change Now!,” to urge the German population mobilize to take advantage of the present world economic crisis, to replace the bankrupt monetarist approach to economy, and not miss the opportunity, as happened after the Fall of the Wall.

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LAROUCHE WEBCAST

The Great Change of 2009

Lyndon H. LaRouche, Jr., gave this webcast address in Northern Virginia on Nov. 11, 2009. The forum, sponsored by the LaRouche Political Action Committee, was moderated by LaRouche's national spokeswoman, Debra Freeman. The video is archived at www.larouchepac.com.

Debra Freeman: . . . As I think most of you know, on Sept. 8, at a gathering very similar to this one, Lyndon LaRouche warned that the month of October would bring with it a new phase of this ongoing global collapse, a collapse of both the financial system, but also, far more importantly, of the global economy. And in fact, he could not have possibly been more accurate: We have seen an escalating collapse, and an escalating strategic crisis accompanying that collapse, as the month of October proceeded.

Now, here we are, well into November, with many possibilities on the horizon. Those possibilities are largely a result of efforts by Mr. LaRouche and his organization, over not simply the last several years, but over the course, literally, of decades. We do find ourselves, without question, at a crossroads. There is, in fact, potential for great good to come in the months ahead. There also, unfortunately, is the potential for a move into a dark age.

What we discuss here today, and what is discussed around the world, related to today's event, and today's discussion, I think will largely determine which of those two directions we will take. Without really any further delay, ladies and gentlemen, please join me in welcoming Lyndon LaRouche.

Lyndon LaRouche: Thank you.

Well, as you know, since July, the 25th-27th of July of 2007, I had warned that we were headed into a general breakdown crisis of the world financial-monetary system, and the economic system. Three days later, after that announcement, the beginning of the breakup of the world mone-



EIRNS/Christopher Jatz

There is no chance of any recovery of the U.S. economy, under the policies of this President, LaRouche stated. The only shot we've got, is an alliance to break the power of the British Empire, a partnership, with Russia, China, India, and other countries, to eliminate the present world monetary system, and go to a credit system. That's our only chance.

tary-financial system occurred. It occurred in the form of the dropping out of the mortgage market in the United States, that is, the home mortgage market. And this spread quickly internationally. Now, another thing happened at the same time: There was a fundamental shift in the world economy, because, as you know by now, having seen the Triple Curve, you know that the world economy is governed presently, by a global, Triple Curve function. Forget all the forecasts by the Wall Street crowd, the statisticians: They're all incompetent, and they're always wrong. They have always been wrong, and will be wrong, because they use a wrong method. They use statistical forecasting based on accounting characteristics, and that does not determine the way economies function.

Economies—today, and in European civilization, off and on, largely, for several thousand years—have been determined by a threefold principle of economy. On the top, you have international *monetary* systems. Even before the fall of the Persian Empire, you had monetary systems controlling Asia, especially East Asia and South Asia. And the fall of monetary systems was usually the trick which tipped off the collapse of economies in those regions: physical collapses of those economies, as the result of the monetary processes, and the effects of monetary processes. With the collapse of the Persian Empire, and the Peloponnesian War, there

was a change. And that change, which occurred with the Peloponnesian War or its aftermath, has determined the history of economy in European and broader civilization ever since that time.

The three characteristics are:

1. The monetary system; by that I mean a money system, which is privately controlled, or imperially controlled, over the price of *money*. Monetary systems. These are used to control trade and other things. All empires, all European empires, including the British Empire today, are not controlled by nation-state power, they're controlled by imperial monetary power. And nation-states as such which play an imperial role, are simply victims of monetary systems. That's number 1.

2. Within nations, you have financial systems, and in trade among nations, you have financial systems. These are systems in which money is used to buy and sell goods. This is a financial system, but it involves, at some points, the sale of services and/or goods.

3. You have a physical economy. The physical economy measures both the extent and the rate of growth or decline of physical consumption, produced physical consumption, which includes the role of services in those functions.

So you have three curves that, in past history, for more than 3,000 years to date, from Europe and beyond, have controlled the world economy: Monetary systems

at the top, and they're always imperialist. Secondly, financial systems of nations, and in trade between nations. This is the use of money for the purchase and sale of goods, where monetary systems are the sale of money for money, and by money. Thirdly, physical production and productivity per capita and per square kilometer of territory. These are the three factors of economy, and have been the three determining factors of economy, for over 3,000 years of European and extended European history. No change today. [See **Figure 1**.]

Now we had in 1923, under very special conditions, in Weimar Germany, under the conditions imposed on Germany, reparations conditions—Germany as a whole was under reparations demands. The economy was squeezed, to cover reparations paid principally to France and Britain. But then, in that year of 1923, the French moved into the Rhineland, which resulted in a collapse of production in Germany. But nonetheless, the demand for reparations increased.

So, what happened: The German government printed money—just simply monetary aggregate. At the same time, there was a collapse in the economy, a collapse in the financial economy and the real economy, a collapse in employment, a collapse in production. So over the period from March of 1923, through November, Germany went through a cycle, in which monetary values, output, increased and went through the roof; the value of the currency decreased accordingly. There was a collapse in production and sales, and in financial transactions related to production and sales, and there was a physical collapse in the economy.

In November of 1923, the German economy disintegrated. What we are experiencing now, *in the world*, especially in Western and Central Europe and in North America, what we are experiencing is a general breakdown crisis, on a global scale, which is a virtual copy, but on a global scale, of what occurred on a national scale in 1923 Germany.

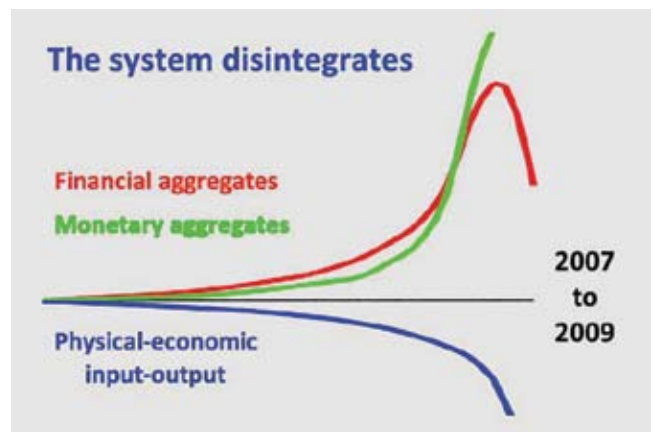
Now, that means, there never *was*, and *there never*



Bundesarchiv Koblenz

*The world economy is now governed by a global Triple Curve function (**Figure 1**), which is leading to Weimar-style hyperinflation (photo shows a wagon full of German marks, Aug. 15, 1923), as LaRouche warned in July 2007. Forget Wall Street and its statisticians; they're all wrong: The stock market just reflects their manic-depressive disorders (**Figure 2**). In a healthy economy, the growth of physical production will outpace the financial aggregates (**Figure 3**).*

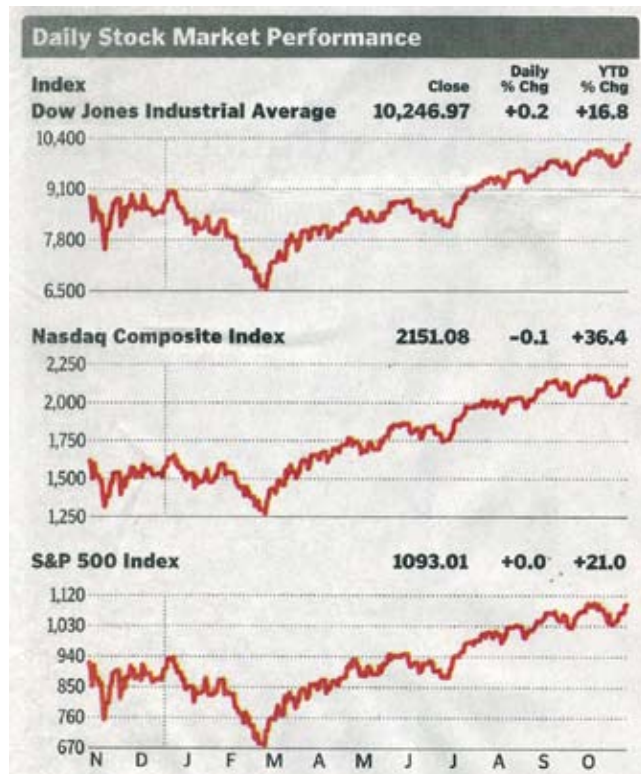
FIGURE 1



will be an economic recovery of the United States under the Obama Administration. The Obama Administration is doomed to an early, *general breakdown crisis of the U.S. economy*, and a similar condition exists in Western and Central Europe. The situation in Western and Central Europe for the moment is hopeless, because it's under a dictatorship; it's under a British dictatorship, and they have so far submitted to that British dictatorship.

So, don't ask yourself what the prospects for the U.S. economy are. Don't ask a Wall Street stockbroker; don't ask your wise man, here or there, or your weatherman. Don't ask him! He doesn't know. I do: This present world system, and immediately the U.S. economy, *is doomed to an inevitable, early, total collapse*, unless we change the policy now! There's no way that the U.S. economy will continue to exist much longer, under

FIGURE 2



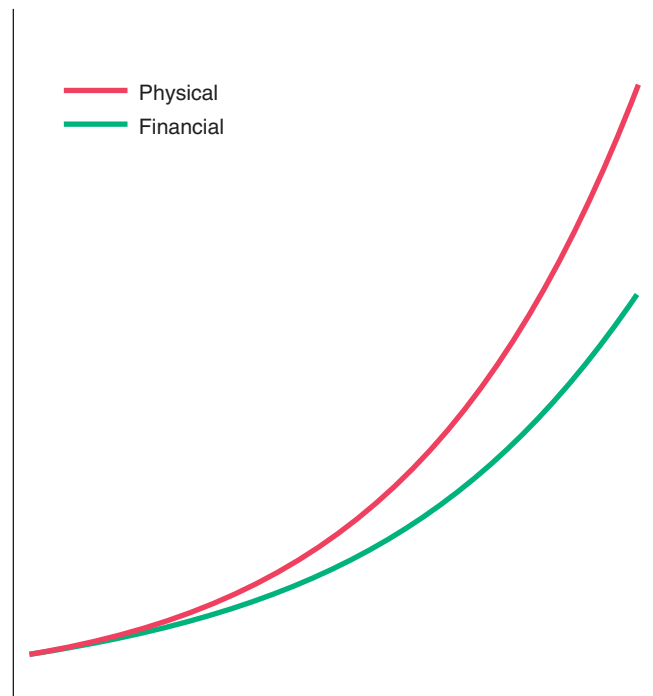
President Obama. President Obama is the name of *doom*. He's like a floating balloon with a face painted on it, and draperies in the form of trousers and a coat. And to keep the balloon from floating away, he has shoes, which sit on the floor. But this guy is not of any use, in the economy. He's a puppet. He's a puppet of foreign interests. But the key thing here is, under the Obama Administration, there is no chance for the continued existence of the U.S. economy, or even the U.S. nation.

And we're talking about something already in motion, not something that "might" happen. It's something which is already happening. And it's increasing day by day: Under Obama and his present policy, there will never be a recovery, or even a survival of the United States. That's a *fact*. That's not a guess; that's not a crystal ball picture; that's not a statistical forecast. That is already a fact.

You have a zooming rate of bailout money. Bailout money is entirely monetary aggregate. Hyperinflationary bailout. Since the Summer of 2007, you have an escalating rate of collapse of the real economy in the United States, the goods and services, things which are bought and sold. And all our basic industry has been

FIGURE 3

The 'Dual Curve' Function



wiped out. The auto industry, all the kinds of industries related to that, are being wiped out. Food supply is being wiped out, by international food systems, food-control systems, cartels. The United States has been in a process of disintegration over this time.

A Long Process of Disintegration

This actually goes back to 1964-66-68, that period. The assassination of John F. Kennedy, as President, resulted in a change in fundamental direction in U.S. policy. As usual, as today in Afghanistan, the way the United States is broken, is by getting involved in some needless, useless war. Kennedy, as President, opposed going into a war in Indo-China. He did this with very great care, in shaping his policy, under the advice of Gen. Douglas MacArthur and Gen. Dwight Eisenhower, the former President. They agreed with him: *no more long land wars in Asia for the United States!*

Well, what happened of course, is, they got the war, by killing Kennedy. And having the Warren Commission cover it up. But it was not some poor idiot that did that—there were three other guys from France, by way of Mexico, who walked in, shot the President, and walked out, and the Warren Commission covered it up. But what they got that way, by killing Kennedy, and

covering it up the way they did, is they got the land war in Asia, from 1964 to 1975. And under these conditions, whereas Kennedy had represented a resurgence of economic growth, a post-Truman trend back toward Roosevelt's policy—we went the other way. In 1966-68, the United States lost its infrastructure: that is, the rate of change of infrastructure—we had a contraction of basic economic infrastructure in the U.S. economy, from 1964 to '66 on.

So, since that time, there has been no net resurgence of infrastructure in the United States economy. We did make a landing on the Moon in [six] cases. These were very successful, but we were already shutting down the economy of the space program before then! So we took what we had used to build up the Moon shots, and we shot it to the Moon. But we were shutting down the very capability upon which the Moon shot depended, from 1967 on. And the economic reason was, the Moon shot, the space program, gave the U.S. economy an estimated 10 cents increase in the economy for every penny spent. So it was not economic pressures, as such, which shut down the space program. The space program gave us 10 cents in return in technology for every penny spent on the program. It was a deliberate destruction of the United States, undermining it, decaying it.

And since that time, with the 68ers, which rendered a cultural change in the United States, and the 68er generation—the Baby Boomers, so-called, like the spoiled children from Columbia University and similar places—they destroyed the economy. They introduced this “post-industrial society.” That was their tick.

And these factors came together, so we have been decaying as a nation, as an economy, since



National Archives



The assassination of President Kennedy resulted in a change in fundamental direction in U.S. policy. As today, in Afghanistan, the United States was broken by getting involved in some needless, useless war. Shown: Kennedy holds a press conference in 1961, during the early stages of the war; U.S. infantrymen in a search-and-destroy mission in Vietnam; anti-Vietnam War protesters in Wichita, Kansas, 1967.



1966-1968, in the effects of the shutdown following the assassination of Kennedy, and the launching of the war in Indo-China. And since that time, we've been involved in other wars, other unnecessary wars. No war fought by the United States during this entire period since the death of Kennedy, has been necessary. Every war has been, essentially, a fraudulent war, conducted by the United States, especially land wars in Asia, and similar kinds of operations. These things have dragged us down, and down, and down.

We never improved. You look at the number of people—look at our factories. We don't have a basic industry left in the United States to speak of. We have small businesses, small shops. What happened to the auto industry? The auto industry was sort of the last bastion, that and the aerospace industry, the last bastions of our high-technology industry. It's shut down! And kept alive—General Motors only exists for looting and stealing purposes, not for production purposes.

We're ruined, we're broken. We're wasted, and people are talking about, "Well, maybe there's going to be a recovery of the economy." Can a dead man recover? That's what we've got.

So, the question of forecasting: Forget it. Anyone who told you that there's any sign of recovery in the U.S. economy, is either an idiot, or a liar. Any newspaper that says there's been a recovery, is a lying newspaper, or just a plain idiot. There is no prospect of a recovery of the United States under President Obama. Under President Obama, the United States is doomed. Even if we remove that mustache from his upper lip.

Bring the President Under Control!

And, it's a fact. I mean, this man has got a Hitler-like policy. His policy is identical with his IMAC¹ proposal, which is the integral part of his program, which he votes for, he supports, he's fighting for. He's blackmailing to try to get it through. The IMAC program is a Hitler program! That's no exaggeration. It's a program that was given to him by his protector, Tony Blair, who first introduced this Hitler-like program in England, when Blair was prime minister. And Blair's program, of Hitler-like genocide against people, through manipulation of health care, is the policy of the Obama Administration. That's what the health-care program is. There's no other reason for it. It's mass murder, and it's Adolf Hitler.

1. Independent Medicare Advisory Council.

That mustache stays on this President's upper lip. It belongs there. He put it there, by adopting the Blair policy of genocide, which he specified. And people say, "No, he's a good man, he's a Democrat." What are they, idiots?

This man's a killer. You see we have a problem with this guy, because he happened to be elected, which shows you how bad public opinion has gotten lately. So therefore, we can't just dump him peremptorily because we don't like him. We're not a British government, a European-style parliamentary government. We're a constitutional government, a republic. And therefore we're very serious about what we do with an elected President.

Well, we've got to do something about this President. We have to put him under control, or we have to throw him out. One of the two. If it's between the nation and that President, guess what? What your choices are?

But, understand clearly: There is no chance of any recovery of the U.S. economy, under this President, as long as he remains in his present policies. His economic policies, his health-care policies, are not tolerable. Either those policies go, or he must go, because we don't have a United States unless that change is made. There's no choice.

Now, people are saying, "Yes, but ... yes, but ... yes, but ..." They're fools. The record on my forecasting is clear: I've always been right, and the opposition has always been wrong. Because they depend upon statistical forecasting, based on market forecasting, financial market forecasting largely, and a few statistics which are largely faked, or "improved upon," shall we say? There never will be a recovery. And any American who's supporting this President and his policy, the current policies, the environmentalist policies, and these health-care policies, these military policies, is simply supporting the destruction of the United States.

And some time, perhaps, I may have to tell you: "I told you so." And it won't be far distant. We're very close to the point, at which the breaking point occurs.

Now, one thing about breaking points: The conditions for a breaking point are objective. We have this plummeting U.S. economy. We have *soaring* monetary inflation, sometimes called "bailout." We have *soaring downward* financial transactions, financial activity in the U.S. economy. We have a collapse of the physical economy, particularly in terms of employment. We are bankrupt—hopelessly bankrupt. We're as bankrupt in



EIRNS/Christopher Jadtatz

The first step toward an agreement among the world's four leading powers—China, India, the U.S., and Russia—took place recently, in talks between Russia and China. The big question is: What will it take to bring the U.S. into the picture?

form, as Germany was, Weimar Germany, in 1923, a very similar kind of process.

Anybody who tells you there's a recovery, is either an idiot or a liar. This system is collapsing. This nation is on the verge of disintegration. And some of us have the guts to fight that. Some don't. Some are hoping the Democratic Party will revive. Well, I've seen a dead man revive, I suppose, before.

But that's where we stand, today.

We also have other considerations. Now, despite the fact that the United States is under such mismanagement as this, Europe is worse. Because the continent of Europe, that is Western and Central Europe, are under the control of the British euro system. And therefore, they no longer have effective sovereignty. Particular governments in Europe, Western and Central Europe, can not create their own credit: They're subject to an international institution, controlled from London, under this new euro system, which has gotten tighter, and tighter, and tighter, all the way. So therefore, we're not going to get anything from there.

Developing a Solution

What I've been involved in, recently, has been the development of a solution. The solution, and it's the only shot you've got, is a Four-Power agreement, pro-

spectively, among the United States (with a change in the current Administration's policy), Russia, China, India, and some smaller countries which would be willing to participate in this. This would represent governments of the world which account for about half or more of the population of the world. So that, if an initiative is made—this includes the United States, Russia, China, India, and other countries—if an alliance of these four and other countries occurs, that is sufficient power to bring down the present world system, and at the same time, institute a new one.

The first step in that direction was implemented recently, in negotiations between Russia and China. They agreed that China, using its credit, which is largely the debt of the United States to China, to use that as a resource of credit, and capital, for cooperation with Russia in developing the essential systems, centered on transportation systems and power systems, in that part of the world, that part of Asia. There are now negotiations going on, supplementing what has already been agreed to by Russia and China, with India. There is a potentiality of the United States.

Because if, the United States, which is in a disastrous condition, which has a vast debt to China and other countries, because of the mismanagement of this place—if we cooperate with Russia, China, and India,

which is a great part of the population of this planet, and include other nations of Asia, such as Korea, Japan, Mongolia, and others, which are eager to cooperate in such a venture; and if you take into account Pakistan, which is totally unstable, and rendered unstable by what's going on in Afghanistan and other parts of that region, and the fact that India's aware that the very existence of India depends upon the security of Pakistan, in dealing with this problem which the British are trying to build up in Afghanistan and elsewhere—you'll find that nations, out of desperation and awareness of their threats, and awareness of their interests, are beginning to move in a direction toward collaboration in changing this system—if the United States comes to its senses. And it's up to Americans here, to a large degree; Americans have got to stand up on their hind legs.

Don't pay any attention to what Democratic Party leaders tell you. Don't pay any attention to these other factors. Don't pay any attention to the press. As I've told you—and it's a fact—*this system is coming down*. It has been coming down since July-August of 2007. We're now at a breakdown phase; you can not predict the exact date of breakdown, but you know we're in a breakdown phase; we're at a point where there's no way up, and you're already sliding down! And one little mistake, by the Obama Administration or something like that, would be sufficient to blow the system out. It would have that little trigger event.

But we're not waiting for a trigger event, which says, we either have a depression or we don't have a depression. We already have a depression. And whatever happens on whatever date, this system is doomed, under its present policies. There's nothing that can save the United States, under its present policies now. That is foregone. There's nothing awaiting the American people out there, except *doom*, right now!

We could *reverse* that! And how will we do that? Simple! Use our Constitution.

What do we do? We go back to Glass-Steagall. We say that all banks which are commercial banks, or which used to be commercial banks, will now be put through bankruptcy reorganization, of the type that Franklin Roosevelt specified back in 1933. That would mean, that we would look at all the accounts in these banks, and those that conform to a Glass-Steagall standard will be protected, under bankruptcy protection by the U.S. government. Those parts which do not conform to a Glass-Steagall standard are—*whissskk!* Gone! “Look,

Ma! No more money. It's gone!” These banks are gone. This system is gone.

We now have a shrunken financial system. Many billions, even trillions, of dollars have been wiped off the books, in a great bankruptcy reorganization, which does have certain similarities to what happened in Weimar Germany, in November-December of 1923: Suddenly, all the worthless paper was—*whhhs!* gone! Except, they didn't have a good system to handle it. We do. Our system. Under those conditions, we can then use our Federal system to create new credit to rebuild an economy. But it means wiping out most of the loose-money people, who have control of our financial system today. We're talking about tens of trillions of dollars being wiped off the books. That's the price that has to be paid, if we're going to get an economy that can survive. That's where we stand. That's what has to happen.

And only if people recognize, that we have to get to that point now, is there any chance for any future for this country. This is reality! Don't ask your forecaster; they don't know anything, they're always wrong. This is a fact. Look in every neighborhood, look at the conditions of life. Look at where industries used to exist. Look where the agricultural sector is collapsing. Look at the tent cities that are being shut down. Look at the condition of health care.

And then look at the financial situation. This system is finished. This nation, in this form, is finished.

However, if we have the guts to put the system through bankruptcy reorganization, this nation can survive. It will survive on the condition that we make an alliance to break the power of the British Empire, and the British interests internationally. That means, making a partnership with Russia, China, India, and other countries, to eliminate the present world monetary system; eliminate the present monetary system, and go to a credit system, which is the system adopted by the United States, before our Constitution was actually formed, under Alexander Hamilton, in dealing with the war debt of the United States in the early 1780s; it then became an integral part of the foundation of our Federal Constitution, at a later point. So, if we go back to our Constitutional standard of a credit system, and join with Russia, China, India, and other countries, and also get a bloc of a credit system, we have the power then, with the support of other nations who are looking for a solution, to eliminate the imperial system, the monetarist system, which runs the planet today. That's our only chance.

If we don't have the guts to do that, we have nobody else but ourselves to blame for not doing it. And that's where we stand.

So that's what my function is, and my function is here.

Look at what we have to do, look at how this system works: We require large-scale infrastructure; we don't have industry any more. We have some of the elements, the rudiments of what used to be industry. But the auto industry is gone! The aircraft industry is going. The machine-tool capabilities of the United States population are disappearing. There are some places that are still providing work, but they're diminishing in number and less in character. Look at areas where there are store systems, we had whole sets of stores in cities, and so forth, that were functioning—they're closing down, they're vanishing. A similar process is occurring in Europe. We have a worldwide collapse of the system.

Defeat the British Empire!

And there is a factor behind this; this is willful. This was the struggle of the American Revolution. In 1763, you had the conclusion of a Seven Years' War. The Seven Years' War was organized by the British East India Company, which was a private company, and it got the nations of continental Europe—minus the Dutch, who were in on it, with the British—to organize seven years of warfare among the leading



EIRNS/Steve Carr

In order to reverse the deadly destruction of the U.S. economy over the past 40 years, we can, under the U.S. Constitutional system, create new credit to rebuild what has been taken down (from top): an abandoned factory in Detroit; an abandoned farm in Indiana; abandoned houses in Baltimore, Md.; an occupied tent city in Ontario, Calif.



EIRNS/Steve Carr



EIRNS/Stuart Lewis



EIRNS/Michael Steger

nations of Europe. A peace was reached in February of 1763, after Europe had been essentially ruined. And out of this war, the British Empire emerged, not as an empire of a British *nation*, but as the empire of a British *company*, the British East India Company. Out of this, Canada was surrendered to the British. The naval power was surrendered to the British; India was surrendered to the British; and in the process, other parts were surrendered to the British. And this went on, until the East India Company was dissolved in bankruptcy, and Queen Victoria took over.

And so, we've had an empire on this planet, the British Empire, ever since. The only effective opposition to the British Empire—there have been nations which had effective resistance, but the only real opposition has been the United States. A key case is Germany, and it's important to look at Germany today, to understand the kind of situation we're in. That Bismarck, the leader in Germany, the Chancellor, was a bit of a genius. He had problems in terms of the German royal family and its British connection, but he was a smart fellow, a very capable person, who led Germany in the right way, even though his government sometimes went the wrong way. And he was the fellow who worked with the United States to introduce the U.S. system, the same U.S. system associated with our tradition and with the government of Abraham Lincoln. He used the model of our economic development, for Germany. And from 1877 on, until 1890, there were great reforms in Germany which were all based on the introduction of some of the social reforms and other models of the United States, and the initiative of Bismarck.

The British, however, at that time, who were pained by the fact that we had defeated them, by our victory over the Confederacy, which was a British puppet, were again trying to get back their imperial power. And the way they intended to do that, was to get Germany in a war with Russia, and in some degree, Austria, but mainly with Russia.

The problem they had at that time—because in order to have a war with Russia and Germany, they had to have France in as a tool for the war against Germany. But they couldn't do that, as long as Bismarck was Chancellor. Because Bismarck as Chancellor sabotaged the efforts of the British monarchy to start a war, with Russia, a way of getting this war started. Because Bismarck, among other things, had made an agreement with the Tsar of Russia, that he would sabotage any attempt to get Germany into a war with Austria in the

Balkans, which would trigger a war with Russia. So the British solved the problem, in part, by getting Bismarck dumped, by Wilhelm II, who was the nephew of the Prince of Wales, Edward Albert, the later King Edward VII, who was starting the war.

So, Bismarck said later: This is a new Seven Years' War.

Because the way in which the empire, the British Empire, like empires before, had controlled the world, was by getting other nations to make wars against each other. And by getting other nations to fight each other over issues, then the imperial force could come in and take over, on the ruined combines of a nation—the way we were ruined in Indo-China!

We were a powerful nation, still, under Kennedy. We were dragged into a long war, technically from 1964 on to 1975, which ruined us! This was the way we were ruined! And we're still suffering that effect. That's the way Johnson became President; that's the way that Carter became President, a Presidency which ruined us. We've been ruined ever since, by playing into land wars in Asia, and other kinds of conflicts derived from that, by which we destroyed ourselves.

Take the classic case, the so-called Middle East war. What's the Middle East war? The Middle East war was organized by the British! When was it organized? It was organized at the end of the 19th Century. It was organized on the anticipation of the collapse of Turkey, of the Ottoman Empire. So they organized a thing which they called the Young Turk movement, which was run out of London, and used various people from various kinds of operations; and the intention was, to take the Ottoman Empire, dismember it, and turn the whole region, including Iran, and other parts there, as well as Palestine and so forth, the Arab world, and turn it into an area of permanent warfare. And this was called the Sykes-Picot agreement, which was instituted at the end of World War I. We are fighting wars, or watching wars, in Palestine and elsewhere, today—and everyone wants to try to find peace with the Israelis and Arabs, and they're never going to find it! Because the war is being run from London! Every time there's a threat of peace breaking out in the Middle East, London organizes new warfare between Arabs and Israelis. The war with Iraq was a case of this; the attempt to get a war with Iran is a case of this! What happens in parts of Africa is a case of this.

We are subjected by the British Empire to this kind of policy of warfare as a way of inducing us to destroy

ourselves, and to destroy our power. And the same method is used, that was used against Bismarck.

What happened with that? Go back to 1890: Bismarck's fired. Next thing, the President of France, Sadi Carnot, is assassinated. After that, the Mikado and the British emperor—the Prince of Wales—agree to start a long war. The agreement was, that Japan would undertake a war against two enemies. First, against China, and Russia. Second, at a later point, in the beginning of the 1920s, the British and Japan agreed on a naval conflict against the United States, to reduce U.S. naval power. At this time, in the 1920s, the Mikado of Japan agreed to build up the Japanese Navy for an attack on Pearl Harbor, as part of this British-Japanese alliance against the United States. This war of Japan against China and other parts of that region, continued until 1945. The war in Indo-China, in the post-war period, was the same thing. Ho Chi Minh was an ally of the United States. I was in military service not far from there at the time, in northern Burma; and we were operating out of Myitkyina—it was the most advanced airport, or set of airports in northern Burma, which was not only supplying, jumping “across the Hump” into China, but also from there, we were also operating in Thailand and operating in Indo-China. And the OSS [Office of Strategic Services] was operating in Indo-China and Ho Chi Minh was an ally of the United States.

So, what happened? Franklin Roosevelt died on the 12th of April, and shortly after that, Truman, under the influence Churchill, moved in, to have the Japanese re-occupy Indo-China, under British protection! And this led, through a long series of things, to a permanent state of warfare in Southeast Asia, that area. And we got ourselves into a war in 1964 to 1975, in Indo-China, as a continuation of this process. *And we were bled, by that war!* Morally, spiritually, otherwise—we were bled. That's how the game is played.

And we say, “Who's our enemy? Who's the guy we don't like? Who's the guy we gotta beat?” We're idiots! We get ourselves into wars with people who are not really our enemies, but who can be made into enemies if you annoy them enough! And we fight those wars, and *long* wars, especially long wars in Asia. They do the same thing in South America and Central America. These wars are not caused really by conflicts, endemic conflicts among peoples in these countries! They're organized! They're provoked, they're orchestrated. And it's the British system that does it.

So, we've come to the point, that the British have decided to eliminate this problem. And the one problem that was in their way—because Europe was destroyed again and again by wars; Asia was destroyed again and again, by these wars, orchestrated wars, orchestrated in the interests of the British Empire; but we still remained, despite the damage done to us, and the bad influence. And the decision finally came to destroy the United States. And that was done, beginning systematically, on the day that Franklin Roosevelt died. We have been played, as our ever-loving British monarchy, monarchical friends, since that time, to get us involved in ways in which they conquer us, by inducing us to destroy ourselves. By weakening and destroying ourselves.

The British ‘Green Policy’

Where do you think we got this idea of the “green policy,” of the environmentalist policy, where do you think it came from? It came from London. What has it done to the United States? What has the environmentalist policy done—it's a fraud! There's no truth to it whatsoever. There *is* no phenomenon of global warming! It doesn't exist! But how many people believe in global warming? It *doesn't exist*—they're told to believe it. Who tells them? Prince Philip, the British interests, and their sympathizers in the United States. Who tells us we shouldn't have nuclear power, which is what we need?

We're in a situation, now—let me just go through this:

The way an economy works, is that we rely upon developing increased power. We start, as mankind, with things like burning wood. Now remember, mankind is different from all animals, in several respects (except some people, who qualify as animals, hmm?). Mankind is a fire-bringer. Mankind is the only living creature which uses fire as a method of existence. For example, you go to ancient sites in Asia and elsewhere, and you find, a million years ago, or so forth, and you find sites, where evidence of something that looks like man, in remnants, existed, and the interesting thing is, you find there are signs of human ancestors having lived there, and also the use of fireplaces, the use of *fire* by man. The only creature on this planet that uses fire as a means of existence, is mankind. And that has something to do with the human intellect.

Now, we depend, for a living, on what nature provides us to take. And thus, we go to higher and higher standards of combustion: We go from charcoal and things like that; we go up through coal, to coke, to natu-



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Solar and windmill energy provide only a tiny fraction of the power, measured by energy-flux-density, that nuclear does, and will condemn billions of people to die. From the top: ACCIONA's Nevada Solar One concentrating solar power plant; the Civaux nuclear power plant in France (note happy sunflowers in adjoining field); a windmill farm.



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ral gas, to petroleum, and so forth. But we've reached the point, that we can no longer rely upon these sources of power, because they're not sufficient. Because the way we live is, we use power; we use things like ore, wood, for example, but especially things like ores. And the ores we take are from the upper surface of the planet, and they are effectively the dead bodies of plants and animals that lived a long time ago. And the way it works is, we had different parts of the planet that were under water. And in these different parts of the planet, you had forms of life, that grew in these watery areas. Take the

case of iron: You get iron ore from areas where there was once a lot of water! And in this water, these microorganisms and other organisms grew, and they died. And when they died, things happened. Now in some of the most important areas, these little animals or plants, lived on iron, iron as a metal. Now iron is distributed throughout the surface of the planet. But how do we get iron? We get iron, because plants and animals use iron, what they pick up from their watery environment, and when they die, they have collected iron, and created

an area of deposit, where there's iron. And that's how we get iron.

So then, we come along, and we find where the iron is most heavily concentrated, as in the case of other ores, other mineral deposits. We mine that, by the use of power, to use that material as a rich—shall we say, a rich lode of some raw material. And our society depends upon the relatively richer kinds of raw materials of this type that we use.

Now, what happens if we draw down the richest stores of these kinds of ores, which are left there kindly by deceased plants and animals? What happens, if we want to have some of the

same ore? We've used up the richest ores. You have to get more power; you have to go up-scale, to what is called higher energy-flux density. We're now at the scale, where we can not really maintain the civilization on this planet, without nuclear power. If you don't have nuclear power, you can't make up for the fact that you have to use relatively marginal resources. It's not that we're running out of iron. There's still as much iron in the world as ever before, unless we take spaceships out there from them. That's not the problem. The problem is, we've dispersed it, we've used it up in a certain way, and we have to recover it, or we have to find new sources of this ore. And therefore we have to have nuclear power.

We have come to the point—you can not have a planet, maintain a population of this type, of 6.7 billion people, *you can not do it* without nuclear power! And that's not enough! Because we're going to have to use thermonuclear fusion power, which is a higher energy-flux density, in order to be able to supply our needs, with at least the same quality of life that we've tried in the past with lesser means.

So therefore, for mankind to exist, mankind requires an increase in the energy-flux density of sources of power available. Which means going from burning of wood, or charcoal, or waste, up through other things, including petroleum and natural gas. And you find that you have to go to a qualitative level *beyond that*, for mankind to survive: And that is, nuclear fission is your first step. But you have to go three orders of magnitude or higher than that, which is thermonuclear fusion. And we have some possibility for thermonuclear fusion now, on the Moon, in the form of helium-3 deposits from the Sun, in that source. But, we're going, of necessity, into a thermonuclear fusion economy.

What do the British do? The British say, "You shouldn't have nuclear power. Nuclear power's dangerous. You should use solar power." Now, solar power is idiocy. Take an example I was referring to again yesterday: Take the case of sunlight, solar power. Solar power will destroy mankind—why? And how?

Life on this planet—again, come back to it: chlorophyll. And chlorophyll is one of three general modes on which life on this planet generally depends. If we use sunlight, directly, as it impinges upon the surface of the land, we will destroy the world. The way we use sunlight intelligently, is by chlorophyll. There are two other modes of use, also, but let's take the case of chlorophyll.

Chlorophyll is the major way in which mankind is able to make the planet habitable. Because the little chlorophyll molecule, which looks like a polliwog, and has a little head like a polliwog's head, and has a tail—it collects the power from the Sun through a tail. And in the head, a marvelous little process occurs, in which the energy-flux density of the sunlight power, is now converted into a much higher form of power, relatively speaking. And this conversion to a higher form of power, not only enables us to develop the land, in terms of other plant life, and the effects of plant life—for example, the sunlight applied to chlorophyll will generally give us a 1% benefit in grasses, from all the sunlight radiation; and in trees up to 10%. So that the ability to inhabit this planet with plant life—and this is true of the oceans as well—depends upon these kinds of processes, which take sunlight, and convert it into a *higher form* of power, with chlorophyll. That, therefore, creates the conditions of life which humanity requires.

What do they tell us to do? Go to solar power! If you cover this planet with solar power, in terms of an area capable of sustaining some semblance of life, you are going to destroy the planet. Who tells us we have to do this? The British monarchy: Prince Philip's World Wildlife Fund! These characters.

We are the target of an intentional destruction of our nation and of civilization, by a kind of culture which comes out of a kind of a relatively dark age of imperialism, back in ancient times. And they're turning us back to ancient times! And we're like fools—we say, "We believe in green"! We become greenies. We're idiots! We're destroying ourselves.

And that's how the enemy operates. It's sort of like the Satan principle. Satan is out there to induce us to destroy ourselves, right? And who is Satan? It's called Prince Philip. Or people like that. And that's our folly here.

A Global Strategic Threat

So, what I did recently, in this connection: There are some gentlemen, Russians, who are known to me—scientists, they're in their seventies and eighties, which for me, it's good. Seventies and eighties are good; my best memories come from the seventies and eighties. I took steps to try to solve this threat to our existence. And I have dealt for some time with efforts to get Russia, particularly, and China, but Russia in particular, and India, and I've been doing that for some decades, to enter into forms of cooperation with the United States, where I



EIRNS/Will Mederski

Eighty percent of the American population, like these people attending an anti-government rally in Washington Nov. 7, hate what's happening to the United States! Our problem, said LaRouche, is to organize the American people to say to the politicians: "Shut up! We want you to listen!" And to fight for the policies that will save them, and save the country.

knew that our people in the United States, when rightly advised, would want this kind of cooperation.

And this becomes particularly important, now, because countries which technically should be viable partners of the United States, such as Germany and France, are presently not, really, at this time. They used to be more so; they're less so now. And unfortunately, they are presently under the control of the British, which means that they don't have real freedom. They're not independent powers any more. They would like to be powers again, and can become powers again, but the trick is, first of all, we've got to break the system. And my concentration is: Okay, the United States, Russia, China, and India, and other relevant countries, if they band together, can change this system. And I've been

working at that for a long time. And I've gotten into troubles with various people because I did it. But I knew I was right.

Now we come to the point that there's no chance of saving this planet, with the British system, or with a United States under British influence, which is what the Obama problem is. Obama is a puppet of London. He's not an American! I don't know where he was born, exactly; that's been debated all over the place; I will presume that he was born in Honolulu, or some place like that. But I don't know it; I've just heard it, and some people have told me it's official. But that's not the point. He's a puppet of Tony Blair. That's how he came into existence. He's from the Chicago mob, through Tony Blair. He's utterly incompetent; his policies are evil; his intentions, as expressed now, are evil. But if you have a powerful government, well organized, you can take even a slug like him, with his problem, his balloon head, and his draperies, and his shoes, and you can make something out of him, by putting him in the White House and having him surrounded by the right influences. It's easier than shooting him, and it's much more humane. And it's much nicer to have him credited with having accomplished something which he hates—which his owners hate.

So, the point is, now, we have to get the United States free of the Obama problem. If we don't get the United States free of the Obama problem: "Look, Mom, no more United States. And no more Europe, either." So this issue of the United States, Russia, China, India, and some other countries, as a cooperative bloc to destroy, once and for all, the British Empire, and what it represents, is the only chance for humanity now. Otherwise, you are headed, inevitably now, for a permanent dark age, for a long period of time, maybe two or three generations. We now have 6.7 billion people estimated; we will go down to 2 or less, in a fairly short, rapid rate, unless we do this. So this is a very strong incentive. And some countries have realized that they're in danger.

For example, as I mentioned before, you have the case of India: India has had a long, well-orchestrated conflict with Pakistan, which is organized by the British Empire, by the British monarchy itself. But now India recognizes that Pakistan is not its great enemy! That the breakup of Pakistan would mean that the entire region, the so-called Islamic region, would be destroyed. And if that were destroyed, then India would be destroyed. India is now smart enough to recognize that it needs to have a cooperative relationship with Pakistan, and some

other countries, and influences in that region, to defend itself! And therefore, to do that, it must have cooperation with Russia, China, Mongolia, and so forth.

And therefore, in that part of the world, there is a very strong tendency for recognizing these problems and these possible solutions. It is also recognized, that this type of solution is *not* possible without the participation of the United States. And that's what I'm up to. And I've been dealing with Russian circles, and talking with Chinese circles and so forth, and Indian circles for some time, off and on, and recently, more seriously. And we're now at that point: Were I President, there would be no problem with this. The United States, Russia, China, and India, and other countries in the region, *will and can cooperate*, if allowed to do so. It's in their interest to do so! All we have to do, is have the right interest in the United States, and we can pull it off. We can save ourselves from this mess.

Mobilize the American People

If we don't, if we start to say, "Well, maybe Obama will work out," kiss your—something—goodbye. If you think that these policies can be tolerated, kiss it goodbye. If you think you can adopt Hitler's health-care policy through Obama, and survive, *die!* It'll be more merciful than the alternative.

And therefore, we have to recognize that we have to mobilize the people of the United States around the idea of bringing this Presidency under control, and bringing it under control through a partnership with the United States, Russia, China, India, and other relevant countries. If we do that, I can practically guarantee, that Germany and France will tend to join. They have the strength to be able to join, under those conditions; they will kick the British out, then. They won't like it, but they'll do it.

So therefore, we can save the planet. But it's up to *us* in the United States, to deal with this Obama problem, to recognize the Hitler mustache on his upper lip. And if you can't recognize the mustache, the Hitler mustache on Obama's upper lip, you're not a patriot!

You may call yourself a Democrat, but Democrats are getting scarce as hen's teeth these days! Even people who are running as Democrats, are calling themselves Independents and running on both the Republican ticket *and* the Democratic ticket as Independents! It's getting *hard to find a Democrat anywhere!*—except maybe Mrs. Pelosi will grow a mustache or something like that, to cover up her defects.

But this is the situation. And look at the other situation, which I've seen: Do you know 80% of the American people hate this President? They don't particularly hate him as such. He's not really a hate object; he's more or less of a lump. But what they hate is the people that they believe betrayed them. Because the American people don't think of Obama as one of theirs. African-Americans used to try to think of Obama as one of theirs—it was a hopeful thing, but it wasn't there. They began to find out what was really there, and that's not working! But Americans do not really hate Obama: They despise him. That's a difference. They don't think that shooting him is what has to be done.

They think, Americans think, that *their representatives, in the Congress, whom they voted for, have betrayed them*. You saw that, in August, in the turnout, which was really a mass-strike movement. You've seen it again, popping up again, and again: The American people consider that the members of Congress are the people who betrayed them. They think that the leadership of the parties has also betrayed them, but they're picking out, especially, the members of Congress, who are considered *traitors to them!* And therefore, they're perfectly willing to call themselves Democrats, but they don't want to be called Damnoocrats, these types that they have contempt for.

And therefore, our problem, is to organize the American people to realize what they already feel: Eighty percent of the American population hates what's happening to the United States! That's a fact. I don't care what other statistics people get, I know these facts. Eighty percent of the American population hates their representation. The Republicans are smarter—they're pretending to be almost Democrats, to try to pick up the votes, hoping that they can take the seats by appealing to the former Democratic voters to come over to the Republican Party in the next election. That's the game they're playing! They know the health-care policies of Obama are hated, because it's Hitler-style genocide. They know that. And they know people don't like that! They don't like to be killed! They don't like to see their grandmother snuffed. Or their kids snuffed—they don't like it! Strange, you know? They know that this health-care program is mass murder. It's only stupid politicians who refuse to recognize that it's mass murder—it *is* mass murder! It's Hitler-style mass murder! (Of course, I'll you a secret: The British invented it. They invented Hitler!)

So, why are you, American people, out there, putting up with something that the average citizen, 80% of

the citizens, *really hate*? And they don't hate Obama; they hate the Democrats! The Democrats who vote for Obama's policy! Because their attitude is, and they're right: Okay, Obama's an idiot. More and more people are going to recognize that, as time passes on. But they don't hate him! Because, they say, this could not happen, if the Democrats in the Congress had not sold out. And it's those Democrats that they voted *in*, two years ago, or a year ago or so—those Democrats, the ones who they feel *betrayed* them *whom they hate*.

Obama, to them, is just a fool. Anybody who thinks seriously, who hears him talk and see what he does, and so forth: The man's a damned fool. He's an empty head, with these three teleprompters to guide him in talking. (If you got a fourth teleprompter in there, you probably would really screw him up! You know, just one, with a Mickey Mouse something or other, he'd squeak in the meantime.)

So, our problem is, the American people don't recognize, that a people has to survive, by showing leadership, when a people as a people must show leadership. Not as anarchy. The problem is, we saw with the demonstrations publicly, in the month of August, and we've seen since: The average American person was saying, in August, visibly, and has said more recently: "*You!*" they said to the members of the Congress, coming out in front of constituents—they said: "*You!* Shut up! We want to tell you what's wrong with you! We want you to listen. We don't want you to talk now. We don't want you to explain now. We want you to *listen!*" They're assuming that the politician—they still control him. They elected him! Or they thought they had elected him. They thought he was their representative. They see, he's just another Pelosi. And they're *angry*, because they think their friends betrayed them! They don't consider Obama their friend. They don't think Obama betrayed them—yes, African-Americans, many think they were betrayed, but that didn't last too long. They began to realize what the truth was.

But what the American is upset about, is the members of Congress, who betrayed them. Look at the recent votes, the two recent votes on health care. First of all, Obama's intention is *Hitler's*! If you vote for Obama's health-care policy, you're voting for Adolf Hitler's 1939 policy. That's exactly what you're voting for! If you support a candidate, or a person in public office, who's supporting Obama's policy, you are supporting a *Hitler policy*! Now, Hitler didn't invent it—the British did. But Hitler was a British puppet; he was created as

a British puppet, who went awry as far as they were concerned, and they had to get rid of him. But it was Hitler's policy, which are the policies of the royal family's World Wildlife Fund, Prince Philip. Prince Philip has a genocide policy! You don't need Hitler! Prince Philip is much more vicious than Hitler was! His whole family is! Al Gore is practically a Hitler man, on the same kind of policy—he's a liar and fool, and complete agent of the British interests.

So, the American people react, as you know them and as I know them; they react to a sense of being betrayed by their friends. That's where their greatest anger is. You know, most killings occur in families for that reason. Hatred is the greatest against the person you're close to, who's betrayed you—you know, the child against the mother who they think has betrayed them; or the father; or the cousin; or the sibling in their class, or the teacher; or some local official. The person who hired them and fired them—these are the people who stir up the greatest emotion in the typical American, these kinds of cases. And that's what the people are saying. And now, the Congressmen, who are frightened cowards, are running to Obama for succor! Against whom? Against the people who voted for them!

And therefore, you Americans: Better wake up. You've got to understand *how* you think and what you think. And recognize, that you've got to get this man, whom you elected President, you've got to *bring him under control*! We don't want any shooting around here. We want him brought *under control*. And some people in Washington know what I mean by that: He'll be in the White House. He'll be there! He'll sign the bills! And we will take care of his teleprompters for him—he won't have to worry about what goes on those; we'll take care of that for him. It may not come out too clearly, but it'll be there. And the American people will say, "We have a President, again." Why? "He's ours." What do you mean, he's "yours"? "We control him."

And that's the way the job has to be done.

And the way you control him, is by bringing under control those who need to be brought under control: first of all, your own elected representatives, who are supposed to be your bosses; then, you've got to get the institutions to function under control.

You've got to have an assessment, a practical assessment of what has to be done on this planet, to *stop what is now a presently onrushing, inevitable, general breakdown crisis, of the entire planet*. We can stop it. We made an important step in that direction, right after my trip to

Rhodes. It was done by the Russians and the Chinese. And contrary to some doubts on the Russian side, the Chinese *did do* what I knew they would do. They made an agreement, of historic importance. There is discussion with India, and with other countries in that region on the same thing.

We need to bring the United States into line, on this policy: Put this President, in the White House, under parental supervision. Maybe his grandmother—but she’s not available any more. Bring him under parental supervision: He’ll sit there, he’ll sign the laws, he will authorize the speeches, he will do all these things. He will be informed on everything. But, he will be in the White House, and under management. And we will kick the butts of the members of the Congress. And we will go to cut the deal with Russia, China, and India.

We will bring other countries into that: Japan will come quickly; so will Korea; so will some other countries, come quickly into that.

No Solution Without the U.S.

And we have to save this economy, we have to put this entire economy through a Glass-Steagall type of reform—immediately! We must take all banks which had any characteristic of commercial banks in them; put all these banks under government receivership, in bankruptcy. Put them into bankruptcy reorganization by a Glass-Steagall standard, the one that used to be on the books, that we know we have to return to. Keep the commercial banks functional. Those which are bankrupt presently, put them back into operation! Because people had their savings there, and we have to defend that.

Then utter, by cancelling all this worthless paper, maybe \$20 trillion worth in worthless paper, cancel it! It’s *fake money*! It’s not honest money, by Glass-Steagall standards. Then, create, by a Federal act, create something which Roosevelt would have done: Create a reorganization of the U.S. economy.

Now, we have destroyed most of our industries. We have almost lost the skills that were concentrated in the auto industry, for machine-tool design and similar kinds of skills. We’ve lost the ability for major infrastructure.



White House/Pete Souza

We need to bring the United States into line, on the Four Power concept: “Put this President, in the White House, under parental supervision.” Obama is shown here with Paul Volcker, whose advice the President is ignoring.

We’re about to lose the last remnant of the aircraft industry. We’re losing our machine-tool capability. We do not have functioning industries, of the type we used to have ten years ago! We’ve lost it. We have communities that are disintegrating! What we’re going to have to do, is have a mass program of basic economic infrastructure of the type that requires a maximum emphasis on agriculture and machine-tool design, in order to make sure to get the highest levels of technology functioning again, immediately, in this country. We’ve got to get to a full-employment program, which is not a make-work employment program, but one which is of infrastructure, which is actually building the skills and productive powers of the nation.

We’re going to have to cooperate among nations, to enhance this capability. We’re going to have to have a 1.5-2% basic interest rate for these kinds of projects, which will be authorized by the Federal government. We’re going to talk in terms of 50-year and less, shorter types of investments by the Federal government. We’re going to build a mass transit system. We’re going to build a nuclear power system, beyond anybody’s imagination today. We can do it! All you have to do, is start doing it, and you can replicate the project, and train more people in it.

And that way, we’re going to save the nation, we’re

going to save the planet. We will find that Europe, probably beginning with a phase in Germany and France, which are nations which have the greatest relative *potential* for getting back into business—except for the greenies in Germany. We’re going to have to start to do that. We’re going to have to continue and expand the general program of development for Africa. We’re going to have to look at the countries of South America from the same standpoint. And within ten years, or less, we will have built—rebuilt—for the United States, a semblance of what we once thought we had, in modern terms.

That’s what we must do. And you, in the United States, *must do it!* You must organize those in the United States to do exactly this! Because, I can tell you, that Russia is prepared to do this! China is prepared to do this! There are 1.4 billion Chinese! That’s important. There are over a billion Indians; they’re important! Russia commands one of the greatest raw materials potentials on the planet, in the Arctic region! We have in North America, we have in Canada, in Alaska, we have a similar potential for development, in the Arctic regions and the sub-Arctic regions. We can make a revolution on this planet, *rapidly*, within ten years—easily! We can change things, to get us moving in a completely different direction.

But the problem lies, not with who we criticize, outside in other nations, though criticism must be made—we have to look at ourselves! *We* are the supposedly great power! We are the nation, which inspired modern society! We have to kick our people in the butt, and get *them* to organize *themselves*, for no less a purpose than *their own survival!* Because if we don’t, if we don’t organize our own people to clean up this mess, in the Congress and in the White House, and put it back into order, there isn’t going to be a United States. And if there’s not going to be a United States, there’s not going to be much of a world, either, at least for a long time to come.

So this stuff we’ve been doing, and putting up with, this debating, this question of popular opinion, this question, “We-ell, I don’t think . . . well, I’m not sure . . . but, somebody tells me . . . but somebody says differently than you’re saying...” You know? Idiocy! *Idiocy!!* Cowardice! Corruption! When people don’t think things through, in a time of crisis, because they want to doubt, or they want to protest, or they want to raise some objection of that type—you’re the kind of people who’ll condemn themselves to Hell! And if they’re looking for it, they will probably find it.

So, the point is: *It lies with us!* The crisis is now. The time is short. The weeks ahead can not be wasted. I will be working during these coming several months, to try to put into place some of the agreements which are needed, to get this world out of this mess. *But I need more showing from the American people, of all particular degrees.* Let’s get up, off the ground, let’s mobilize, and let’s take charge! The mass strike movement which we saw in August is good, but it was not good enough! Because then, the people who were enraged were saying justly, “You! You! You!” To their members of Congress, “You shut up! Listen to us!” They didn’t say, “You! We’re taking charge.” And that’s the difference.

Thank you.

Dialogue with LaRouche

Freeman: The first question that I want to ask you, comes from someone in Russia, whom you have been engaged in an ongoing dialogue with on these very questions. For people who have been following this on the website, this is the third in a series of questions from one of Russia’s leading bloggers on economic issues, who has asked Lyn in the past to explain what he meant by various elements of the recent Russia-China economic agreements. And Lyn has answered those; those answers are public, and as I said, you can see them on the site. But as Lyn answers, he has more questions.

He says: “Lyn, you say, without an essential change from the present world British-run monetarist system to a credit system, all of the currencies of the world would become worthless very soon. This point is, at the very least, it seems to me, disputable.

“If we look at, for instance, the Russian economy, we will see that it does not have as huge an internal debt, and so many financial bubbles as we see in America. So, even if the dollar collapses, it does not necessarily mean that the same will happen with our ruble. All that we would need to prevent such a scenario is to leave the foreign exchange market, and start using the ruble in international trade. If someone needs energy supplies from Russia, he will have to offer something useful to us—technology supply and industrial modernization, for example. Please comment on this.

“Secondly, you say, the U.S. dollar’s ties to China’s economy mean that an increase in per-capita value and output of the Chinese economy engaged in the pres-

"You're in a globalized system. What's a globalized system? It's an empire!" LaRouche declared.

There are no independent nations on the planet, because no nation has sovereignty over its food supply. "If you're not prepared to destroy Cargill, you don't have independence."

Shown: cucumber picking in Belarus.



ently agreed China/Russia agreement, would mean a revival of the value of the presently collapsing U.S. dollar through the increased value of the U.S. debt to a rising Russia/China economy. I will put my question to you in slightly different form. Do you agree that Russia and China are able to perform this project even if the dollar collapses?"

You Need the U.S. To Defeat Globalization

LaRouche: On the latter question, no. Without the United States, Russia and China's collaboration would not be successful.

This other question to consider here—the deeper one—is, there is no such thing as an autonomous economy on this planet today. There is no self-sufficiency; nor is there any pair-wise self-sufficiency. If two nations decide to try to cooperate, and tell the rest can go to Hell, they'll go to Hell first. They'll be delivered the next day, in fact, to that destiny.

Now, you don't have a "rules" system; you don't have national economic systems any more. You don't understand globalization. The problem in Russia today is largely a result of the failure to recognize the menace of globalization. Because that was what was done to Russia, was globalization. Russia's potential does not lie very much in its own existing industries, that is, on the scale of those industries. And trade within that coun-

try, or trade with other countries, or a few countries, is not going to solve anything. You've got to increase the productive powers of labor of each country and all countries, and you can only do it with cooperation, because of globalization.

For example, take the case of grain. Helga [Zepp-LaRouche] went through this in her presentation just a few weeks ago, on this question. *There is no such thing as any independent nation on this planet! If you're not prepared to destroy Cargill, you don't have independence.* If you don't look at the firms that control your food supplies on this planet, and go in there, if necessary, with troops, and straighten them out, you're not going to have a food supply. You need an authoritative international force, composed of sovereign nation-states, but an effective force which is powerful enough to go in and shut down Cargill. Otherwise, you don't have a chance!

You're in a globalized system. What's a globalized system? It's an *empire*! You tolerated Cargill! You tolerated similar kinds of firms. You tolerated globalization, and you thought you were smart. You had legislators who did that in country after country. You talked about globalization; the Tower of Babel back again, with similar results promised, for now. That's the issue!

What we need is a consent of the people, consent of nations. Now, we know that Europe presently, under the

euro, has no sovereignty! Continental, western, and central Europe no longer have real sovereignty. *It doesn't exist in any of those countries!* We have to take a bunch of nations which do have enough *power* to represent sovereignty, which is largely the United States, Russia, China, and India, and a few neighboring countries, which will share their emotions in this matter, and that will constitute a representative body of the human race. And that representative body of the human race is going to go out and *crush* the imperialists.

I'm declaring war! And, as Franklin Roosevelt said: I hate war! But that's why I've got to declare it.

That's the solution here.

We have to create an economy. No economy presently exists, no sovereign national economy presently exists anywhere on this planet. You want to talk about trade within and among nations? You don't have sovereign nations anymore. There's no nation on this planet that's sovereign; it's all under globalization. It's under the empire.

What's the empire? The empire is the British Empire; the enemy is the British Empire! And the British Empire does include Buckingham Palace (or, there's another name for the place, but I won't use it here). And there is Threadneedle Street—that exists. But the Empire is international; it's an international monetarist system. The system which is typified by the globalizers—the ones that control the food supply of the world, that control the mineral supply of the world, that control the industries of the world. These bastards have to be shut down, in order to get our national sovereignties back. And what we have is, we have a nasty pact of nations who say, we're going to take our national sovereignty back.

We're going to eliminate globalization. We're going to have equitable treaty agreements among cooperating nations. We're going to think in terms of 50-year projects—in some cases, 100-year projects. The development of northern Siberia is a 100-year project, which is extended across the Bering Strait, through a tunnel through the Bering Strait, into Alaska, into Canada, and down into the United States. We're going to take the Arctic region of the continents, and we're going to start to develop them, because they contain essential resources, and we do know how to deal with them, at least some of us do.

We're going to deal with Africa. We're going to build a modern type of railway system which unites the world. We can devise it, we've reported on this repeatedly. We can today, create the equivalent of a high-

speed rail system, including a magnetic levitation system, with a high degree of automation in it. We can create an entirely new transportation system for the entire planet. We can connect all of Eurasia with Africa and with the Americas, with, effectively, a single stroke—one continuous set of railway systems, going down into Africa, and transforming Africa. And you can't do it without railway systems.

Look, for example, take Africa: Africa has a great amount, especially in the Southern Shield, of the mineral resources of Africa as a whole. Well, why aren't the Africans rich? Take a picture of this helicopter study, which was done from helicopters, travelling over various parts of Africa, and looking down at these parts in daytime and at night. What's the condition of Africa? Africa is a British crime against all humanity. Africa has one of the greatest agricultural areas of the world. Why don't they have farms, for food? Why is there no light at night in most of Africa? Why is there no mass transportation system? Why is there no effective system of disease control? Why is there no development? Why is Africa only *raped* of its raw materials, and not developed? Why is the water system of Africa not developed? Why was the Nile River system never completely developed?

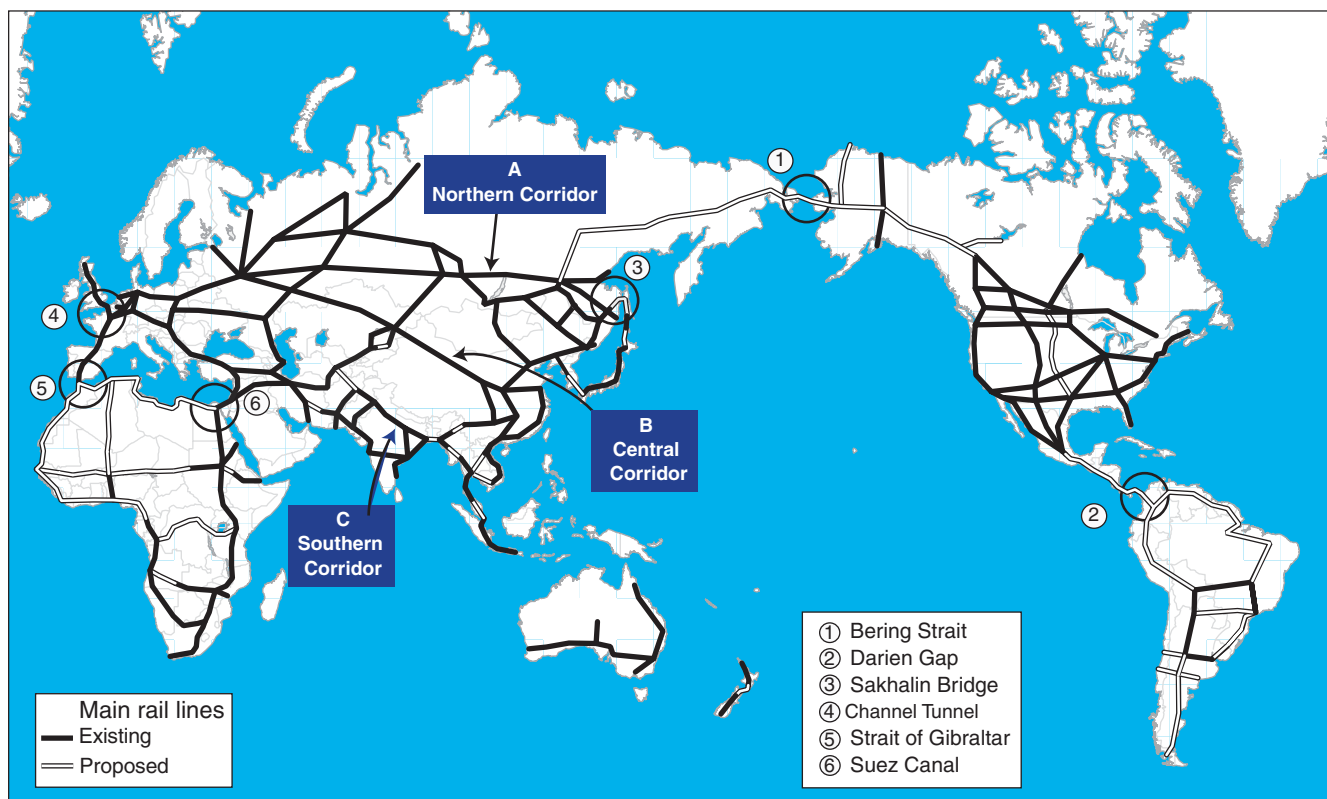
That's the problem. And therefore, we have to have ground rules for nation-states. Our basic point is *nation-states*, because nation-states involve the concept of culture.

Now, the power of creativity, which does not exist in monkeys, but should exist in people, even among some politicians. The power of creativity is unique to mankind. All processes on this planet and beyond, are creative. Inanimate nature is creative.

Look what happened: You had a Sun; the Sun is sitting out there, it's all by itself. It's spinning around rapidly, not knowing where to go, in this neck of our galaxy. You got that little Sun. And the Sun spun off some things. It created; it just spun out there, and it began creating the Periodic Table; the complete Periodic Table, which keeps growing and developing all the time, through isotopes, some of which are generated by the aid of life, living processes. And so, suddenly, the Sun suddenly became a whole solar system. And all these kinds of developments occurred.

So, the Sun itself is creative; the universe is creative, inherently. Animal life is creative. But none of them can think; none of them have the ability for voluntary transformation of the universe. Only human beings have the mentality for the voluntary creation of new states of or-

FIGURE 1
Proposed World Land-Bridge



EIRNS

"We can connect all of Eurasia with Africa, and with the Americas, with, effectively, a single stroke—one continuous set of railway systems, going down into Africa, and transforming Africa."

ganization in the universe. And we need more people who are creative. We need to get rid of this uncreative nonsense, which was introduced in the postwar period.

We have to develop populations; therefore, we have to realize that when you're dealing with a language culture, which is a very complex thing—it involves not just the language, but a whole lot of other things: If you're dealing with a language culture, you have a certain depth of a faculty called *irony*, which exists in every language culture. Which is generally expressed in the music and the poetry, the art and so forth of that culture. And therefore, when you touch that aspect which is deeply imbedded in national culture, you are getting close to where the creative powers of the individual lie.

So, what our objective must be in a nation-state, is based on the idea of nation-state culture. You must bring into play the creative potential of a people through its culture. Therefore, you want them to represent themselves in terms of the fulfillment and enrichment of their own culture. Therefore, we want the consent of

humanity—we don't want a consent of pigpens, we want the consent of different cultures, because creativity lies within the culture. Therefore, we want an *assembly* of peoples which are respectively sovereign peoples, in order to mobilize their cultural potential, for becoming truly as human as they can become.

And it's the consent of these sovereign cultures, which we must bring into play, in order to finally achieve what Franklin Roosevelt intended, when he designed the idea of the United Nations: to eliminate all elements of oppression from this planet, and to create a system of sovereign nation-states, of developed sovereign nation-states, which will then take over the entire territory of the planet, leaving no room for empires, or similar kinds of phenomena. And bringing that together, that should be our purpose. So therefore, we have some nations which have, together, the power—sufficient power—to free the slaves among other nations. And our job is to free the slaves.

Europe is a bunch of slaves; South America is largely

a bunch of slaves. *We must free them*, and those nations which have the ability, the power, and the determination to do that, must join, on behalf of *humanity as a whole*, because we're going to create another thing. We're going to go to Mars! Not this week, but we've got to get there. I won't be there. I will be there in spirit, and you never know what I'll be able to do as a spirit. I'll do the best I can.

So, therefore, mankind has a destiny. All nature is creative. Inanimate nature is creative, as we see when we study the inanimate processes of physics, of physical science. Living processes, all living processes are creative. Look at the emergence of species, new species and varieties which have come out of the existence of life on the planet. Life itself is creative. The human mind is creative, and the human mind is the only *willfully* creative power on this planet. And that's what our purpose is.

Therefore, we, as mankind, must look to the future, and the future is not what might happen next week. The future is what we can *cause* to happen, which is a higher state of existence of mankind than has ever existed before. For that reason, we know we must go to Mars, and there are a lot of problems which some friends of mine and I are working on, on this question of how we're going to get to Mars. We're very serious about it; we're determined to get there. I may not see it in this incarnation, but—. Nonetheless, it'll take us about four generations to do that, and we can solve, in that time, we can solve the problem.

So therefore, our objective here is to bring nations together, recognizing that no nation has sovereignty—not now. But we're going to have a system of sovereignty on this planet—of sovereign nations—because we *need* it, because human culture demands it. Therefore, we nations which are strong enough to do this, who represent enough power to pull this off, have the obligation to exert that power we have, when we're acting jointly to get rid of the British Empire. And when you think that way, you're thinking strategically. Get away from those lower forms of thought, which are petty ones. We're going to change this planet; to make it a respectable planet, that other planets don't have to be ashamed of.

Our Job Is Creative Development, Not Trade

Freeman: The next question comes from Australia, from the Australian Movement for Sustained Development. And the question is: “Mr. LaRouche, if Russia and

China use their existing dollar reserves to undertake massive infrastructure development, does this not have the same effect as dumping the U.S. dollar, when those dollars are spent and don't come back into the U.S. economy? And with it is the increased pressure toward hyperinflation? If there is no common agreement between those nations, and the nations of the West, with the U.S. as the linchpin, it seems to me that there still would be no resolution in international finance and economics, and the downhill slide will not only continue, but will accelerate. In my calculation, the actions of China and Russia may be sensible for them in isolation, but will only exacerbate the dollar collapse, and thus accelerate the global economic event horizon into view. I'd greatly appreciate your opinion.”

LaRouche: Well, that's a completely mistaken view of the situation. First of all, if you want to talk about human beings, make sure and check that you're talking about what distinguishes a human being from an animal. Now, human beings are creative. They're creative in the sense that I use the term creative. What most people call creative today is not creative: It's filthy, it's dirty, it's confused, it's chaotic. People think innovation. I mean if people are at rock concerts, you can't expect them to have minds when they leave the place, hmm? And people who think in terms of what we have as popular entertainment today, are not creative people. As a matter of fact, they don't have creative powers; they lost them somewhere along between childhood and adolescence, probably with the monkeys, or something like that.

No, the essence of humanity is creative; creativity as such. And the power in Russia, as I know the power in Russia, is in institutes like the Vernadsky Institute, which has a headquarters in Moscow, in what used to be called Red Square. These people understand how to make a creative development of the planet. And our job is not money; it's not *hakem makem* as they say in Israel. It's not money. It's not trade. Trade is nothing. Trade is a divorce court; that's trade. That's the trading market these days.

No, we're talking about creativity; we're talking about transformation. Do you know what the Vernadsky Institute represents in Moscow? Do you know what Vernadsky represents in terms of Russian science, and in world science? Do you know what we can do if we unleash technology, which is now being suppressed? Do you know what we can do to this planet? This will require a lot of nuclear power. It will require all the things that go with nuclear power. It will mean the de-



EIRNS/Tarranja Dorsey

“Do you know what Vernadsky represents in terms of Russian science, and in world science?” LaRouche asked. “Do you know what we can do if we unleash technology, which is now being suppressed? Do you know what we can do to this planet? Suppose we start to look at some of the things which are made possible, once we take Vernadsky’s questions into account.” LaRouche is shown here meeting with members of the “Basement” team, which is now studying Vernadsky’s work. (Vernadsky, below.)



velopment of thermonuclear fusion. It will mean the use of a space exploration driver, as a program for driving human technology in the Solar System.

In other words, if you want to create something, really—and unfortunately most people in the world don’t know what creativity is anymore. They think it’s, I don’t know, taking your pants off in public, or something like that. I mean, things almost like that are called creativity today. Take rock music—does somebody call that creative? The mind that does that is not creative; it may not be any mind at all.

Now, we look always at objectives. In artistic creativity, Classical artistic creativity, and scientific creativity: We define objectives. The objectives are beyond the reach of what we can do today, but we’re able to define the objective we wish to reach, often by negation. So therefore, the way you run a world economy today—in every part, you start with, what? We’re going to Mars! When? Well, it’s going to take a little time to do that.

How are we going to get there? Well, we’ve got a little problem right now, that we’re talking about very much among my circles. When the astronauts landed on the Moon the second time, they discovered a deposit left by the Sun, called helium-3. And helium-3 is the most useful, and the most accessible, and desirable fuel for thermonuclear fusion. Now, if I want to go to Mars—and this is the way you have to think, pose a question.

You want to go to Mars? What does it take to do that? How is thermonuclear fusion developed in the first place? How were weapons systems developed in World War II? Completely new kinds of systems—how were they done? Because somebody asked the question: How can we do this? When somebody else said, “Oh, that’s impossible! I can’t find it in the textbooks.”

So, we’re going to go to Mars. And I pose this here as a very serious answer, implicitly, to this question and others which are coming up. We say, if you want to know how to think about humanity, talk about travel to and from Mars. Because by asking yourself to work out all the questions and solutions to those questions, which that question asks, you’re giving mankind a sense of a future, a destiny, of mankind. And you’re forcing yourself to find in yourself the creative powers

to determine how this could be done. And you work back and forth over generations. People are excited about it; they're excited about this thing today. Young people are excited about going to Mars. And we know that we are on the verge of losing the ability to do that, because humanity may be going back to the apes, the way we're going now.

So, therefore, we pick an objective beyond what we think could be done, and we say, maybe some of this stuff can be done, can't it? And you think about travel to Mars. Well, to travel to Mars by ordinary methods people think of, it would probably take 200 to 300 days. But, if I wanted to send a vessel to Mars, an automated vessel, we could probably try it—it's a shot—within about 3 to 6 days. We would use helium-3 as a fuel, build a fusion-impulse device with a potential thrust equivalent to one gravity, as an acceleration factor, and you can probably make the trip in 3 to 6 days.

Now, whether a human being could survive that treatment or not, is another question. Possibly, and so forth. But that's just another thing to ask about. We know we can send *things* to Mars, including some politicians perhaps, hmm? And see how they come back, what condition they come back in. Maybe it's a very interesting test to run.

But, by challenging ourselves to look at these kinds of questions, and challenges which are on the fringes of the imagination, and sorting out those which we realize we have some capability for solving, that is the process of creativity. That is the case in Classical art; that's the case in Classical poetry; it's in everything of any importance. Always look ahead beyond what you are today, what you're capable of doing today, what your nation is capable of doing today, and take that as your objective.

Now, that is not a thing in itself. What you're doing is, you're forcing yourself to bring forth *in yourself*, what is particularly, specifically human—willful creativity. Real creativity; to making an original discovery, how? It's stimulated by kicking yourself in the butt, and saying, this ought to be possible to do. What do we know about it? Could we actually do it? What questions do we have to answer to solve that problem? Everything that mankind has done, whether in art, in poetry, in physical science and so forth, in achievement generally, is done that way. And therefore, that's the way we have to approach this. We have to say, *our objective* is to go for progress.

Once you define that, and once you take a factor in Russia, which is one which I especially like—the Ver-

nadsky Institute in Moscow, headquarters in Moscow—and I think about what that institution represents, and what Vernadsky represents, as the unfinished work of Vernadsky and some other people associated with it. Now, if I talk about Russia, or Siberia and so forth, aah, so what? But then I say, what are some of the questions which are posed by Vernadsky and his associates? Suppose we start to look at some of the things which are made possible, once we take Vernadsky's questions into account. Now, I have oriented society toward that.

What we want to do, is take young people, not to give them a job, not to train them to do something. We want to put them through a training program, yes, as a context, but we want to give them a destiny. We want to give them a mission; a mission which takes them beyond themselves. We don't want to give a guy a job at a shop, producing something. We want to make him a machine-tool designer; we want to make him a scientist, that sort of thing. And the secret here is to do that; is to take the view of society. We're not going to the same old, same old, same old, all the time. We're going to take our young people, and we're going to inspire them *with what they can become*, not just what the Army promises them. The U.S. Army, "What you can become." This is the standard.

We don't want routine education. You know, I take people, I say, "Cut the mathematics! You're stuck in routine. You're not thinking; you're not thinking creatively. You're not posing any questions of principle, and testing those questions of principle in your own mind." And when you do that, they start to think, if they're talented, young people.

If you go through a routine, go through the mathematics and learn this, and learn that—that's nothing. That doesn't get you anywhere. And that's what we have to do here.

We have to realize that what we're doing, we're taking people who are being stultified, who frankly are being drugged by a routine, who have no future; they have a skill, probably better than their grandfathers', or less so, than their grandfathers'. And you're giving them a job, and they're "trading"! What the Hell is that?! It's nothing.

It's giving them the challenge of bringing the creative powers out which *result* in an increase in the creative abilities of the human being. New technologies, new frontiers. This is the answer. And we do that by going into the culture of the people, and we try to pro-



National Science Foundation/Kristan Hutchinson

"We don't want to give a guy a job at a shop, producing something. We want to make him a machine-tool designer; we want to make him a scientist, that sort of thing. And the secret here is to do that; is to take that view of society." A machinist works aboard the Russian icebreaker Krasin.

mote the creativity which lies within the culture of a people. Provoke that culture, challenge it, bring people into cooperation around this kind of cultural opportunity, and you increase the productive powers of labor.

Don't talk about trade. Don't bring this idea about trade, or dollars, or currency, or prices! Forget it! It's irrelevant. We have to *make* the future, we have to shape the future, not try to dig out some old routine.

Russia's now dead. Without the stimulus of taking what Russia can do, in terms of some of its people, its scientific traditions, its cultural tradition, Russian familiarity with the resources of its own territory. Take the case of Mongolia, which doesn't have any ocean borders, but has large resources. Take the case of China, where two-thirds of the population are in miserable conditions still. And, if we can bring these nations into cooperation, in going to new frontiers, to new technologies, the higher energy-flux densities, we can, by that very cooperation itself, we can raise the standard of living and the standard of production.

And that's what a society is. It's a culture. It's not a trading organization. Forget the trading organizations. Forget the businessman. You know what I would like to take, you know, Russian businessmen? I would like to put them in a cage, because Russian businessmen have been the worst curse that Russia's experienced since Gorbachov.

Currency Has No Intrinsic Value

Freeman: We have, actually, almost identical questions coming from someone on the professional staff of the Senate Foreign Relations Committee, and then from someone at Brookings. What one of the questioners says is:

"Mr. LaRouche, I have found your discussion of this new China-Russia venture to be most interesting, and I agree with you that it can serve as a stepping-stone for very significant developments. Not that it's going to solve all of the problems in the world, but again, that it at least puts us in the right direction. What I do not understand, and which I wish you would explain a little bit more, is, in some of your recent comments that I've seen on your website, and that

your spokesman has discussed with us, you have said that what the Chinese are doing is, essentially, by investing hundreds of billions of dollars into this project, i.e., their investment is essentially denominated in U.S. dollars, that they are in effect giving those dollars more value than they have under current circumstances. That they are taking what is U.S. debt, and turning it into an asset. This is what I do not understand, and I wish that you would explain it in a little bit more detail."

LaRouche: People believe in fairy tales, and the fairy tale is that value lies in a currency. A currency has no intrinsic value; no currency has an intrinsic value. See, what's the value here? The question is typical, though. It's typical from Russia, it's typical of some people from China, it's typical all over the world. They don't understand money! They think they do, and that's the biggest mistake. And I would like to take money out in the backyard and shoot it, and then give it a new name—not money—and then people might understand it.

But, the essence of human existence, and of economy, is increase in the productive powers of labor. There is no intrinsic value in any substance or any currency, especially currency. It has *no intrinsic value!* A currency is simply a convention. It has no intrinsic value! The intrinsic value is physical, but it's physical in a general way, not in simply a way that's something tangible.

What is an investment, you presume? You invest certain assets, like physical assets. Don't talk about money, just talk about physical assets. A guy wants to start a business. He wants to start producing something, and he needs the following machinery, he needs these other physical assets, and these skills and so forth. He's going to put these together, and he's going to try to do, what? He's going to try to produce more, as a result of combining these resources, than he put into it. He's going to get more value, in terms of physical reality, out of production than he contributed to start funding the production. Sometimes it's called profit. Profit is a lousy, dirty word, but you can use it sometimes, with my permission, under my strict supervision, because people abuse it very much.

Therefore, the value of a currency, insofar as it represents purchasing of something useful, is expressed by its profitability, its *physical* profitability, not necessarily its monetary value.

So therefore, if I take a trillion dollars of U.S. obligations to China, a trillion dollars worth of obligations which are denoted in Chinese assets, and they're just sitting there. No use, nothing's happening to them. And I come along, and I say, let me buy, or guarantee, or pledge myself to support a trillion dollars' worth of Chinese activity, pledging these funds, these trillion dollar debt funds, for this purpose. Now why am I going to do that? Because by investing that trillion dollars, or what it can buy, in terms of the development of the economy of Asia and other things, I'm going to produce more than a trillion dollars' worth of value, and therefore by investing that in *physical* production, which involves a factor of *growth* of values, I'm increasing the wealth of the world. The wealth of the world does not lie in those dollars, or those other currencies. The wealth of the world lies in the activation of the productive process.

You see, most people say their accountants make money. They make money, unfortunately, which is why we have to put them in prison at times! Right?

What we invest in, we invest in the power of labor,



Transrapid

By investing a trillion dollars, or what it can buy, in terms of the development of the economies of Asia, in physical production, which involves a factor of growth of values, you increase the wealth of the world. Shown, the Transrapid maglev in Shanghai, China.

the power of human labor when equipped with certain means, to produce more value for human beings than that labor and those resources represented beforehand. So, if I take a trillion dollars that the United States owes to China, and instead of letting it sit there, as a debt, waiting to be collected by China—which never will happen—we say we're going to take that debt, and we're going to tell the United States that we're going to invest that debt it has to us in this investment, then everybody benefits. Because we bring together the means for creating the wealth.

You get this *hakem-makem* crazy stuff that goes on, and people talking about money, money, money, money. Investing money, investing money. Stop it! Get it out of Russia. I mean, the Russians are poisoned by this stuff about investment in money. They're brainwashed into thinking, ever since Gorbachov—they're brainwashed into thinking that investing in money, that money is the secret of wealth. *It is not!*

As we should know, money has been destroying the real wealth of the world. Money can be slavery. No, the key thing here is this wealth is, to the degree that it's invested, or its equivalent, what is represented by it, is invested in a way which results in an increase of the amount of real wealth—not money wealth—*real*

wealth, and therefore, if you have a sane system of economy, the money value of wealth should conform to and follow the actual physical wealth increase. In other words, if there's an increase in profit, without an actual increase in physical wealth, it's a fraud: typical of what goes on in the United States these days. You get less than what you pay for. By investing in things which result in a greater gain for humanity, in terms of efficient physical values that you're investing in, and if you're investing in improving your nation in physical terms, you're profitable. If you're investing in money, you're a parasite.

The Power To Smash the British Empire

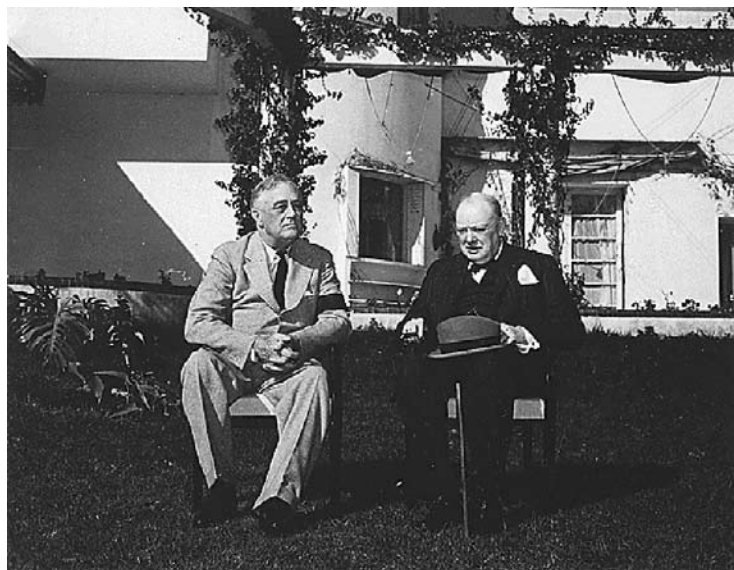
Freeman: This next question is from a member of the Stanford group who is now assigned with leading a new section that's dealing with some international questions, and his question—he phrased it as relating to the question of gold, but I think it goes a little bit beyond that. He says:

“Lyn, if we've learned one thing, it would seem—and, as I'm sure you're aware, this was at the heart of President Clinton's drive for a new financial architecture—it is that we must abandon the system of floating exchange rates and interest rates in favor of a fixed currency and fixed interest rate. And that unless we do that, we are not going to have any hope of ongoing economic cooperation. It's the only way that, it seems to me, we can proceed, where you don't end up with one currency as dominant, but with a common agreement among different currencies.

“The question that I have in all of this is the role of gold. Some of my colleagues here have argued that the 1944 Bretton Woods system was based on a gold standard. Now, I'm not at all sure that that is even true, but in any case, I see a problem with using gold as a standard of value, and without going into the details of why I say that, I think you could probably figure it out. My question is, couldn't we use production as a standard of value?

“So, what I'm asking you is, number one, in terms of discussing a new financial architecture, how do you see the role of gold? And, number two, concretely, if you agree with me that we wish to use production as a standard of value, how would that work?”

LaRouche: Well, you've got several problems, including some historic ghosts in this question. Go from



Franklin D. Roosevelt Library

When President Roosevelt died, his successor, Truman the traitor, went with Churchill and the British policy of a monetary, or Keynesian system. FDR had denounced the British system, and confronted Churchill over the Empire's colonial policies. The two are shown here at Casablanca in January 1943.

April 12 to April 13, 1945. You had, in the previous year, you had the Bretton Woods conference, and in this conference, Franklin Roosevelt had denounced the policies, the British policies, of a monetary system, the Keynesian system. This prevailed until the 12th of April, 1945, when Roosevelt died. The following day, Harry Truman was President, and Harry Truman went with Churchill to a Keynesian system, as opposed to a Roosevelt dollar, a fixed-exchange-rate dollar. And then we produced a monster, which was an attempt to return implicitly to the gold standard, rather than a fixed-exchange-rate system, based not on a monetary standard, but a credit standard.

So, if you think about the gold question as a credit system, not a monetary system, most of your confusion is eliminated. But the confusion comes, once you ignore the fact that there was a revolution against the United States, a virtual act of treason under Truman, on the 13th of April 1945. Where Roosevelt had denounced monetarism at Bretton Woods, had fought against it and suppressed it, defeated it, as soon as he was dead, Truman, the traitor, brought Keynes in, and the world system, since that time, was Keynesian, not U.S. That was the beginning of the return of the British Empire, was that event.

Now, there should be no gold standard, for the same

reason that Roosevelt opposed Keynes: The use of gold is as a denominator of a credit system, saying that a uniform price of gold will be a reference point, but for a fixed-exchange-rate system; and therefore, the gold is simply a mechanism to facilitate a fixed-exchange-rate system, as a credit system, not as a monetary system.

The thing is to concentrate on the essential question. It comes up in this question of law. We're going to tell those idiots in the Congress to vote up a law, and the crooks in the back room are going to fix that law so that by the time what comes out is going to have no resemblance to the initial intention of the members of Congress. We call it the "dis-Members" of Congress, often for that reason.

The problem is, that we don't go by the idea of production values, and in a fixed-exchange-rate system, the motive is production values. And what happens is, we absent ourselves, by the way we allow crooked behavior in the Congress generally. We allow crooked behavior. We allow people in the Congress to go behind doors and devise laws, which are *cheating* on what the public thought the intent of that law was. It's happening right now. What are legislators? Legislation is a form of lying! You don't know what you're getting. It's like getting a krait snake in your bedroom, you know? It's not what you intended. So, that's the problem here.

And therefore you have to go at the question of how the *system* will operate.

You know, the other aspect of this in respect of law, is our lawmaking is increasing law-*less*. The U.S. Constitution, which is the only decent constitution in the world, really—when it's respected—was based on certain principles. It was not a farrago of this and that, with a multitude of different kinds of nooks and crannies, not like a British parliamentary system. But we've been corrupted by adopting the habits of practice of a parliamentary system, not a constitutional system based on credit, and therefore we put up with this nonsense.

But there has to be a general overhaul of our system of law, and the behavior of the legislatures, because our legislative process, over the centuries, has become increasingly corrupt. For example, the Hill-Burton standard of health care. Why should anyone ever change it? The change was a piece of thievery and robbery. It's a fraud! So we talk about health-care reform! Why don't we just go back to Hill-Burton and end the HMO system, which was a fraud from the onset?!

What's being proposed by the President is a fraud! It's mass murder of our citizens! There's no excuse for

it. We have legislative doubletalk all over the place. This is *mass murder*! What President Obama is proposing is nothing other than what Hitler enacted in 1939, in September-October '39. We called it genocide, later. And this creature, this Obama, wants to practice genocide against the American people, the same way Hitler did, and the same way that's being done in Britain by the sponsor of Obama, Tony Blair.

This is what's happened to our law. The constitutional intent has been betrayed. You see, our conception of law is based not on trading, not on parliamentary horse-trading. Our conception of law is based on a principle of respecting the nature of man. The rights of man. Our Constitution was the greatest constitutional instrument of any part of human history, and it's been made a shambles by these prostitutes called Congressmen, and others, who sell themselves for their own convenience. We don't have people like John Quincy Adams. We don't have men like Abraham Lincoln. We don't have these types of people. We have imitations, cheap imitations, and that's the problem.

So, the problem here is *not* in the question of gold. Roosevelt's intention was clear; it was clear in 1944 in Bretton Woods. He wasn't there, but he made the remarks. And the intention of Truman was different. Truman was not an American patriot. I would [come to] consider him a scumbag very soon. I was in Kanchrapara, I was on my way going from India, up into northern Burma, where I spent the concluding war years, and some soldiers at Kanchrapara, American soldiers, came up and said they wanted to talk to me at night. I said fine. So they came up, and they said, we wanted to ask you what's going to happen to us now that President Roosevelt is dead. And my answer, which was memorable to me because it was short (that helps sometimes, doesn't it?), I said, well, I haven't thought much about this until now, but I can say this: We were governed by a great man, Franklin Roosevelt, and now our President is a very little man, and therefore I'm afraid for our people. And I was right. And as soon as I got back to the United States, I really knew I was right. This guy was a menace, and he's typical of the political corruption.

The problem we're going to have to deal with in this, is to recognize that these problems exist. They lurk all around in the institutions of government, and we're going to have to clean the mess up. But we're going to have to do this by a radical move of this Four Power agreement. The assembly of four of the most powerful nations on this planet, nations which are of a diverse

cultural character with respect to one another, but which therefore are more suitably representative of humanity than a group of nations which simply agree with each other in their cultural characteristics.

We're now representing humanity, rather than a bloc or a group, and we're taking the most powerful group, and assembling around them to have a powerful enough

We're now representing humanity, rather than a bloc or a group, and we're taking the most powerful group, and assembling around them to have a powerful enough group to smash the British Empire! To destroy the British Empire, once and for all, in order to free mankind of Satan. Want to get rid of Satan? Close down the British Empire.

group to *smash the British Empire!* To destroy the British Empire, once and for all, in order to free mankind of Satan. Want to get rid of Satan? Close down the British Empire.

So therefore, this is the kind of situation we're in, and therefore, we *do* have to establish a law for mankind again, which is not essentially different than what the intention of our Constitution was. We're going to have to do it in terms which are understood, as Roosevelt would have agreed, among nations which have different cultural characteristics. We're going to bring nations with different cultural characteristics together for a common understanding of the aims of mankind, and that's what the thing is. And we're going to have to realize that we're cleaning up a mess, we're cleaning up the outhouse, in the process of doing this kind of negotiation, in reforming the United States. And presumably, we'll have an angry group of Congressmen who will do something, who will no longer go along to get along, but will do the job which their conscience should require of them. That's where we are, and these problems will occur. Don't worry about them, as long as we're doing something to fix them.

Measuring the Increase in the Productive Powers of Labor

Freeman: We have another question here from the Stanford group: "Mr. LaRouche, as you know, we have labored over the distinction between a monetarist system and a credit system, both from the standpoint of historic function and from the standpoint of an urgently required restructuring. Utilizing your Triple Curve Function, it became apparent to us that what had been a decades-long process of economic disintegration, reached a new and more dramatic phase in approximately the middle of 2007, when the price of monetary aggregates, as opposed to regular financial aggregates, began to skyrocket.

"At the same time, net physical income for physical consumption began to spiral downward. The result was a collapse in the market for products, especially for products of production, and as that occurred, employment also began to move in a rapidly accelerating downward spiral. But, the volume of monetary aggregates soared, contrary to financial transactions related to the real economy. This process grew even more critical with the effort to prop up and sustain these monetary aggregates, at the expense of America's physical economy.

"The Obama Administration, contrary to its promises, has adopted policies that have not only continued this, but actually have accelerated the process. And it's our conclusion that this series of facts is absolutely indisputable scientifically, and we're prepared to defend it.

"Now, in terms of a transition to a credit system, when you discuss a return to a Glass-Steagall framework, and putting the current system through bankruptcy reorganization, it seems very apparent to us that what you are discussing and what former Federal Reserve chairman Paul Volcker is discussing, are two very different things. Our question to you is, aren't you really talking about eliminating the monetary curve entirely? It would seem that then, the primary measure of economic value becomes the interaction between the financial curve and the curve which represents the physical economy, and that that is the basis of what you refer to as a credit system. Are we correct in concluding this? And if not, could you please shed more light on where we are making a mistake?"

LaRouche: Okay, got you. Well, no, there is a little discrepancy here. The discrepancy is simply this: I do not believe in monetary value. I believe in an assigned

monetary assessment of value, but that is not mathematically interchangeable, as value is physical. Monetary value is not physical; it's a conventional value, not an actual value.

See, you've got to go back to the question of what is an economy. Money has nothing to do with a real economy, as such. That is, in terms of the essential value terms. Money has nothing to do with real value. Money is a convention; it's a piece of workable fakery, in terms of, like, promissory notes. And the promises are what they are, and the outcomes are not necessarily in accord with the promises. I've referred to this before; let me put it to you in this way.

What's involved here is, first of all, the increase of the productive powers of labor, as measured in the level of population density and productive powers of labor of the population as a whole. That's value. This value is determined by a rate of growth, which is not necessarily a simple increase, but it's an increase in productive powers of labor. It's an increase in productivity. That the idea of profit itself, real profit, as opposed to nominal profit, is located in: Is there an increase in the physical productive powers of labor, as measured per capita and per square kilometer? That's your fundamental measure. That's your measure of value. And it's a measure of value of *development*, not of a fixed value.

There's no such thing as a fixed value of money. It does not have fixed value. If money sits there and is not invested, it deteriorates. If somehow the process becomes more productive, it suddenly appreciates. It has no intrinsic value. It's a convention we use in society in order to organize trade and investment; that's all. Nothing wrong with that; but we have to keep it in its place. Don't make it a god! The monetary ideas are the ideas which are the typical poison.

So therefore, what we're talking about is the increase in the productive powers of labor.

You've got two problems here. Let's take the planet, the Biosphere, which includes the Lithosphere. We're on this planet Earth. Now, are we increasing the potential population density for human beings on the planet



ICRC/VII/Ron Haviv

True economic value is not measured in money, but in how many people we have; what is their life expectancy? What is their health condition; their productivity, education, etc.? How creative are we? Shown: A doctor tends to patients in South Kivu, Democratic Republic of the Congo.

Earth, or are we not? That's the number one estimate of value. Are we increasing the potential population density of this planet, of human beings? Are we, or are we not—value! What's that got to do with money? Nothing!

Are we increasing man's power to increase this gain? Aah! Now, we're touching upon money. It came up earlier, when we discussing this thing about China's investment, a trillion dollar investment. If I take a trillion dollars of Chinese claims against the U.S. dollar, and if it sits there, it has one value, which is pretty much that of dung. If I say, this same \$1 trillion of credit is going to be invested in a science-driver program to transform the productive powers of labor throughout much of Asia, well! And you get a lot of growth of value. Aah! Then, that trillion dollars is worth something, isn't it?

So, value is based on these kinds of considerations. There is no such thing as an intrinsic monetary valuation, except among people who believe in the fairies, or something. So, that's the difference.

As we do with the Triple Curve, what we're looking at, is we're looking at a physical relationship to a monetary process. In one case, we're looking at it from the standpoint of the money system; in another case, we're looking at it from the standpoint of a credit system, a financial credit system. And we're looking at it, thirdly,

from the standpoint of a physical system. So therefore, the success of the process means that the physical system is increasing, in terms of man's power to exist in the universe; that's the physical part. The monetary part is simply fictitious; it's imperialism. Then, you have in between, the credit system, which is the credit uttered for the purposes of promoting actual productive activity in sales and so forth of real goods, which are invested as consumption to support people, which is good, or as investment to increase the productive powers of labor as such.

So therefore, the real values are these relations, which are essentially physical, mental relations. They're physical in the sense that mankind is physical; they're mental in the sense that they deal with the creative powers of the human mind, and the development of the creative powers of the human mind. Those are the real values.

And the function of government, if it's sane government, is to regulate finance, economy, government, according to these understandings. Their objective is to increase the productive powers of labor, through developing the mental powers of mankind—and improving their health, of course, at the same time. And everything else is simply things we take into account in managing the productive process. But money is *not* the productive process. Money is a convention which we use, presumably under policies which govern the way we use money. And it's the policies that contain the value, and the expression of those policies, *not* the value as such.

So, if you just stick with the Triple Curve, and realize that by eliminating the monetary curve, which is the imperialist curve, and going to only a credit system, which is what is in the U.S. Constitution—the U.S. Constitution proscribes a monetary system, and prescribes a credit system; and that's explicit. It's explicit under Hamilton's initial efforts, and it's explicit in the Constitution. We have been corrupted by the intervention of the British system, which is a monetarist system, an intrinsically imperialist system of at least 3,000 years in existence. So, that's the distinction.

What we would do, for example, if we cancelled this several trillion, \$20 trillion or so of monetarist debt. Sshwish! Gone! Get thee gone, devil! If we do that, what happens? We say, "Aah! Aah!" And then we say, "Ah! But we now can create a number of tens of trillions of dollars of credit," which is no longer this monetarist crap! We are now going to assign credit to rebuild our industries, for rebuilding our infrastructure,

for developing our health-care system, and so forth. And this will produce *real physical value*.

And therefore, the end result is the real physical value, and the end result of physical value is determined by how many people we have; what is their life expectancy, how long is it? What's their health condition? What's their productivity? What's their education? What's the rate of improvement of life among a population in general? *These* are the real issues that we deal with. How creative are we? How smart, how creative are our people? How many inventions have they made? How many things have they done that are brilliant?

Those are the real values. And we have to simply take the process of government, and use the instruments of management of government, and self-management of government, to bring about these results. What we really are talking about is increasing the productive powers of labor, which is another way of talking about increasing man's power as man.

What we are talking about is immortality. We're talking about a process in which mankind is a creative species, the only willfully creative species on this planet Earth, or any other planet we know of. And we're defending the essential immortality of man, or what should be the immortality of man. Animals? We're born and we die. We have animal bodies; they're born and they die. We try to make that as comfortable as possible, and as happy, and as long as possible, but that's not what man is. Some people call it the soul.

But, you look at the factor of creativity in human existence and culture, you realize that when a person makes a creative contribution to society as a human individual, it doesn't end there, or begin there. What happens is, the process of humanity as a whole, is generating creative products of the mind. Culture is being developed, the powers of mankind are being increased. This has no beginning that we know of; this is humanity; this is culture. This has no end that we know of. As long as there's progress, it goes on indefinitely, and as we may come and go, be born and die, we are a participant in a process which we can call creativity. And creativity was there before we were born, and will be there after we die. And we have, in a sense, immortality in time, by virtue of participating in this phenomenon called creativity.

And that's what the moral purpose is. And the moral purpose should dictate government. We want to produce people who are more powerful in terms of their development, who are maintaining the heritage of the

people before them, the great ideas, so that when people die, what they have done does *not* die; it's embodied in what happens to society later. And what came before them did not die, either, because it is embodied in them. And you have a sense of a human interest as being the interest of mankind, who, on one side, is merely a mortal creature like an animal, who is born and dies. But the *role* of mankind in this process is not that of an animal. The role is a process of creativity from earlier generations to the future.

So, you live not as an animal; you live as a creative part of humanity. You live eternally in what you came out of. You live eternally in what comes out of you. You are really mankind, and you *are* mankind by being a creative process, by being a creative part of this process which is specific to mankind, as not to any form of beast. Be man, not beast, to be a participant in that great force of creativity which is unique to humanity, which began before you were born, and lives on as creativity after you die. And you have a permanent place in space time, in physical space time, in that creativity. And that's what you have to think about.

Citizens Must Speak Up Now

Freeman: The next question was submitted by the governors of two large states on the East Coast, who are officers of the National Governors Association. And they say: "Mr. LaRouche, while we fully understand your point that the solution to the current crisis has to take place on an international and national level, our question really is a very concrete one, and it's one that affects the immediate well-being of millions of Americans. If you were the governor of a major state, and were constrained, as we are, by the boundaries of state budgets, what would you do? How would you act to alleviate the immediate crises that our constituents face? Is there anything that we can do, short of just picking ourselves up, and going to Washington?"

LaRouche: No, we have a responsibility to our fellow citizens. And the responsibility is to *kick them in the butt*, because they're not in doing what they should do. Most people are concerned, honest citizens are concerned with these matters, but they're not doing much about it. Or, they're saying, "We can't do much about this." Well, I don't agree.

Now, I have successfully gotten into a great deal of trouble by doing that sort of thing, but I think that's the right thing to do. If you have a sense of immortality, then you can have more strength to do it. If you're afraid

that you're not very important, and your little life is going to be snuffed out, or you're going to be rendered permanently unimportant among your friends and neighbors, you might lack courage, and you might give in. But if you think of yourself as a leading citizen, who cares about the country, you're not going to sit back. You're not going to say, "I don't dare talk, I don't dare speak up." You're going to speak up. You're going to do something, you're going to get something in motion, real fast. Because you won't let our nation go to hell, just because you're scared; just because you're afraid of being denounced by somebody. I mean, do you care about humanity? Or are you just trying to get ahead, and do what you have to do to get ahead? And find out that you don't have a head!

That's the point! We have to stand up as citizens, and we have to say that really the highest rank in our society is that of citizen, an adult citizen who should be able to figure these things out. And we should realize that our mission here is to make sure that the citizens—our citizens—they're not a bunch of scaredy cats, afraid of what somebody will say about them. And if you have some more ability, use it! Scheme! Conspire! Do what is necessary to get this thing under control. And that's what we have to do. I do the best I can, what do you want? Want me to do more? I'll do more.

Glass-Steagall: Path To Ending Monetarism

Freeman: The next question comes from a think tank here in Washington that is working on various aspects of economic policy. And they say: "Mr. LaRouche, we recently participated in a roundtable discussion with James Galbraith, and in discussing the current crisis, the point that he made most emphatically, is that this crisis could have been prevented. That the people in a position of authority two years, three years, five years ago, *did* know how to prevent it, but that they simply chose not to act, because they were getting a political and an economic benefit out of this speculative explosion. The Federal Reserve, in particular, knew that the dam was cracking. Alan Greenspan, regardless of what one might think of him, surely knew this, and chose to wait until it had washed away.

"Dr. Galbraith insisted that they let all of this run, because they were getting at least a superficially stronger economy out of it. And that, basically, what they were running was a scam, that was designed to lure people in. So, people who could never have afforded certain levels of mortgages accepted them; and the pro-

cess continued. Certainly, any rational person in the securities industry knew that this could not last. But their view was, that when it blew up, they would be long gone.

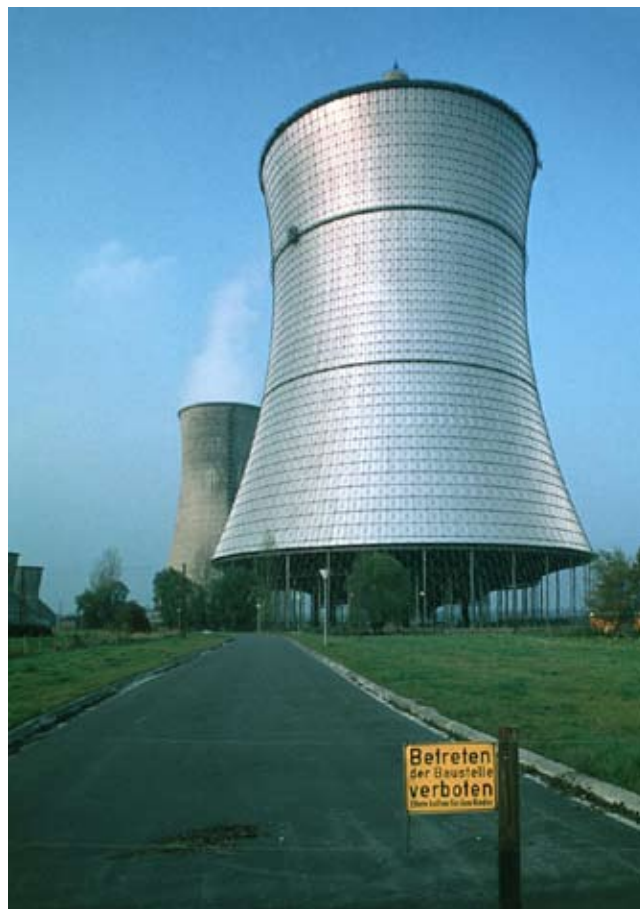
“Now, I’m not an attorney, but by any measure, it would strike me, that this is simply *criminal fraud*, and there was a huge amount of it that went on. The Bush Administration chose not to actively investigate the fraud, even though they knew it was occurring. And the FBI knew it was occurring at least from 2004 onward.

“Now, our position—and I would like to know if you agree—but our position is that you can not legalize financial fraud by looking the other way, and that the bottom line is, that if we are going to proceed and go through any kind of restructuring; if we’re going to, for instance, reorganize under Glass-Steagall, that still there has got to be a full-scale investigation and cleaning up of the residue. If you don’t do this, you will never have any confidence in the financial sector, and that is a process that needs to get underway. Some people disagree, and say that we should just proceed with a clean slate. We disagree, and think that you have got to prosecute this; that you have to give appropriate punishments, that we have a system in this country that is designed to be able to do that.

“We’d very much like to know what your overall view is, because unless we do that, any kind of new regulation that is discussed, we believe, will be incapable of controlling these institutions.”

LaRouche: Go back some years ago, back in the 1980s, it was ’82 approximately, or ’83. Paul Volcker came up to a table we had in some street someplace, and asked then if I were a “kind” person. Because in the preceding period, from 1979 or ’80 on, I had made some very strong observations about Paul Volcker’s policy, that what he had allowed to occur, in terms of the savings & loan associations, was what I considered criminal, morally criminal in many ways. I refer to this to make a point in this question coming up.

What’s the problem here? Of course, I agree with what you say, but how are we going to skin this cat? I don’t like to frighten any cats present, but we have to do something about this. The problem with Paul, then and now: Paul did believe, and does believe to the best of my knowledge, in defending a commercial banking system, more or less, in accord with what our Constitution implies. That’s not where the problem is. The problem is, that Paul refuses to recognize that you can not reconcile what he probably considers, as he said re-



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We are going to need a lot of nuclear power. The thorium cycle can be used in countries like India, which has an abundance of thorium, and such reactors can be quickly brought on line.

Shown: a cooling tower of the THTR-300 (demolished in 1991) in Hamm-Uentrop, Germany.

cently, his moral standpoint in banking, with monetarism. That the evils which he complains about, are inherent in monetarism.

And therefore, he’s got a problem. On the one hand, opposing this thievery, which it is—he’s probably a little less critical than the questioner is on this question about morality, and which leads to my answer of this thing—but he’s not willing to give up monetarism for the sake of what he asserts to be his principle of honesty. That’s where the problem lies. The need is to *eliminate monetarism*, and Paul’s sympathy for London is based on his defense of Keynesian monetarism. And the problem is, the disease of this nation and the world, is the disease called monetarism. The source of the principal evils in the name of finance today, are products of monetarism. So, Paul has—like many other people—

this problem. How do you reconcile Satan and Christ? I think it's not going to work.

So, the problem here is, we have to do something very simple—and Paul won't like me for this—we have to eliminate the monetarist system, his toy. We have to solve this moral problem for him, because he doesn't seem willing to do it himself. So, we'll do it as a favor for him, out of my kindly regard for him as a person. We'll solve this problem by eliminating the monetarism, and then he'll be free of sin, forever more.

But the point here is simply this: We have to take effective action. Punishing people for evil is not a sport that I like to play. I think I want to get at the business much more quickly than going through the business of torturing the poor creature. But, simply, we take away his toys. We put the entire financial system through demonetarization. We use the Glass-Steagall standard, which he would say he would tend to agree with, for commercial banking.

But we have an ulterior motive in doing that. I admit an ulterior motive: We are going to shut down this monetarist system. Because what we're going to do is, the people have had enough of this monetarism; they want the \$23 trillion back that *just got stolen!* And we're going to get it back for them, or at least a good part of it. We're going to simply say, it's cancelled. You don't have anything; it's gone. It's not fungible. *Whoosh!* "Sin; you're purged of your sin. We took your sins away from you, you're no longer guilty." Can't you like us for that? We removed your sins, your monetarism, by cancelling it.

And then what we do is, we go back to the U.S. Constitution, which always was and is the U.S. Constitution. And it's very clear—there is no honest, sane person with any knowledge of anything, who can defend this stuff. It can't be done. It's crime, and in a crime, the easiest punishment is to take away the temptation. Take away the crime; don't kill the person. "I'm not going to kill you today. I'm going to take away your crime, and I'm going to review your case." Because if there's something decent in you, we'll be able to recognize it. But we have to remove this stuff. That \$23 trillion? We're removing it now. Then we can go to a credit system. We no longer have this \$23-odd trillion and so forth, probably \$100 trillion. Who knows what it is? It's a fantastic amount. We're not going to let you have that.

So, now we utter a debt. Credit of the United States, voted up by the Congress, implemented by the Presi-

dency, and we create also, at the same time, a national banking system. Because now, we take this question of money between commercial banking, related banking, and the Federal system, the Treasury. The Treasury is separate from national banking, and we have national banking as an intermediary for dealing with the banking function both of national banking, in terms of the national banks, state banks, bridge banks, and also international banking.

And so now, what we do is, we take this fund of credit that we define, both from available sources, and from newly created sources, and we decide where to invest it. Not invest it like a miser investing, but in international trade, international projects. We make agreements; we share agreements with China, with Russia, with other countries. And we begin to get into great projects.

For example, we have to have a lot of nuclear power. We're going to have to do something about plutonium, because plutonium is necessary for charging nuclear reactors. And if we could take some of the plutonium that was tucked away here and there, and use that to assist in charging reactors, we could get more of the regular, conventional types of reactors, nuclear reactors. And we could also do the thorium cycle, which for countries like India, which has an abundance of thorium, is very useful. And thorium reactors of the type we require, are much more quickly put into place; they're needed in places like India, where you have the water problem, and similar kinds of problems.

So therefore, we simply create a debt, which is an investment in things we can produce and need, and need for humanity as a whole, and a fund of debt of investment, of international systems of national banking, which cooperate in long-term agreements, to develop projects of a quarter-century to a half-century or longer period, which will transform this planet. And we have to do the things that go with that. That's all we have to do.

I don't think it's necessary to worry too much about punishing everybody who committed evil, because there are very few, as the Bible says, who have not sinned in this matter. So therefore, simply, clean the mess up, launch the thing properly, don't go hanging people here and there—they smell bad under those conditions—get this thing moving. Create a world system which is based on eliminating greenies! They can live if they reform, and give it up. But the greenies and the imperialists and the monetarists and similar types

simply have to go out of business. And those of us who are more committed to humanity, will have to conduct things. I'm prepared to do the job.

Conspire To Reverse Our Immoral Culture!

Freeman: This question comes from a member of the Congressional Black Caucus, a Congressman. He says: "Mr. LaRouche, last week, after a Caucus luncheon, one of our members brought up the fact that right now there is lobbying going on from the financial institutions that we just bailed out with taxpayer money, and they are lobbying basically about the various proposals to regulate and re-regulate the financial system. This particular member pointed out that this is just outrageous. And I agree with him. But, I think that the outrage that we are seeing from the population is not simply limited to the kind of anger that we saw on the streets of Chicago a couple of weeks ago, when the American Bankers Association met. (Although I would point out that the only institution in America that has a lower approval rating than the U.S. Congress is the Federal Reserve.) But the anger in the streets of Chicago was not all that dissimilar from the anger that we saw in the streets of Washington, from people who were protesting the President's health-care proposal. I think it was also evident in the elections that took place last week, where the phenomenon was not simply the ouster of Democrats, but the ouster of incumbents. It is also the case, as I'm sure you know, that right now, a greater number of voters identify themselves as Independents than as Democrats or Republicans, and I believe that this is a first in America's political history.

"But the bottom line is that while I may agree that all of this anger is justified, it does raise the question, where this anger is going to go. If there's not a constructive program that people can identify with, then my fear is that there will be a destructive program that they will identify with, and that this will come along very soon. You've done a great deal of writing and talking about the parallels between the situation we face today, and the situation that the world faced in the period prior to the Second World War. My question to you is, in addition to the immediate economic crisis that we face, my fear is that we also face a major social crisis, and that if we do not find a constructive solution to the economic problem, what we are going to find ourselves with is an extremely destructive social problem. And I'm wondering if you would comment on how you see this overall."

LaRouche: Well, we're living in a society in which the President of the United States is totally immoral, in the most extreme sense of the term; in which the behavior of most Americans has been immoral for a long period of time. They may not think so, but I *know* so. You see, I was there. I watched many of them get born, I watched their children get born, and I've been watching this process, and I must say that the manufacturing of people has not been a very good example these days. So I think that we have to look at—yes, we do have to worry about these kinds of things, but I think we also have to think about them in much more constructive terms.

Let's go back: Where did this happen? Go back to the post-war period, post-World War II period, and I can tell you what happened, as I referred to this earlier today, on the question of what I said in Kanchrapara, where these guys asked to meet with me and I discussed this question of the implications of the death of President Roosevelt. Before Truman got in, what had happened is, that in Roosevelt's last term, once, in particular, the Normandy invasion had succeeded, all Hell began to break loose, and we saw this also in the election campaign of 1944, where the Republican line, and some Democrats', was downright evil. Here we had gone through, against evil, in the 1920s: Woodrow Wilson was evil, Teddy Roosevelt was evil, Coolidge was evil, Hoover was evil. We'd gone through this.

Roosevelt steps in like a miracle, and helps us save the United States. And this continued—there was much opposition to him, but he continued. He did the job. He returned us to the American Constitutional standard. Then what happened? June 1944, the beaches in Normandy were breached; the German military—the Wehrmacht command—was ready to negotiate terms of surrender. But with the help of the British, the Wehrmacht commanders who were ready for peace at that time, were assassinated, betrayed by the British. And then we had a continuation. Roosevelt died. His last election campaign was bitter. A swine from Wall Street, effectively, Truman, came in, and by the time I got back to the States in the Spring of 1946, Hell had taken over. The American people were very cowardly, changed, corrupted, filled with greed.

Then we had institutions that went along with this, trying to go to war with the Soviet Union. The Soviet Union never had intended to attack us, particularly Roosevelt's United States. We started the war. The British organized it; it wasn't done by the United States, it



We are in trouble, LaRouche stated, "because we lost our morality as a nation, as Europe did too. We gave it up, and we began to behave like pigs, and we went after especially science and Classical art, Classical artistic composition. . . . When you take the violin away from Albert Einstein, you have lost creativity." Shown: Johannes Vermeer, "Lady Seated at a Virginal" (1673-75).

was done by the British. Bertrand Russell was one of the organizers, a man of evil. And so we got into this question of war.

We shut down much of our productive potential, because the British wanted us to shut it down. We went back to supporting colonialism, where Roosevelt had worked to wreck it. And we destroyed ourselves by cultural warfare. We had things like the Congress for Cultural Freedom in [Europe], organized by pigs like John Train and people like him, who I came up against, one of my enemies. These kinds of things.

You had the same thing in the United States, where people talk about, "I don't believe in conspiracy theo-

ries." What's that? That's outright moral degeneracy! You don't believe in conspiracy theories? What kind of a moral degenerate are you? No! Because mankind operates on the basis of conspiracy. How else can you communicate? If you don't deliberate the question of what causes are, and what results are, and what the relationship between the two is, how can you govern?

No, by saying this, the Congress for Cultural Freedom, or the behaviorists, such as the Authoritarian Personality crowd, all these kinds of things, or what was quoted by Paul Krugman in the *New York Times* editorial page yesterday—Krugman acted like a pig! Repeating that kind of garbage, for the *Times*, against the protest movement against what Obama is doing with health-care today. That's completely immoral.

So, as a result of that, and as a result of the anti-Classical culture modalities, the existentialist mode and culture in Europe and in the United States, we destroyed the morality of the American people. We particularly destroyed their propensity for creativity. The American people became less creative,

generation after generation. The 68ers were complete pigs! That whole generation, students in the leading universities, in large numbers—like Mark Rudd and company at Columbia and elsewhere—actual pigs! The whole movement was one of pigs. Degraded. So, we lost the cultural characteristics of creativity by this kind of change, and that's what our problem is today.

And in my view, there are only two things you can do about it. I've always fought against this stuff. I've hated it. It's rotten. It's evil. But the only thing to do is, first of all, don't just complain about it: Conspire against it! Number one. Number two, let your conspiracy be of the form of going to the area of the imagination of what

we can do to change these things, to make things better, to go back to a higher standard of morality, to think about future generations, to think about what we look like to future generations, that sort of thing. Go back to it! Because you have to deal with this evil, which dominates the United States' people today, which is mostly the way we afflict ourselves with these problems. By degenerate culture. The rock-drug-sex counterculture was evil. It destroyed the people who believed in it, who participated in it. They lost their morality, their ability to judge; and they became miserable. They hated productivity, they hated people who wear blue shirts—and their shirts were not exactly white, themselves, when you think of the places they rolled in.

The point is, we are in trouble because we lost our morality as a nation, as Europe did too. We gave it up, and we began to behave like pigs, and we went after especially science and Classical art, Classical artistic composition; because creativity does not come from mathematics. Some mathematicians may be creative, but it's not the mathematics that made them creative. Creativity comes from the imagination, but in a very special way. It comes by recognizing what lies beyond what you already know.

How does this function? It doesn't function in mathematics. Creativity is not mathematical. Creativity is artistic. How? The imagination in drama, in music, in poetry, in painting. What do you do? You are exploring the imagination. You're not just doing whatever you imagine. You're exploring the imagination, to try to find out what is *true*! That's what all great scientists, all great creative people do. They go to the limits of the imagination, and try to sort out what it is that they believe, or would like to believe, is true, and what is false. And by testing the frontiers of your own imagination, with a moral purpose of sorting out what you know is true and what you know is not true, this is where human creativity is expressed. Without this habit, without this kind of culture, you don't have morality, you don't have the imagination, you don't have creativity. And what we have done by this culture, the post-World War II culture, typified by existentialist culture: We destroyed that. We destroyed it in its most vulnerable places, in Classical artistic composition. And when you take the violin away from Albert Einstein, you have lost creativity, hmm? And that's what we've lost.

So therefore, what we must do today is to go to the limits of the imagination, a habit which has more to do with art than with physical science; but apply that to the

thinking about physical scientific work, and drive the society through, the imagination, to discover what must become, rather than merely what is. And when you do that—when people realize what it is for the first time to be really human, because most people in this society don't know what human is, because if they don't have a sense of beauty, of the aesthetic beauty, in the imagination, they don't know what human is. They would like to have something that feels good, but they don't have it, because they're denied a sense of Classical artistry, and the role of the imagination in Classical artistry.

That's where morality comes from. It doesn't come from mathematics or how you calculate somebody; it comes from what you imagine is the beauty of the way they function. You talk about a beautiful person, a beautiful soul, a person who exhibits qualities of humanity and the imagination and creative insight which makes you say, "These are good people." That's the purpose of society. And when you destroy creativity, and destroy the Classical culture of a people, in which the deep powers of creativity are located in their Classical heritage, you destroy them as people. You destroy their morality. You reduce them to something like animals, which is what's been done.

And when we fight, when we fight against odds, and fight against the pricks, and kick 'em, then we are discovering our own morality. And the first person you're saving, is yourself, when you fight for your own moral view of the nature of man and man's future. And when you see this filth—like the destruction which is occurring now, with the Obama Presidency, which is even worse than the George W. Bush Presidency—when you see that and you see people defending that, when you see people defending Obama and his health-care policy, which is a Nazi, Hitler policy, with the IMAC program, then you know you have no morality. And when you see a friend of yours who's in that rut, then you know that he has no morality either. And you begin to wonder about where the nation and the world is going. And it's only when you fear and hate that degeneracy and think about practical ways to destroy it, that you find the way out.

Looking Ahead 50 Years—to Mars!

Freeman: We have time for one more question, which comes from a friend of ours who generally thinks on a pretty high level, but who sometimes slips into pragmatism, and who I kind of beat up yesterday, so I thought that I'd ask his question.

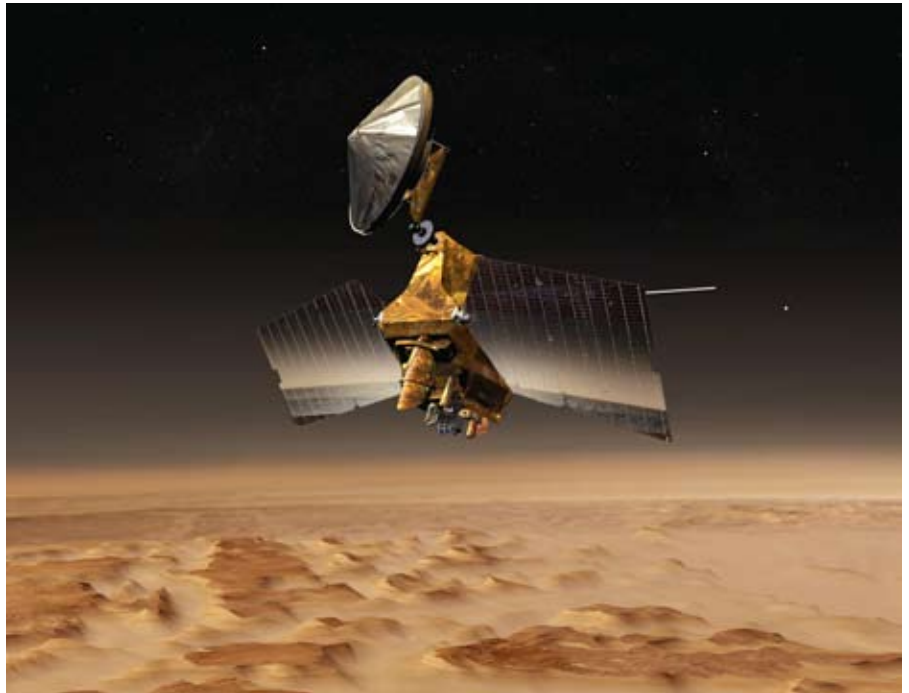
He says: "You know, ultimately the United States is

a large and powerful country. In fact, I would say that it is probably the most powerful financial entity in the world, and I think, given that, if we chose to, we could employ our work force in a useful way—if we chose to. The reason why I say this, is that I don't really believe that the major obstacles that we face are themselves economic. We do have major economic problems, but I believe that the economic crisis is solvable, if we wish to solve it. I think the more difficult question is really almost a moral question. It's a question of what our overall objectives are, of where we want to be 30 years from now, 40 years from now, 50 years from now. And how we get there.

"Ultimately, while we do have to solve the immediate problem of unemployment, problems regarding our health care system, and other such issues, I think really, it's only at the point that we can agree that it's not a question of how we return to full employment in five years, but really how we solve the more fundamental problems that we face, in a way which gives us one to two generations of steady progress, and really, in that light, what I'd like to ask you, Lyn, because I think it would be useful for people who are trying to understand what it is you're proposing and why you're proposing it, is where you'd like to be 30, 40, or 50 years from now."

LaRouche: *Me?* It may occur to some of you that I'm 87 years of age, and while I do have a certain vigorous view, a fairly long view of what humanity must be doing over the coming years, I don't know how long I'm going to be in it. But I do enjoy the question very much.

Where should we be? First of all, we have to really—well, let me go back, put it the other way. Let's take this question of the Mars colonization program. And as I said earlier, the Mars colonization program is something mankind has to do, practically. But, the fun is getting there! The morality is getting there, because this forces us to examine ourselves creatively, and to iden-



JPL/NASA

"The Mars colonization program is something mankind has to do, practically. But, the fun is getting there! The morality is getting there, because this forces us to examine ourselves creatively, and to identify the obstacles to realizing that objective. And to facing the problems." An artist's conception of the Mars Reconnaissance Orbiter over the Martian landscape.

tify the obstacles to realizing that objective. And to facing the problems.

I mean, can a human being ride in a craft which is being accelerated, as I've indicated, in a short trip—and maybe a short round-trip—between Earth orbit and Mars orbit, in a matter of days? Now, if I take that as a challenge, and say that we must mobilize the world economy to feature that mission as the principal objective around which we organize all the other things, then I think we'll have met the moral challenge. Because we will have posed a problem and proposed getting a solution which would solve a great problem for mankind. What is the human race's future in the universe?

That's a pretty good goal. It's a pretty general goal, and it subsumes a lot of other questions. But what's most important is the state of mind it requires of you, is what's most important. Because that impels you to adopt a state of mind, a creative state of mind, which exemplifies what a human being is. And it's a concrete way of saying, "I'm a human being, 50 years from now, 100 years from now, I'm a human being. And even after I'm dead, I'll be there, because I was part of this process."

WHAT YOUR ACCOUNTANT DOESN'T KNOW:

The Science of Society

by Lyndon H. LaRouche, Jr.

November 10, 2009

The fact is, that for more than half-a-century, all accountants and most economists have been repeatedly wrong, whereas, during the same half-century all of the forecasts which I have actually presented have been "on the mark." There are two reasons for my unique success during that period. It is not that I am a better accountant than they were; the difference is that I practice economics as a science. I am not alone. For example: lately, a growing number of academic and related kinds of leading specialists in the subject of national economy, have shown deep insight into the reasons for my unique success. Get to know this subject as we do. Your life might depend upon it: very soon.

In the meantime, the world economy, or, a very large part of it, including, especially western and central Europe and the Americas, is now at the brink of yet another of the steps downward toward the doom which awaits nations which refuse to make those necessary changes in policy-shaping which I emphasize here.

On the Subject of My Background in Economics:

As I have reported in numerous published locations, my record of superior competence in economy was rooted in my adolescent rejection of that folly

named Euclidean geometry, in favor of a concept of economy as a branch of Leibniz's argument in physical science.¹

My progress beyond my adolescent, anti-Euclidean, fascination with Leibniz, was continued during the immediate post-war years, in my role as, briefly, an admirer, but, then, by 1957-59, an opponent of the radical positivist methods of Professor Norbert Wiener and John von Neumann, an opposition which led to my conversion to the standpoint of Bernhard Riemann's 1854 habilitation dissertation by 1953. All my economic forecasts, beginning with a near-term forecast of the February-March outbreak of the relatively deep 1957-1959 recession, have been premised on the case for a physical science of economy based on the principles of Riemann.

The generally publicized features of my work as a forecaster, began to be more widely known through a restatement of a long-range forecast which I had first uttered during the 1959-1961 interval. I forecast that, unless certain changes in direction of U.S. policy-shap-

1. Although the discovery of the concepts which Euclid parodied, had been made by competent authorities working in the tradition of Sphaerics earlier, the a-priori scheme of Euclid himself was a fraud. Competent geometry is the geometry of physical curvature, such as the adoption of the catenary by Filippo Brunelleschi, and Gottfried Leibniz's related universal principle of physical least action.

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A poster from Lyndon LaRouche's first campaign for the Presidency, in 1976. Throughout his life as an economist, he has had three essential and consistent differences with the "Brand X" academic alternatives.

EIRNS

ing were made by no later than the mid-1960s, we must expect a deep U.S. recession, or worse, to emerge during the last half of the decade. The assassination of President John F. Kennedy, assured the worst choice which would be made by his successors. That 1959-61 forecast of mine, as I have reaffirmed it during the later 1960s, hit with a succession of downward developments in the U.S. physical economy during the 1968-1973 interval, including the Nixon Administration's launching of the break-up of the tattered remains of the Bretton Woods System in August 1968.

I had been the only known economist to have foreseen such a pattern of ensuing developments embedded within the 1968 and following events. The uniqueness of my success as a forecaster, among then notable economists, led both to my celebrity, in a December 2, 1971 Queens College debate with a leading British Keynesian, Abba Lerner, and to the ever-lasting hatred thrown against me, internationally, up to the present moment, by associates of that European Congress for Cultural Freedom associated with such as Abba Lerner's colleagues of the intellectually and morally depraved Congress for Cultural Freedom, such as my virtually life-long, and unscrupulous adversaries Professor Sidney Hook and John Train.

Since that time, there have been three kinds of essential differences between my role in the profession, and those of what might be fairly named as the oppos-

ing "Brand X" varieties of academic alternatives.

First: I adhere to a concept of physical economy which has been characteristic of the constitutional American System of political economy, since the pre-1688 Massachusetts Bay Colony of the Winthrops and Mathers, the so-called Hamiltonian system on which our Federal Constitution was founded.

At the same time, I have been often an ally of some with whom I differed respecting the principles of economy, but with whom a certain practical degree of common cause was to be sought, such as certain Marxists with whom I agreed on certain issues, but never as a matter of an actual scientific method. My differences with those with whom I have sometimes cooperated as a matter of an issue of common cause, have always been of that character.

Second: I have always insisted that real economy has the essential characteristics of a physical economy, rather than a monetary system. A system of money is a needed convenience for dealing with matters in the relatively small, but the success or failure of a national system is what it does, or fails to do as a physical-economic system. The inevitably terrible effects of monetary systems can be avoided only by means including the imposition of a fixed-exchange-rate principle among national systems.

Third: I have always insisted that the source of net physical profit, per capita and per square kilometer, of

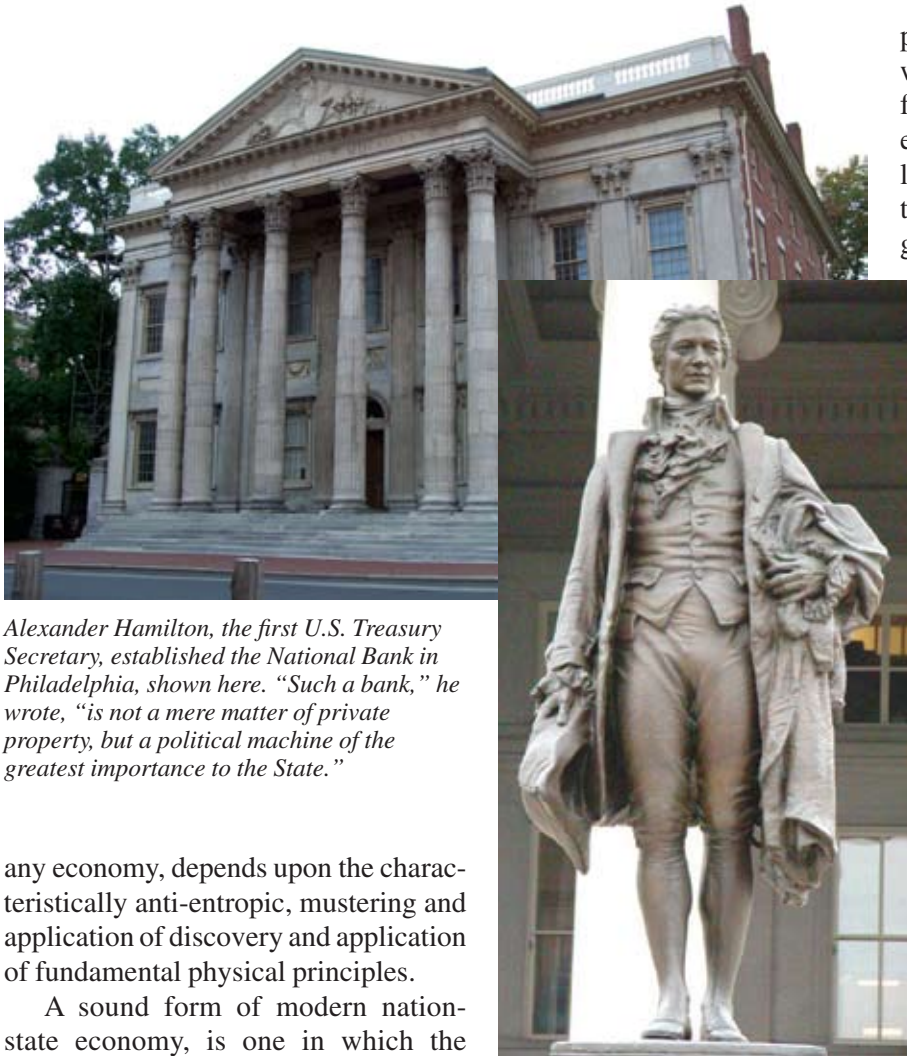
The American System

As I have emphasized in various published, or otherwise more or less widely publicized locations, except for the special case of the U.S. Federal constitutional system of Franklin, Washington, Alexander Hamilton, et al., other cases, such as the generally well-known phases of combined west-Asian and European social-economic systems known since Sumer and Babylon, have been dominated by forms of supra-national domination, properly defined as imperialisms, which are also characterized as pro-imperialist *monetarist* systems, such as that prescribed by John Maynard Keynes and his admirers.

By contrast, the American System, as launched by the New England succession of the Plymouth settlement and the Massachusetts Bay colony led by the Winthrops, and Mathers, was not created by persons enrolled in the function of refugees, but, rather of those implicitly acting in the footsteps of Cardinal Nicholas of Cusa, to bring the best fruits of European cultures to a new continent, where they could flourish free of the monetarist evils then represented, as still today, by the

Venetian monetarist tradition. The essential distinction between the American System, so defined, as by the foundations of this republic, is that of a credit system, as opposed to the intrinsically imperialist mode of that monetary system which has remained the dominant feature of the subject economies of Europe since Babylon, Cyrus, the cult of Delphi, and Venetian imperial domination of Europe's national economies by monetarist systems, to the present day.

The pathological element which binds together victims such as the G-8 or G-20 as slaves of a London-centered, international monetarist tyranny today, is the prevalent, mistaken belief that money as such is a standard measure of economic value. That is a delusion



EIRNS/Stuart Lewis

Alexander Hamilton, the first U.S. Treasury Secretary, established the National Bank in Philadelphia, shown here. "Such a bank," he wrote, "is not a mere matter of private property, but a political machine of the greatest importance to the State."

any economy, depends upon the characteristically anti-entropic, mustering and application of discovery and application of fundamental physical principles.

A sound form of modern nation-state economy, is one in which the closely related systems of currency and credit are maintained in more or less fixed terms of relevance, but in which both the productive power of labor and physical capital-intensity are increased through the intended effects of physical-scientific and Classical-cultural progress.

Presently, some leading economists of the world have come to understand the basis for, and implications of the method expressed by my now widely known "Triple Curve" of interplay of financial, monetary, and physical changes. From consideration of the implications of that "Triple Function," the needed alternative, a double function, in terms of financial and physical "curves," is the remedy for the risk inherent in tolerating a monetarism-dominated system based on the three functions of monetary, financial, and physical organization of a national or world economy.

taught by such as accounting professionals as a tenet of their practice still today. That is the delusion which has paved the pathway of folly carrying mankind as a whole to an immediately threatened destiny of global doom.

Viewing the great crisis now controlling the entire planet from that indispensable standpoint: the standpoint of the American System of political-economy, the standpoint which must now replace all of the financial-monetary systems of western and central Europe, and of central and South America now: if those regions are to survive the crisis-ridden weeks and months immediately ahead.



U.S. Department of the Treasury

Benjamin Franklin was an advocate of a paper currency, but he was no monetarist. "When the people find that they can vote themselves money," he quipped, "that will herald the end of the republic." And, "He that is of the opinion money will do everything may well be suspected of doing everything for money."

I. The LaRouche System

Call what is the urgently needed alternative "The LaRouche System," with the understanding that this means the same thing, in principle, as the system of credit ("scrip") employed with great, if relatively brief success by the Massachusetts Bay Colony, prior to the colony's disruption by, first, James II, and, more significantly, the evil William of Orange.

Think of what I propose here and now, as being the same thing as the credit system specified by Benjamin Franklin's proposal for a "paper currency," and Alexander Hamilton's notion of a credit system. The goal is that of establishing a global system of fixed-exchange-rates among a set of what are respectively sovereign, fervently anti-monetarist, national credit systems. Under a two-function system (a financial credit system and a physical system), the value of money then becomes whatever the fixed-exchange-rate credit-system defines value to be.

To be emphatic, the source of the definition of value is not some calculated value attributed to the products of a sovereign nation; the value lies essentially, in the last analysis, entirely within the functioning of a fixed-exchange-rate credit-system, not the financial system as such. The function of the fixed-exchange-rate system is to provide a system of utterance of credit as the ut-

tered debt of national republics, credit which is employed to support the increase, chiefly, of the fruitfulness of the productive powers of labor in each and all respective, sovereign republics. This may be credit extended for physical production, especially as advances in technology, but also for expansion of the scale of per-capita development of the physical-cultural potential of national economies.

The notion of economic value, so defined by a fixed-exchange-rate credit-system, is located in the relative improvement of the physical productive powers of labor, per capita and per square kilometer. The most appropriate way of defining that, pedagogically, today, is to think of these subject-matters in the Riemannian terms of both Albert Einstein and Academician V.I. Vernadsky, but with special emphasis on Vernadsky's specifications of the respective roles of the Lithosphere, Biosphere, and Noosphere.

In general, that means that the "energy-flux density," and also the "physical investment" of the economy, per capita and per square kilometer is being increased. This means the increase of the physical basic economic infrastructure of the economy, is being increased per capita and per square kilometer, and that the productive powers of labor are being increased, per capita and per square kilometer of the economy as a whole.

These increases are effected through the fostering of the increase of the creative productive powers of labor of the entire economy, as this effect might be measured, in effect, in qualitative increase of the energy-flux density of both the relevant investment employed to increase the



ESA

The Palabora copper mine in South Africa is the largest man-made hole in Africa: 2,000 meters in diameter and 762 meters deep. The looting of Africa has been an Anglo-Dutch imperial pastime for centuries, and remains so today.

throughput of the productive process of the society as a whole, per capita and per square kilometer.

All measurements of value are to be subsumed by the aforesaid preconditions. This can be summarized by the statement, that a continuing increase of the energy-flux-density of human productive activity, per capita and per square kilometer, is the underlying, true measurement of the productive powers of labor, a measurement of relative productivity gained through what is essentially advances in Classical forms of artistic and scientific culture through fostering of the increase of the creative powers of the individual human mind.

Mining, or Looting?

Mining, as conducted by Anglo-American “capitalism” in Africa, for example, is not really productive in principle. Mining is productive only when it increases the wealth of the area in which mining is occurring; otherwise, mining is a process of depletion (e.g. “looting”) as in Africa under predominantly British operations up to the present time.

Mankind must increase the productive powers of labor, through increase in capital-intensity of net investment in primary resources and productivity, per capita, and per square kilometer. If not, then the behavior of that relevant society is directed toward a relative lowering of the productive powers of labor and of natural resources. Thus, for example, “globalization” has represented an imminently genocidal destruction of the

potential relative population-density of the planet, through destruction of developed regions, to effect production in less developed regions, while simultaneously destroying that in previously developed regions.

Take the case of China.

The development of China’s economy as a cheap-labor source of production to replace that which had been occurring in Europe and North America, was based on a cheaper cost of labor, per capita, both in production, and in the population, per unit of output by China. This was, thus, essentially a new, globalized version of looting under the old Anglo-Dutch imperialist system. In effect, the per-capita income of the world was reduced to the lowered level we experience

in, for example, both the U.S.A. since 1966-1968, and, more recently, in a partially industrialized China today.

The remedy must be to increase the investment in capital-intensity and basic economic infrastructure in the United States and China simultaneously, through relatively long-term, increasingly capital-intensive, productive capital-formation, that in both of these nations, simultaneously, through capital-intensive, high energy-flux-density modes of increase of the productive powers of labor, per capita and per square kilometer of area.

Thus, it must be said, value is not located within the domain of financial exchange as such. It is expressed, in one degree, within the bounds of the turnover of production and trade; but, the desired effect is a function of a notion of technology which is essentially increasingly capital-intensive, scientific-discovery-driven development of the economic process as a whole.

For example. Production in and of itself has an entropic effect, as the relatively richest and most accessible resources are depleted, and less rich, or less accessible resources must be employed, instead. Therefore, the net rate of increase of productivity requires a rate of increased capital-intensity, combined with an increased rate of advances in physical principles employed, which more than overcomes the rates of relative depletion. This combined function is a reflection of the role of what Academician Vernadsky defined as the Noösphere.

True economic value, is determined by consideration of the relative value defined by the functional set of relations to which I have just referred.

Economy as a Natural Process

Actually, the rate of relative progress (after discounting for attrition) is a product of the interaction among the representatives of Vernadsky's three categories: Lithosphere, Biosphere, and Noösphere.

Contrary to all positivists and their reductionist forebears, the universe is not subject to any alleged "principle" of universal entropy. The so-called "second law of thermodynamics" is simply fraudulent, and a form of pseudo-science. The universe is anti-entropic in all respects, for each of the three categories which I have emphasized here (Lithosphere, Biosphere, and Noösphere). For what bears on the notion of the Lithosphere, the raw reflection of a principle of anti-entropy is a general succession of phases of increased anti-entropy comparable to a notion of qualitatively increasing levels of energy-flux density. Secondly, biological anti-entropy among living systems generally, is the relevant expression. Thirdly, we have the creative powers of the individual personality, as Leibniz defined "free energy" in physical terms of a principle of least action.

So, for example, living processes, by the collecting of specific arrays of minerals according to their nature, present mankind with more or less rich concentrations of what we treat as ores. Thus, in all cases, man tends to run ahead of the rate of replenishment of the relatively richest ores, which requires man to resort to modes of production of increased capital-intensity and higher rates of energy-flux density.

The array of these and related considerations, defines a physical notion of anti-entropy, which, in turn, points out the significance of the notion of higher levels of anti-entropy as the basis for the relevant notion of economic value.

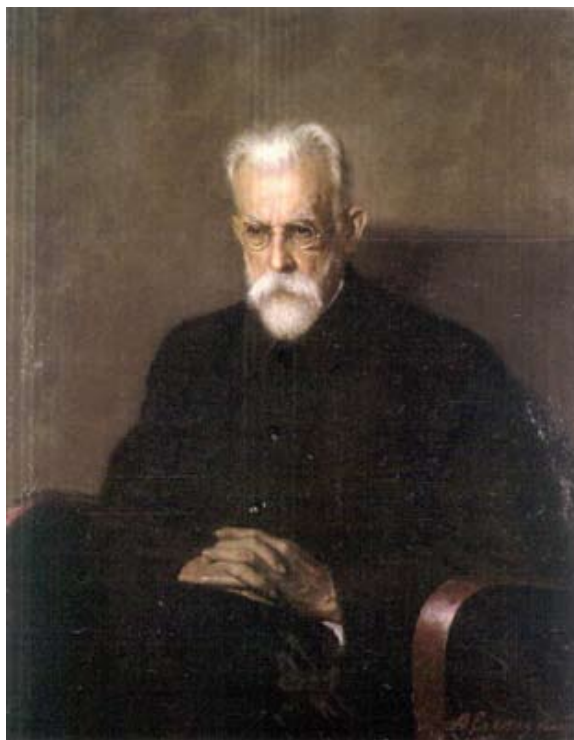
II. The Moon-Mars Mission

The progress of human society to higher levels of "anti-entropy," is marked, all along the way, by an experience fairly described as "bumping against the upper limits" of society's progress at that time. Soon after the entry into the 20th Century, a new kind of such "upper limit" confronted us: "space travel." Albert Einstein's correction of the positivist margin of error in Hermann

Minkowski's celebrated declaration, typifies this turn.

In some respects, this Twentieth-century confrontation with the challenge of space-travel was brand new. It involved the higher orders of physical processes associated with the chemistry of nuclear fission and thermonuclear fusion. In principle, it was, otherwise, a new step in a long series of steps of progress in what Academician V.I. Vernadsky was to define as the domains of the Lithosphere, Biosphere, and Noösphere, and in what might be identified as "conventional chemistries" of earlier centuries and millennia. Notably, fission and fusion were a fundamental breakthrough—off the top!—with respect to earlier forms of progress.

It was readily obvious to certain relevant Twentieth-century scientists, that the defining of the processes of fission and fusion was a qualitative breakthrough. However, what was even more important, was that



V.I. Vernadsky Institute of Geochemistry, Moscow

Vladimir I. Vernadsky and his collaborators Marie and Pierre Curie were the first scientists to understand that radioactivity would have enormous potential for the generation of energy. Vernadsky wrote in 1922: "We are approaching a great transformation in the life of mankind, with which nothing it has lived through previously can be compared. The time is not far off when man will take atomic energy into his hands, a source of power that will make it possible for him to construct his life just as he desires. This may happen in the immediate years ahead, it may happen a century from now. But it is clear that it must happen."



Space pioneer Krafft Ehricke (1917-84) wrote: “Our Moon will . . . become man’s cosmic front yard on which he has built super-observatories for astrophysical and stellar-planetary research, a communication center serving planetary bases, interplanetary ships and stellar vehicles, a space port for planetary and stellar vehicles, as well as hotels and hospitals.”

these technologies implicitly defined the notion of man in space, rather than man confined to regions near to the surface of planet Earth.

Thus, man reached the Moon, but, to define that achievement properly, we must regard the Moon as the space pioneers of the last century did, as merely the essential stepping-stone to Mars. Johannes Kepler would have been gratified by that thought. The manned Moon landing brought back news of large deposits of Helium-3 isotope on the surface of the Moon; the prospect of relativistic flight to Mars orbit in as little as some days of transit, was now the subject. Could man withstand the combination of known and yet undefined hazards of riding in a craft traveling a highly accelerated/decelerated relativistic trajectory between the Moon and Mars-orbit? What is the exact relationship between electromagnetic and gravitational fields? How does this bear on human flight along such trajectories?

We have thus become man as functionally an inhabitant of our galaxy, on condition that we abandon the popular delusions of sense-certainty, to recognize that there is no true “empty space” within the domain of our Solar system, or the galaxy, or the universe in the very

large. Thus, while we can conjecture the use of Helium-3 to power accelerated flight of some mere days’ duration between Earth-orbit and Mars-orbit, we have not yet clarified the effects of such relativistic trajectories on the physical-space-time transited, effects on either the crew of the craft, or the regions of physical-space-time penetrated in this way.

Nonetheless, once we have conceptualized the challenge of such enterprises by living human beings within the Solar System, or, perhaps, our galaxy, man’s conception of himself has been changed—*uplifted!*—by sitting down to work through the questions so posed.

The most significant such consideration, at least for the present moment, is mankind’s notion of physical-space-time, rather than time by itself. The significance of that is within reach of understanding, but, so far, only in a limited way, a mere, rough approximation.

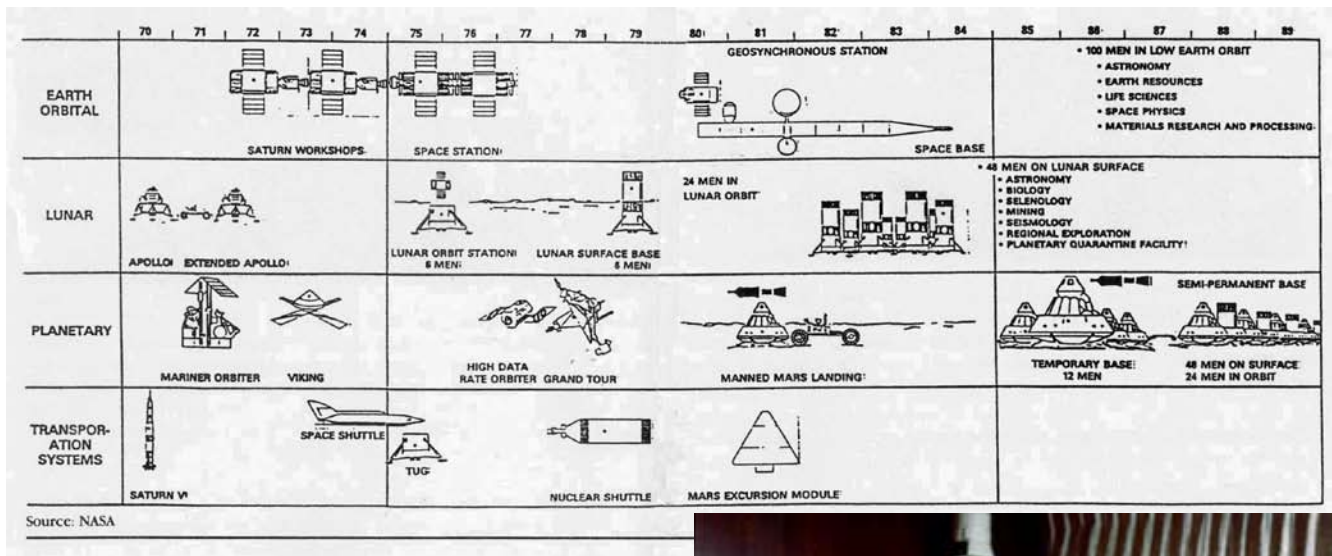
The crucial issue to which such contemplations urge us to turn, involves a fundamental quality of difference between human nature and the nature of beasts. The following argument is required.

Time & Creation

All processes in the known universe are intrinsically creative. The universe itself evolves upward in the large. The chemical composition of the Sun and its planets evolves. Living processes are characterized by upward evolution in all directions. Yet, human creativity is of a special quality. In all other systems, insofar as they are known as systems, creativity occurs without the agency of the individual will. With mankind, it is different. Actual creativity among human individuals is of a voluntary character. This quality of willfulness in human creativity is a notion comparable to the notion of a Creator of the universe.

This notion of the human individual as having access to an aspect of human nature comparable to that of a Creator, as Philo of Alexandria denounced Aristotle on this point, defines an existential quality of human creativity as such. This notion has been treated by some Christian theologians and others as expressing a concept known as “a simultaneity of eternity.”

This means, that the creativity which may be expressed by an otherwise mortal form of human individual, has an ontological efficiency which permeates the successive generations engaged in a continuing creative process, a process expressed by the creative individual human mind, but a process which subsumes the creative processes of that individual human mind, or



NASA

those of an entire society. Thus, on such accounts, we make a distinction between the human individual's biological existence, which is temporary, and that quality of efficient creativity which we associate not with the human body, but the soul. In other words, the notion of the soul as an efficiently existent being dwelling within a process of universal development known as a simultaneity of eternity.

With mankind, thus, the human body is a passing expression of the essential nature of the creative powers associated with the human mind. The individual, as a creative personality, appears, thus, as an expression of a creative being, a person, who is at once both mortal and eternal in the sense of a simultaneity of the creative process with which the existence of mankind is associated in this universe.

For convenience, consider Raphael Sanzio's **The School of Athens**.

Consider each figure in that portrait. Assign the place of habitation, and dates of birth and death of each figure. Now consider the interactions among these historic figures, the interactions of ideas, as for better or for worse.

The principal lesson to be adduced is the aspects of that image of **The School of Athens** which should bear on the choice of motives of a person's sense of the purpose and meaning of the outcome of having lived one's mortal life: the notion of what one must become in the immortal outcome of living a mortal life, and living that life according to the notion of a universal principle of



NASA

Wernher von Braun (1912-77), director of NASA's Marshall Space Flight Center, envisioned a comprehensive 20-year "Integrated Space Program, 1970-90" (shown here). He led the development of the Saturn V booster rocket that helped land the first men on the Moon in July 1969.

creativity as the distinction, the essential content, and the true purpose of a human mortal life.

It is those fears which lack of attention to the role of creativity engenders, which are the essence of evil in mankind. To live for the fulfilment of a creative destiny for mankind, is, ultimately, the distinction between the impulse for greedy depravity and the eternal sublime.

That is the true secret of a science of economy.

Globalization Is Destroying The U.S. Labor Force

by John Hoefle

Nov. 13—It is no secret that the U.S. economy has been hemorrhaging jobs since the collapse of the global financial system in July 2007, and there is no end in sight to that process. However, it is crucial that people realize that, even were all the people who have lost their jobs suddenly to be rehired, it would not solve the fundamental problems facing the U.S. and world economies today. Returning to a point before the economy collapsed, is no solution.

Over the last four decades, since the 1967-68 period, the United States and the world have undergone a profoundly destructive shift away from economic production and self-sufficiency, into what is called globalization. In the U.S., we abandoned the Industrial Age in favor of the promises of the Information Age, an age in which the production of goods was replaced with the selling of “information” and “services.” Finance replaced industry as the engine which drove the country. Drove it straight into the wall, in fact.

Globalization is a marketing buzzword, designed to cast an ancient, predatory practice as some sort of new and improved instrument of progress. But what globalization is, is a return to economic colonization, a world in which the Anglo-Venetian empire runs the world through a combination of control over the supply and price of money, and the production and distribution of goods and essential services. The monetary system runs the financial cartel, and the financial cartel runs the network of global corporations which supply nations with

food, oil, and other essentials. It is essentially a return to the predatory practices of the dope-running, slave-trading British East India Company, aided by modern technology.

Composition of Labor

The damage these neo-colonial policies have done to the U.S. economy is reflected in the changing composition of the workforce. That is, changes in what people do for a living.

Jobs are divided into two main categories—productive and overhead—based upon the nature of the work done. To help illustrate the difference, imagine a small company with one shop. The company has a factory which manufactures, say, small electric motors.

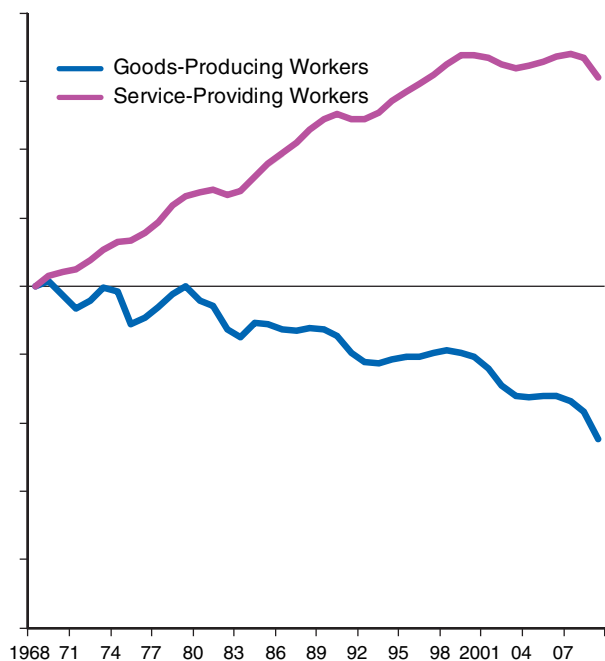
The workers on the factory floor, who make and assemble the motors, are classified as productive, because they transform various components into a finished product, in a way that increases the value of those components. This increase in value is measured in physical-economic terms, based upon the increased benefit to the economy of the output—an electric motor—over the benefit of the various inputs—the wiring, the housing, etc. The finished motor is more valuable than the parts, and wealth has been created.

The company also has an office staff, the buyers who purchase the inputs, the salesman who sells the finished product, the bookkeepers who handle the payroll, the managers who run the operation, and such. These

FIGURE 1

Overhead Grows, Production Shrinks

(Workers Per Capita, Indexed to 1968 = 1.00)

Sources: Bureau of Labor Statistics, U.S. Census, *EIR*

people perform necessary functions, but those functions are essentially overhead, costs which must be covered by the productive sector of the company.

Now imagine that the company is so successful, that the CEO decides to hire a finance manager, to manage the profits, and to handle relations with Wall Street. Over time, the finance staff grows, a personnel department is added, then, a public relations staff, and so on. Money which might have been better invested in increasing the productivity of the factory is, instead, spent on overhead functions, resulting in an increasing number of overhead workers compared to productive workers.

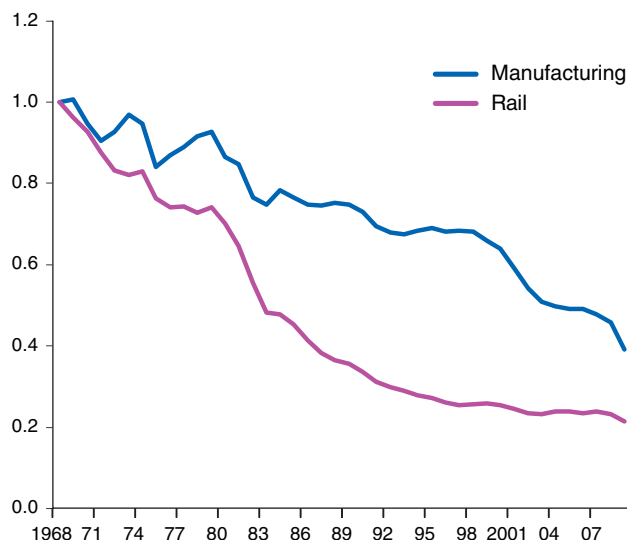
Then, the company is purchased by a conglomerate, which is more interested in its cash flow than its production. The productive side of the company is called upon to support even more overhead, while its production equipment ages and deteriorates. Finally, the conglomerate decides to shut down the factory and move production overseas, where labor costs are cheaper, completely removing the production from the U.S. economy.

This, in essence, is what has happened to the U.S.

FIGURE 2

U.S. Manufacturing Production Workers and Rail Workers

(Per Capita, Indexed to 1968 = 1.00)

Sources: Bureau of Labor Statistics, U.S. Census, *EIR*.

economy, and the effects of this deindustrialization and globalization can be seen in the composition of the labor force, as reported by the U.S. Department of Labor.

By the Numbers

The result is a picture of the trends of relative changes in the composition of the workforce over the period.

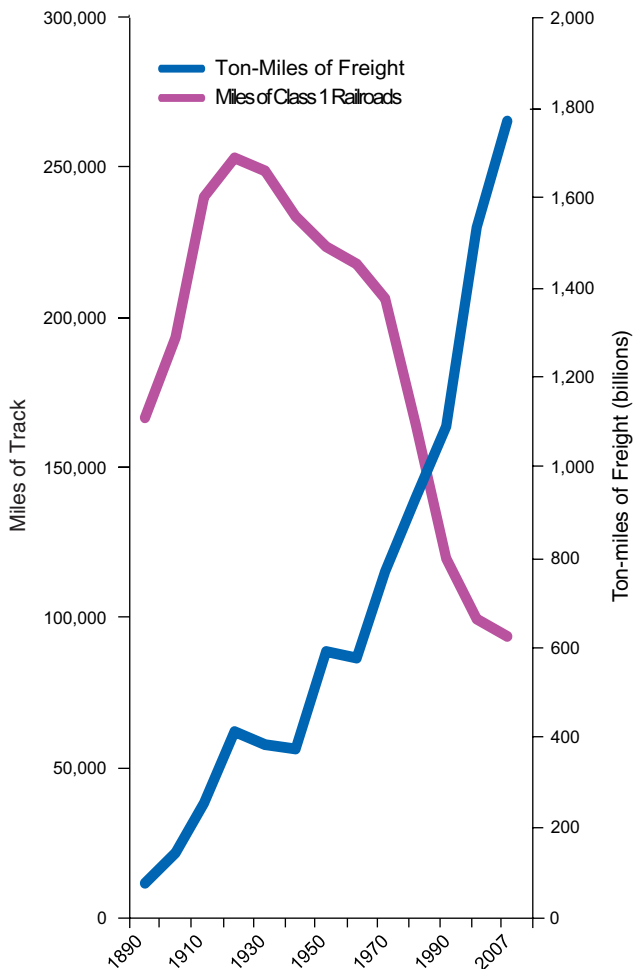
First, we look at the broad changes since 1968, in the relationship between goods-producing workers and service-providing workers (**Figure 1**). What we see, is a significant decline in the level of goods-producers, coupled with a sharp rise in service-providers. Except at the end, where both are declining. The level of service-providers peaked in 2000, at about 1.7 times the 1968 level, and now stands at 1.6, while the number of goods-producing workers has fallen by nearly half, to 55% of the 1968 level.

Next, we take a closer look at production, using manufacturing production workers and railway workers (**Figure 2**). Both show precipitous declines, to 39% and 21% of 1968 levels, respectively.

Corresponding to the decline in railway workers, is a decline in the mileage of railroad track. We now have

FIGURE 3

U.S. Railroads: Freight Load Grows, Track Mileage Shrinks



Source: Association of American Railroads.

some 94,000 miles of Class I railway—major railroads—compared to 167,000 miles in 1890, and a peak of 253,000 miles in 1920 (**Figure 3**). That is devastating, given the importance of rail transportation to the economy.

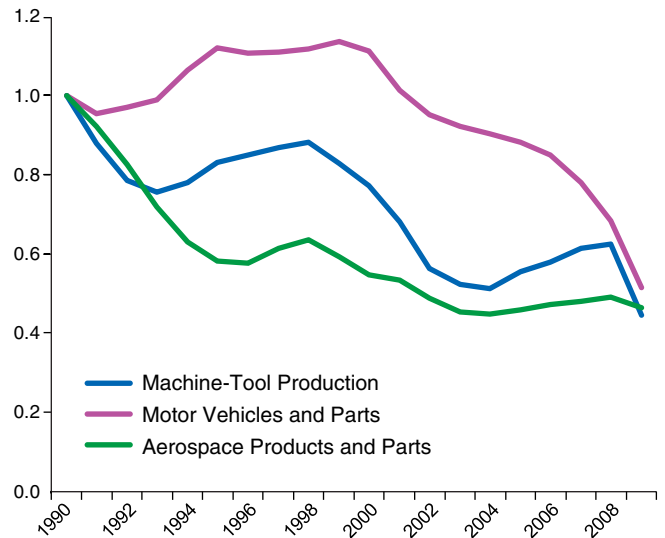
At the same time, the amount of freight carried on that shrinking rail mileage has continued to rise, to nearly 1.8 trillion ton-miles in 2007. Since then, U.S. freight rail traffic has fallen by 19%, according to Railfax. Roughly half of the freight carried on U.S. railroads is coal.

The automotive and aerospace industries have been hit hard, as has the machine-tool sector (**Figure 4**). Em-

FIGURE 4

U.S. Manufacturing Jobs Are Disappearing

(Workers Per Capita, Indexed to 1990=1.00)



Sources: U.S. Bureau of Labor Statistics, U.S. Census, *EIR*.

ployment in motor vehicle and parts manufacturing has fallen to just 52% of its level in 1990, while employment in aerospace products and parts has fallen to 46% since then. Machine-tool production employment, a crucial metric for a healthy economy, stands at just 45% of its 1990 level.

Is it any wonder that our economy is dying?

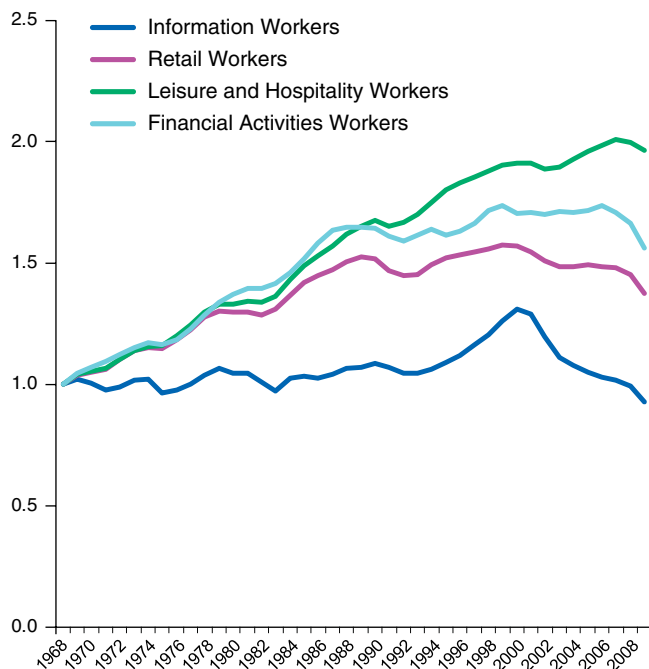
The service sector, which was supposed to replace the “outmoded” industrial sector, as the driver of the economy, is also beginning to collapse. Employment in information services, which peaked with the tech bubble/Y2K scam in 2000, is now below its level in 1968 (**Figure 5**). Employment in the financial, retail, and leisure and hospitality sectors remains well above their 1968 levels, but is fading fast. Each of these sectors was a creature of the financial bubble, and each is collapsing as the result of its demise. Financial firms are downsizing at a rapid clip. Retail stores are suffering as consumers batten down the hatches, voluntarily or otherwise. The once-booming hotel business is taking a heavy hit as business travel and tourism shrink with the economy. Expect the employment levels in all these sectors to plunge precipitously, and far more quickly than most people would believe. There is no bottom to this pit.

To fully assess the damage that has been wrought by

FIGURE 5

Service Employment Begins To Falter

(Workers Per Capita, Indexed to 1968=1.00)



Sources: U.S. Bureau of Labor Statistics, U.S. Census, EIR.

our trip away from sound physical-economic principles into the virtual world of service and globalization, we must take an even longer view. The picture is not pretty.

By any standard, employment in manufacturing has been falling dangerously in recent years. As of September 2009, only 11.8 million Americans were employed in manufacturing, down from a peak of nearly 20 million in 1979, and the number of workers is now barely above the level of 1940. However, measured per capita, the level of manufacturing employment is back to where it was in the early 1880s (**Figure 6**)! It is beyond insane.

Employment statistics do not tell the whole story, of course. Other factors, such as technological improvements that increase the productive

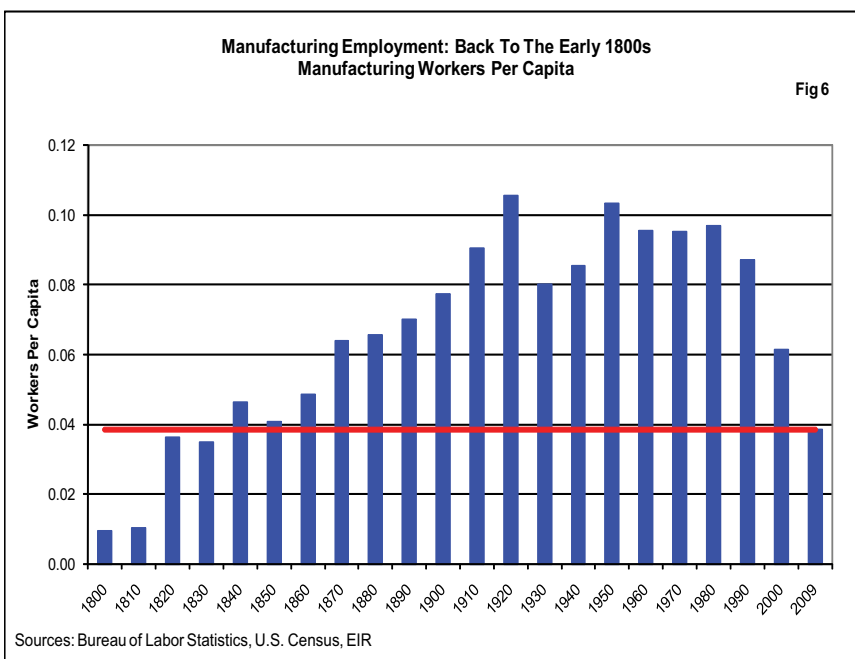
power of human labor, must be taken into account. Modern computer-controlled machine tools, for example, can do far more work per operator than their manual predecessors. And the use of computers and other machines has dramatically increased the amount of work a single person can do in many areas.

Some would argue that U.S. manufacturing statistics are irrelevant, since we can import what we need. Where it is made, they claim, is not important—all that counts is that we can buy it. The more foolish might even insist that having our products made overseas in places where labor is cheaper is to our advantage, since we can get what we want cheaper that way.

Such arguments are invariably based upon monetary considerations, and are, thus, intrinsically incompetent. If we're saving so much money, why is our economy dying?

The answer is simple, if you haven't been bamboozled by the oligarchs' globalization line. Economies are based upon physical-economic principles, upon increasing the mastery of mankind over the universe. Money is nothing more than a convention, a convenience. Under globalization, we have sold our souls to the British Empire, only to find ourselves destitute. We must now reverse that transaction, put an end to the empire and its globalization scam, and begin rebuilding the world.

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THE FALL OF THE BERLIN WALL

Now, 20 Years Later, Germany Must Demand a ‘System Change’

by Helga Zepp-LaRouche

Mrs. Zepp-LaRouche is the chairwoman of the Civil Rights Movement Solidarity (BüSo), the political party of the LaRouche movement in Germany. She issued this leaflet, entitled “Learn from Schiller: Think Only the Highest! System Change Now!” on Nov. 7, in commemoration of the fall of the Berlin Wall on Nov. 9, 1989. It was translated from German, and subheads were added.

Dear Citizen!

The 250th birthday of our great Poet of Freedom, Friedrich Schiller, and the 20th anniversary of the fall of the Wall, are very much internally connected with each other. At that time, in November 1989 and in the months afterwards up to the reunification on Oct. 3, 1990—thus in Germany’s great moment—we indeed faced Schiller’s yardstick: Would the great moment find a great people? Would we succeed in establishing a new, more human society and an actual order of peace, from the peaceful revolution?

In retrospect, one must unfortunately answer this question in the negative. The reasons are many: Margaret Thatcher and François Mitterrand tried everything to prevent reunification, and then agreed with George Bush, Sr., to do everything to contain the reunified Germany within the EU structure. The West Germans have themselves to blame that in the face of this geopolitical manipulation, they were all too ready to contribute their share to subjecting the new Federal states to the brutal rules of globalization. Those East Germans who seri-

ously sought a “third way,” did not recognize the only plan that would have made this possible, and were very rapidly pushed aside by the unification bureaucracy.

In that year, from November 1989 to October 1990, I warned in countless speeches against replacing bankrupt communism with the likewise bankrupt market economy. Wealth could perhaps be extracted from the states of the former Comecon for a few years, through primitive accumulation; but then after a certain period, an even greater collapse would occur. And we are precisely at this point today. Only this time, the bad debts with which the taxpayers are saddled are the toxic waste of the banks, which the gambling speculators produced.

The system of so-called globalization is more bankrupt today, by several orders of magnitude, than the economy of the G.D.R. and the Soviet Union had been. The systemic crisis, which has destroyed enormous industrial capacities in the real economy since the end of July 2007, and in which the governments of the G20 states have proven to be the henchmen of the banks and financial institutions, will go on until a fundamental reorganization is undertaken.

You, the citizens, must wake up immediately!

The Destruction of Germany

Don’t you see that our beautiful Germany is being completely destroyed? The new Federal states are more and more depopulated. The average age is over 60 years in not a few villages and municipalities. The lack of prospects, above all for the youth, is expressed more



EIRNS/James Rea

The BüSo chorus in Berlin sings during street organizing, at the celebrations of the 20th anniversary of the fall of the Wall, Nov. 9, 2009. The sign reads, "Learn from Schiller: Think Only the Highest! System Change Now!"

frequently in senseless violence; confidence in politics is disappearing.

But also the old Federal states are in disintegration: more and more traditional companies—Woolworth, Hertie, Karstadt, Quelle, perhaps soon Opel and hundreds of suppliers, not to mention the tens of thousands of medium-sized companies—are following those thousands that have already vanished. The farmers are struggling for survival. Poverty is growing. And the costs for the gambling are to be passed on to the population! Germany is in existential danger!

The propaganda line that the worst is already over, is only window-dressing by those who want to continue the casino economy. And why should the gambler worry? If things go wrong, then the governments are ready for battle to save the system's key banks, using taxpayers' money. After all, the banks are "too big to fail." The reality is that the casino is running today even more excessively and more wildly than before the bankruptcy of Lehman Brothers about one year ago. And the next mega-crash is immediately forthcoming.

A Four-Power Agreement

This must come to an end now. We cannot permit the financial oligarchy to drive our nation completely into ruin. We need a system change!

The current system of monetarism and of globalization must be replaced by a credit system, which is ori-

ented towards the General Welfare and which finances the real economy. Lyndon LaRouche has presented the argument for a long time, that only the alliance of the four most powerful nations of the world, namely, the U.S.A., Russia, China, and India, is strong enough to put a new financial architecture on the agenda.

In this regard, there are certainly very positive developments. On Oct. 3, during a three-day state visit of Prime Minister Putin to China, 12 comprehensive cooperation agreements were concluded between Russia and China, above all for infrastructure and advanced technology, with a volume of \$500 billion. This means that China's otherwise potentially worthless dollar reserves would be covered by investments in the real

economy. This accord can be the beginning of a new credit system, provided that other nations get involved, together with Russia and China, in similar long-term development programs.

That is the concrete form of the "third way," of which the civil rights activists spoke in 1989. And it is also the beginning of the implementation of the program that Lyndon LaRouche and the BüSo proposed at that time, initially called the Productive Triangle Paris-Berlin-Vienna, and, after the breakup of the Soviet Union in 1991, the construction of the Eurasian Land-Bridge. The central idea of this program consists in connecting the industry and the population centers of Europe with those of Asia through development corridors. Through this integration of infrastructure, the landlocked regions of Eurasia can be developed, the productivity of the economy of these nations and the living standards of their populations can be raised.

The way out of the economic crisis for Germany also lies in investment in the construction of the Eurasian Land-Bridge. In our small- and medium-sized companies, mechanical engineers and other skilled workers still possess enough know-how, and we have the industrial capacities which are urgently needed in the gigantic expanses of the Eurasian continent. Conversely, Germany is dependent on long-term cooperation agreements of 50 or 100 years, with which we can secure our raw material and energy supplies.

If Germany participates in this new credit system among sovereign nation-states, we can once again achieve productive full employment on a very high technological level. We must return to the awareness, that the only relevant source of wealth lies in the development of the creative capacities of our own population, and not in free trade's maxim of "Buy cheap, sell dear." Therefore, the construction of a strong, productive domestic market and the best possible development of the cognitive potential of our citizens, are the best preconditions for making a German contribution to the reconstruction of the world economy in the new system.

A Paradigm Shift

But we also need a system change in our heads. We must not only dispose of the toxic waste of the banks, but we must also dispose of all the mental crap which came along with globalization: for example, the pursuit of profit and vacuous entertainment; maximizing enjoyment in the Here and Now; and propounding the counterrevolutionary proposition, "You can't do anything anyway!"—which we should delete from our vocabulary forever.

If we want to use the great chance of a system change in economic policy and in our heads, if we want to implement the great vision of an order of peace for the 21st Century, then there is no better mentor than our great poet Friedrich Schiller. In his works, we find all the sublime ideas, which can give us the inner strength for such a change. For example, the idea that each person has the potential to develop into a beautiful soul and into a genius.

In 1989, the Germans' potential great moment was lost. Today, when we are dealing with an even more dramatic system collapse, we must use the opportunity that lies in the fact that the neo-liberal paradigm of globalization has failed. The LaRouche Plan for a just, new world economic order must be put on the agenda.

In this sense, let us celebrate the 250th birthday of Friedrich Schiller and the 20th anniversary of the fall of the Wall!

Alle Menschen werden Brüder. . .

*Diesen Kuss der ganzen Welt!*¹

Yours,

Helga Zepp-LaRouche

1. From Schiller's "Ode to Joy," in Beethoven's Ninth Symphony, which was performed across Germany in 1989 in celebration of the fall of the Wall.

Gaza War Crimes

UN Backs Goldstone; Congress Issues Lies

by Michele Steinberg

Nov. 6—Despite the concerted effort by the U.S. House of Representatives to bury the reality that the Israeli Defense Forces committed war crimes in its attack on Gaza in December 2008-January 2009—that resulted in the deaths of some 1,500 civilians, including many children—on Nov. 5, the UN General Assembly adopted the Report of the UN Fact Finding Mission on the Gaza Conflict—the Goldstone Report—by an overwhelming majority of 114 to 18.

Since Oct. 4, when the United States made the stupid blunder of pressuring the UN Human Rights Commission to delay a vote on the report, the Obama Administration has been increasingly isolated, and discredited over its efforts to quash the report, and prevent an investigation of the accusations. The backlash in October was so great against the U.S. and British pressure (mediated through Fabian warmonger, Tony Blair, the "special envoy" of the Quartet), that the decision to delay the vote was revoked, and the Goldstone Report was adopted by the UNCHR, setting the stage for the Nov. 5 General Assembly vote.

The Goldstone Report, more than 500 pages, found that both Israel and Hamas committed war crimes, and called for both the Palestinians and Israelis to conduct war crimes investigations of their own citizens. The significance of the UNGA vote is that the UN Security Council is now required to review the report, and through Secretary-General Ban Ki-moon, to report back to the General Assembly within three months. The resolution requests the Swiss government, as the depository of the Fourth Geneva Convention on the Protection of Civilian Persons in Time of War, to convene a conference of the signers of the Fourth Geneva Convention, to discuss measures to enforce the Convention.

But, instead of acting in defense of international law, the U.S. House of Representatives, on Nov. 3,



EIRNS/Michele Steinberg

Justice Richard J. Goldstone, whose report on war crimes in Gaza was overwhelmingly endorsed by the UN General Assembly, exposed the lies about the report perpetrated in a Congressional resolution. Here, he speaks at the National Press Club on Oct. 1.

went in the opposite direction, with a resolution, “Calling on the President and the Secretary of State to oppose unequivocally any endorsement or further consideration” of the Goldstone Report. Introduced by Ileana Ros-Lehtinen (R-Fla.), H. Res. 867, was such a pack of lies, that sections were denounced even by the right-wing Jewish Telegraphic Agency. Ros-Lehtinen, the author of the resolution, and the most vociferous member of the Likud Party’s Amen chorus on the House Foreign Affairs Committee, was called on the carpet by the Committee, to explain the resolution’s falsehoods, but only after Justice Richard Goldstone confronted the committee, in a lengthy letter (see below), that detailed the grievous inaccuracies and distortions in the resolution.

Goldstone corrects the assertions in no fewer than 12 clauses of the Ros-Lehtinen measure. Defending his report, as he has on dozens of occasions, including in interviews with Jewish media, and in debates with right-wing Israelis, Goldstone wrote, “I have strong reservations about the text of the resolution in question—text that includes serious factual inaccuracies and instances where information and statements are

taken grossly out of context. . . .” His corrections point out just how corrupt, and incompetent our Congress has become.

End of the Road for Obama?

The House vote—which had massive support from Democrats—is not the cause of the collapse of Barack Obama’s support among the Palestinian people and leadership, but it is a contributing factor. Ten months after the genocidal Gaza War, the U.S. still has done nothing to allow reconstruction to occur; refuses to enter into any discussions with Hamas, which won the last Palestinian national election in 2006; and appears to be unwilling to use the American “power of the purse” to force the Netanyahu government in Israel to *stop the expansion* of Jewish settlements in Palestinian lands—a “freeze” which is *required* by multiple UN Security Council resolutions, the Oslo Treaty, and even the George W. Bush-promoted Road Map.

Now, this failure of the U.S. to break with the British game of perpetual war—as Lyndon LaRouche has warned—threatens to undo the last 20 years of progress towards resolving the Israeli-Palestinian conflict—with Palestinian National Authority President Mahmoud Abbas (Abu Mazen) announcing that he will probably not run for President, if and when, Palestinian elections are held in 2010. Abbas had put his entire credibility on the line in trusting the new Obama Administration to force Israel to end the building of settlements on Palestinian land, and engage in good-faith discussions.

Added to this, was the Nov. 4 press conference by longtime PLO leader Saeb Erekat, who suggested that the entire discussion of a “two-state solution” may now be moot. Erekat, who has been the key negotiator, both for Yasser Arafat, and later for Abbas, said that the U.S. acceptance of Netanyahu’s partial, conditional, temporary settlement freeze is “unacceptable” and “unforgivable.”

Citing statistics on the increase of settlement construction by the Israeli government in Jerusalem, and elsewhere in Palestinian territories, Erekat said that these numbers are destroying the two-state solution. It is now time to face reality and to look for other alternatives, he stated: “The Palestinian people still have choices; there is still the one state to fight for, if the two-state solution” collapses. He added that it is even possible that elections will be cancelled if the Israelis continue to block fair and open voting in Jerusalem, and Hamas blocks the vote in Gaza.

True American Policy

The U.S. could rescue its honor if it were to back the Goldstone Report at the UN Security Council, and embrace the Oct. 29 Goldstone letter, by not only demanding the investigation of war crimes as detailed in the Report, but also by conducting a U.S. investigation into the process that led to the miscarriage of justice by Congress in the Ros-Lehtinen resolution. That would be true American policy.

But, as Lyndon LaRouche warned on Nov. 7, there is no prospect whatsoever for a genuine Arab-Israeli peace agreement until such time that the British Sykes-Picot “Great Game” factor is eradicated from the region. Breaking with the British policy *is* the true identity of the American Revolution and foreign policy.

The Goldstone Letter

Congressional Resolution ‘Misleading,’ ‘Inaccurate’

Here are excerpts from Judge Richard Goldstone’s Oct. 29 letter to Chairman Howard Berman and Ranking Member Ileana Ros-Lehtinen of the House Foreign Affairs Committee (for complete text: <http://blogs.jta.org/politics/article/2009/10/30/1008853/goldstone-v-ros-lehtinen-and-berman>).

It has come to my attention that a resolution has been introduced in the United States House of Representatives regarding the United Nations Fact Finding Mission on the Gaza Conflict, which I led earlier this year.

I fully respect the right of the US Congress to examine and judge my mission and the resulting report, as well as to make its recommendations to the US Executive branch of government.

However, I have strong reservations about the text of the resolution in question—text that includes serious factual inaccuracies and instances where information and statements are taken grossly out of context. . . .

Whereas clause #1: Whereas, on January 12, 2009, the United Nations Human Rights Council passed Resolu-

tion A/HRC/S-9/L.1, which authorized a “fact-finding mission” regarding Israel’s conduct of Operation Cast Lead against violent militants in the Gaza Strip between December 27, 2008, and January 18, 2009;

This whereas clause ignores the fact that I and others refused this original mandate, precisely because it only called for an investigation into violations committed by Israel. The mandate given to and accepted by me and under which we worked and reported reads as follows:

“...to investigate all violations of international human rights law and international humanitarian law that might have been committed at any time in the context of the military operations that were conducted in Gaza during the period from 27 December 2008 and 18 January 2009, whether before, during or after.”

Whereas clause #2: Whereas the resolution pre-judged the outcome of its investigation, by onesidedly mandating the “fact-finding mission” to “investigate all violations of international human rights law and International Humanitarian Law by ... Israel, against the Palestinian people ... particularly in the occupied Gaza Strip, due to the current aggression.”

This whereas clause ignores the fact that the expanded mandate that I demanded and received clearly included rocket and mortar attacks on Israel and as the report makes clear was so interpreted and implemented. It was the report carried out under this broadened mandate—not the original, rejected mandate—that was adopted by the Human Rights Council and that included the serious findings made against Hamas and other militant Palestinian groups.

Whereas clause #3: Whereas the mandate of the “fact-finding mission” makes no mention of the relentless rocket and mortar attacks, which numbered in the thousands and spanned a period of eight years, by Hamas and other violent militant groups in Gaza against civilian targets in Israel, that necessitated Israel’s defensive measures;

This whereas clause is factually incorrect. As noted above, the expanded mandate clearly included the rocket and mortar attacks. . . . The resulting finding made in the report is that these attacks constituted serious war crimes and possibly crimes against humanity. . . .

Whereas clause #8: Whereas the report repeatedly

made sweeping and unsubstantiated determinations that the Israeli military had deliberately attacked civilians during Operation Cast Lead;

This whereas clause is factually incorrect. The findings included in the report are neither “sweeping nor unsubstantiated,” and in effect reflect 188 individual interviews, review of more than 300 reports, 30 videos and 1200 photographs. Additionally, the body of the report contains a plethora of references to the information upon which the Commission relied for our findings.

Whereas clause #10: Whereas in the October 16th edition of the Jewish daily Forward, Richard Goldstone, the head of the “United Nations Fact Finding Mission on the Gaza Conflict,” is quoted as saying, with respect to the mission’s evidence-collection methods, “If this was a court of law, there would have been nothing proven.”

The remark as quoted is both inaccurate and taken completely out of context. What I had explained to *The Forward* was that the Report itself would not constitute evidence admissible in court of law. It is my view, as jurist, that investigators would have to investigate which allegations they considered relevant. That, too, was why we recommended domestic investigations into the allegations.

Whereas clause #11: Whereas the report, in effect, denied the State of Israel the right to self-defense, and never noted the fact that Israel had the right to defend its citizens from the repeated violent attacks committed against civilian targets in southern Israel by Hamas and other Foreign Terrorist Organizations operating from Gaza;

It is factually incorrect to state that the Report denied Israel the right of self-defense. The report examined how that right was implemented by the standards of international law. What is commonly called *ius ad bellum*, the right to use military force, was not considered to fall within our mandate. Israel’s right to use military force was not questioned.

Whereas clause #12: Whereas the report largely ignored the culpability of the Government of Iran and the Government of Syria, both of whom sponsor Hamas and other Foreign Terrorist Organizations;

This whereas clause is misleading. Nowhere that I

know of has it ever been suggested that the Mission should have investigated the provenance of the rockets. Such an investigation was never on the agenda, and in any event, we would not have had the facilities or capability of investigating these allegations. If the Government of Israel has requested us to investigate that issue I have no doubt that we would have done our best to do so.

Whereas clause #14: Whereas, notwithstanding a great body of evidence that Hamas and other violent Islamist groups committed war crimes by using civilians and civilian institutions, such as mosques, schools, and hospitals, as shields, the report repeatedly downplayed or cast doubt upon that claim;

This is a sweeping and unfair characterization of the Report. I hope that the Report will be read by those tasked with considering the resolution.

I note that the House resolution fails to mention that notwithstanding my repeated personal pleas to the Government of Israel, Israel refused all cooperation with the Mission. Among other things, I requested the views of Israel with regard to the implementation of the mandate and details of any issues that the Government of Israel might wish us to investigate.

This refusal meant that Israel did not offer any information or evidence it may have collected regarding actions by Hamas or other Palestinian groups in Gaza. Any omission of such information and evidence in the report is regrettable, but is the result of Israel’s decision not to cooperate with the Fact-Finding mission, not a decision by the mission to downplay or cast doubt on such information and evidence.

Whereas clause #16: Whereas Hamas was able to significantly shape the findings of the investigation mission’s report by selecting and prescreening some of the witnesses and intimidating others, as the report acknowledges when it notes that ‘those interviewed in Gaza appeared reluctant to speak about the presence of or conduct of hostilities by the Palestinian armed groups ... from a fear of reprisals’;

The allegation that Hamas was able to shape the findings of my report or that it pre-screened the witnesses is devoid of truth. I challenge anyone to produce evidence in support of it.

Sincerely,
Justice Richard J. Goldstone

A True Moment of Joy With Harley Schlanger

by Jacques Cheminade

The following article by Solidarité et Progrès President Jacques Cheminade has been translated from French. The original is available at www.solidariteetprogres.org.

PARIS, Nov. 2 (EIRNS)—Harley Schlanger, the LaRouche spokesman for the Western region of the United States, has just completed a two-week stay in France. However, mentioning his official position, important as it may be, does not begin to express what he has contributed to us.

I will attempt to formulate it better here by saying that he opened to us the gateway to our capacity for human creativity in all domains, in art as in science, in poetry as in music, in politics as in economics.

As American as an all-terrain Jeep, Schlanger offered those who had the opportunity to hear him speak, the conviction that the United States can be the conveyor of the best of European culture, if the fight is taken up to uproot the influence of British oligarchism, both in the U.S.A. and elsewhere. The stunning paradox is that this fight, at the same time, awakens the best of our own French culture, leaving behind today's underling mentality for the greatest moments of our history.

Those who accompanied

Schlanger in Lyon, during his visit to the Center for the History of the Résistance and of Deportation profoundly felt this resonance between our international struggle today, as patriots and as world citizens, and that of the leadership and innumerable unknown individuals who sacrificed their lives back then.

In the three well-attended public meetings on the American situation, before more than 200 people in Paris, Lyon, and Rennes, Schlanger took the opportunity to convey to our activists and friends, the message of Aeschylus' *Prometheus*. He showed us that with this drama, not only was the principle of fire brought to men, but, above all, he showed how the Titan had "planted hope inside them." It is this hope, immortal within man, whereas our bodies are themselves mortal, which is the foundation for any politics worthy of the name, transmitted from one human being to the other, and from one generation to another. Schlanger took as a contemporary example of this fight for hope, for which Prometheus accepted to suffer knowing the destiny that awaited him, the fight of his own wife Susan, who had died of cancer in July. He showed how she fought for more than two years, up to the last moment, using the best of the universal Jewish culture, to nourish both with ideas and the financial contributions she raised, the youth of the La-



www.FabienDany.com

Harley Schlanger (left), LaRouche's representative in the Western United States, prepares to address a meeting in Paris with Jacques Cheminade, president of the Solidarité et Progrès party, Oct. 22, 2009. Cheminade called Schlanger "as American as an all-terrain jeep."



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Harley Schlanger with members of the French LaRouche Youth Movement, in Paris on Oct. 22.

Rouche Youth Movement, who are our hope.

Hence, against the domineering and destructive mind of Zeus—the real tragic figure in the play, for he is incapable of knowing his destiny—each of us can bear within himself a small Prometheus, which can grow stronger to the extent we each rise up against the challenges of injustice and pettiness, a principle of immortality that becomes expressed in serving the common good, and those generations yet to be born.

Tales of Yiddish Humor

Schlanger strolled through the streets of Paris, Rennes, and the old inner city of Lyon with immense pleasure. We exchanged tales of Yiddish humor that send small things back to their little importance, and make grow the larger ones by means of irony, the indispensable complement of tragedy. An expert on the three Moseses—the first Moses, Maimonides, and Mendelssohn—as well as on Sholom Aleichem and the renaissance of New York Yiddish theater that inspired the collaboration of so many Jews and African-Americans in the Civil Rights Movement, Schlanger sees great hope in the rising ferment of the mass strike in the United States, provided we know how to inspire it.

Schlanger, himself an accomplished amateur violinist, also gave the 40 members of the LaRouche Youth Movement in France a magnificent presentation on the collaboration, over time, among Bach, Haydn, Mozart, and Beethoven, showing how the musical themes of the first were taken up and developed by the latter three, as in the five fugues of Mozart's K. 405, where he transcribes the four-voice fugues of Bach's "Well-Tempered Clavier" for the four instruments of the string quartet.

This dialogue of voices from the past inspired all of us in the present, especially

since Schlanger also showed us how, in "Le Nozze di Figaro" ["The Marriage of Figaro"], Mozart politically attacked the oligarchy of the Habsburg world, based on the libretto of Beaumarchais, Benjamin Franklin's collaborator in Paris, who financed the cannon of Rochambeau and the American Revolution, inflicting decisive defeat on Cornwallis at Yorktown.

Schlanger also had the opportunity to meet several leading French economists who fully endorse the return, internationally, of Roosevelt's Glass-Steagall Act, to uproot the current crisis.

Schlanger came to France 25 years ago. We all committed ourselves to having him back soon.

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International Intelligence

U.S. Homelessness Is A 'Human Rights' Issue

Nov. 12—Raquel Rolnik, the UN Special Rapporteur for the right to adequate housing, has completed a seven-city tour of the United States. Rolnik, who will submit a final report to the UN Human Rights Council early next year, said, at the conclusion of her fact-finding mission: “The housing crisis is invisible for many in the U.S. I learned through this visit that real affordable housing and poverty is something that hasn’t been dealt with as an issue. Even if we talk about the financial crisis and government stepping in, in order to promote economic recovery, there is no such help for the homeless. I think those who are suffering the most in this whole situation are the very poor, the low-income population. The burden is disproportionately on them, and it’s, of course, disproportionately on African-Americans, on Latinos, and immigrant communities, and on Native Americans.”

Rolnik toured Chicago, New York, Washington, Los Angeles, and Wilkes-Barre, Pa., as well as the Indian reservation at Pine Ridge in South Dakota.

Medvedev Address Affirms Russian Policy Shift

Nov. 12—Russian President Dmitri Medvedev delivered his annual State of the Federation message today, and struck some of the critical themes that have been at the center of Russia’s new collaboration with China.

This policy raises the prospect of Russia playing a pivotal role in what Lyndon LaRouche has identified as the Four-Power alliance to defeat the London-centered global financial oligarchy. LaRouche commented that Medvedev’s address was in accord with the required solutions to Russia’s problems.

Medvedev focused on the need for the Russian economy to be based on technological and scientific innovation, rather than raw material extraction for export.

Said Medvedev: “The nation’s prestige and national prosperity cannot be upheld forever by the achievements of the past. Oil and gas production, which provides a large share of the budget revenues; nuclear weapons that guarantee our security, industrial, and communal infrastructure—this was all, to a large degree, created by Soviet specialists. In other words, we didn’t create them. The time has come for us, the current generation of Russians ... to raise Russia to a higher level of civilization. The well-being of Russia, in the near future, will depend on whether it will be successful in developing ideas, knowledge, and science; finding and supporting people who are creative; and bringing up young people to be intellectually free and active....

“We have to begin modernization of the whole industrial base.”

The President discussed Russia’s expanded role in state-of-the-art nuclear power, including a new generation of nuclear plants and fuels, and collaboration with other nations on thermonuclear fusion research.

Ukraine’s Vitrenko Puts ‘LaRouche Plan’ on Agenda

Nov. 12—Ukraine’s Central Electoral Commission yesterday completed preliminary certification of 18 candidates for the country’s Jan. 17 Presidential election (which may or may not be held, because of high flu death rates). Each candidate was required to put up a deposit of the equivalent of more than \$300,000 to run.

Natalia Vitrenko, leader of the Progressive Socialist Party, was not certified. She offered a payment of 1964 hryvnias (about \$250), which was re-

jected, and denounced the payment requirement as unconstitutional.

The same day, Vitrenko launched a new campaign, counterposing Lyndon LaRouche’s economic policies to those of the International Monetary Fund. Under the headline on her website, “Save the World from Onrushing Catastrophe—International Signature Campaign: The LaRouche Plan To Save the World Economy Must Be Placed on the Agenda” is the full text of Helga Zepp-LaRouche’s appeal, issued Nov. 3 by the Schiller Institute. In her statement Nov. 11, to all regional organizations of the party, Vitrenko said: “The liberal economic model, imposed by the IMF on the whole world, not only has led the world economy into crisis, and is bringing on a global catastrophe.... The wealthy countries ... are hiding from the essence of the problem in a cowardly fashion, and are incapable of showing the political will to save humanity.

“We are obliged to demand, putting forward a specific plan of action, that they do so. On all the continents of our planet, people are beginning to gather signatures under this document.”

Afghanistan Abyss Needs ‘LaRouche Plan’ Solution

Nov. 12—President Obama’s decision *not* to make a decision yet on troop deployment to Afghanistan, is another sign that, without Lyndon LaRouche’s Four-Power approach to the global crisis, there is no solution possible. LaRouche reiterated today that there can be no positive solution to the Israel-Palestine conflict until the British Sykes-Picot paradigm is ended; the same is true for Afghanistan.

As Obama left for a week-long trip to Asia today, he told his national security team and military advisors that none of the “four options” presented to him—from a 48,000 troop increase (which LaRouche dubbed a “McChrystal Clear

Folly”), to the 10,000 added troops for a limited counter-terror deployment—are acceptable.

The *Washington Post* today leaked the news about classified cables that the U.S. Ambassador in Kabul, Gen. Karl Eikenberry (ret.), a three-star general who had served as a commander in Afghanistan, had written to the President, allegedly saying that, because of the corruption and the “erratic behavior” of Afghan President Hamid Karzai’s government, there should not be a further deployment of troops to Afghanistan at this time.

Lisbon Treaty’s Fascist Boot Digs into Europe

Nov. 10—Czech President Vaclav Klaus signed the European Union’s Lisbon Treaty Nov. 3, allowing the consolidation of the Anglo-Dutch oligarchy’s control over the erstwhile sovereign states of the EU. Klaus, who bitterly opposed the Treaty, signed only after the country’s Constitutional Court today announced its ruling that the Treaty was compatible with the Czech Constitution, a ruling Klaus opposed.

“The Czech Republic will cease to be a sovereign state” once the Treaty enters into force, Klaus said, after signing it.

The electorate of only one European country, Ireland, was allowed to vote on the Treaty, in a referendum. To the oligarchy’s great displeasure, the Irish soundly defeated the measure last year. According to EU provisos, if any one country disapproved of the Treaty, it could not be implemented. So the Irish were forced to vote again, “to get it right.” After being subjected to pressure and mass propaganda, Ireland succumbed to the oligarchs’ demand on Oct. 2.

The EU Commission wasted no time, announcing, the same day as Klaus’s signing, that it intends to start budget deficit lawsuits against Germa-

ny and other European countries soon. Deficits cannot exceed 3% of GDP, under the EU’s earlier Maastricht Treaty budget criteria, which had not hitherto been enforced.

Obama, Congress Demand Vicious Budget Cuts

Nov. 13—Washington leak sheets such as *Politico* have begun to put out the line that President Obama is going to shift his focus to “solving the deficit” by the time of the January 2010 State of the Union speech. This comes amidst statements to that effect by Office of Management and Budget director Peter Orszag and others, and translates into murderous austerity.

A precursor was given at Senate Budget Committee hearings Nov. 10, where numerous Senators voiced their commitment to have Congress approve a special Commission which would dictate brutal cuts in entitlement programs, such as Social Security, Medicare, Medicaid, and veterans’ benefits.

The Commission would dictate budget cuts and tax increases which an emasculated Congress could only vote up or down as a package—no exercising of Congress’s constitutional role to deliberate and legislate on matters of taxation and expenditure.

Speaker after speaker at the Nov. 10 hearing declared that the Congressional “regular order” is broken, and that a “special process” is needed. Sen. Kent Conrad (D-N.D.), and former Controller of the Currency David Walker, who now heads the Peterson Institute, both complained that none of the current health bills, even the Baucus bill, slash costs enough. As Sen. Joe Lieberman (I-Conn.), a co-sponsor of one of the commission bills, put it, “We need an irregular order ... to take it out of the political process.” Evan Bayh (D-Ind.) called what they are doing “an institutional insurrection.”

EIR calls it fascism.

Briefly

GORDON BROWN, Britain’s Prime Minister, claims to have lined up anywhere from 4,000-5,000 more troops from NATO countries to join the U.S. in Afghanistan—if President Obama can be pressured to expand the land war in Asia.

DAVID KILCULLEN, the Australian retired general, who is the top counterinsurgency advisor to Commander of the U.S. Central Command Gen. David Petraeus, told *The Guardian* (Nov. 13) that President Obama should stop “pontificating” about sending 40,000 troops to Afghanistan: Send them, or face a “Suez debacle.” Of course, it was Britain, Israel, and France that suffered a debacle at Suez—not the United States.

HILLARY CLINTON, U.S. Secretary of State, said on Nov. 15 that “the United States has no long-term stake in Afghanistan,” and that “its primary objective is to defeat al-Qaeda.”

JAPANESE Prime Minister Yukio Hatoyama told Myanmar’s Gen. Thein Sein, at the Mekong Summit in Tokyo early in November, that Japan will gradually expand its assistance to Myanmar.

ITALIAN ECONOMY Minister Giulio Tremonti said on Nov. 11 that EU dictates will not induce Italy to implement “pension reform.” “If this means cuts, never with me,” he said. “Pensions mean the life of persons,” Tremonti said, adding that the Italian state pension fund has no deficit.

INDIAN FOREIGN MINISTER S.M. Krishna met in New Delhi Nov. 11 with Chinese Communist Party Central Committee member Liu Qibao, and stressed the importance of good bilateral relations. The international campaign over the Dalai Lama is intended to block any such positive development.

The Four-Power Dynamic

There is a new dynamic at work in world politics today, and those who ignore it will not only fail to understand the current strategic situation, but will not grasp the opportunity that stands ready for pulling the planet out of its otherwise inexorable slide into the New Dark Age. That dynamic was set into motion with the agreements reached by the Chinese and Russian governments in Beijing in mid-October, an initiative which has triggered a whole series of further arrangements, particularly in the Pacific region.

If you ignore the process which those Russia-China agreements set off, you won't understand anything that is going on in the world today. Equally important, is that if you don't understand the conceptual role which Lyndon LaRouche and his political movement played in helping catalyze this shift, you won't have a clue as to how to fulfill its potential, especially with the crucial inclusion of the United States into the new political-strategic geometry.

LaRouche himself first put forward this Asia-Pacific orientation back in the Summer of 1983, in an *EIR* Special Report titled, "A Fifty-Year Development Policy for the Indian-Pacific Oceans Basin." Already, he had been in close collaboration with circles in India, China, and Japan, who were oriented to high-technology development of the region, with a special emphasis on transportation and water infrastructure. Over the succeeding 25 years, and especially after the collapse of the Soviet Union, the concept has taken a dramatic step forward, with the LaRouche movement's organizing for the Eurasian Land-Bridge, and concomitant changes in Russian orientation.

The core of the change, as LaRouche has emphasized, is Russia's determination to shift from

being a country whose prosperity depends upon raw materials export, to one which will depend upon intellectual resources, high-technologies, and other innovative products that utilize its unique scientific capability, exemplified by the Ukrainian-Russian scientist Vladimir Vernadsky. When the Chinese, who understand their horrible vulnerability to the collapse of the dollar system, agreed to work with the Russians on this orientation, particularly in the underpopulated Russian Far East, the new dynamic was set in motion.

This means that from now on, as LaRouche recently emphasized, the initiative for positive change is going to come from the Asia-Pacific region. "It's the only rational chance for the world at this time," he added. "Because only this development, with its technological driver, brings in a sufficient portion of the world's population, to create a baseline for world recovery."

This new reality is the basis for all strategic evaluations today, from the discussions that took place between Russia and China at the recent APEC Summit, to the decision by that summit to dump its initial commitment to specific climate change goals, to even the gesture by President Obama to call himself the "Pacific President." Those nations that wish to survive, are going to orient toward the new center of economic initiatives.

Number one on the agenda, of course, must be to bring the United States into that new configuration—something that will be done, not by the fatally flawed President Obama, but by saner circles in the institution of the Presidency, and a mass strike movement educated on the principles behind an American-System credit system. In the wake of LaRouche's recent webcast, the time is ripe to do so in the very short term.

See LaRouche on Cable TV

INTERNET

- BCAT.TV/BCAT Click BCAT-2 Mon: 10 am (Eastern Time)
- LAROCHEPUB.COM Click *LaRouche's Writings*. (Avail. 24/7)
- MNN.ORG Click *Watch Ch.57* Fri: 2:30 a.m. (Eastern Time)
- QUOTE-UNQUOTE.COM Click on *Ch.27*. Tue. 6 pm (Mtn.)
- SCAN-TV.ORG Click *Scan on the Web (Pacific Time)*. Ch.23: Wed. 7 am Ch.77: Mon. 11 am
- WUWF.ORG Click *Watch WUWF-TV*. Last Mon 4:30-5 pm (Eastern)

INTERNATIONAL

THE PHILIPPINES

- MANILA Ch.3: Tue 9:30 pm

ALABAMA

- UNIONTOWN GY Ch.2: Mon-Fri every 4 hours; Sun Afternoons

ALASKA

- ANCHORAGE GCI Ch.9: Thu 10 pm

CALIFORNIA

- CONTRA COSTA CC Ch.26: 2nd Tue 7 pm
- COSTA MESA TW Ch.35: Thu 5:30 pm
- LANCASTER/PALMDALE TW Ch.36: Sun 1 pm
- LONG BEACH CH Analog Ch.65/69 & Digital Ch.95: 4th Tue 1-1:30 pm
- ORANGE COUNTY (N) TW Ch.95/97/98: Fri 4 pm

COLORADO

- DENVER CC Ch.56 Sun 10 am

CONNECTICUT

- GROTON CC Ch.12: Mon 5 pm
- NEW HAVEN CC Ch.23: Sat 6 pm
- NEWTOWN CH Ch.21: Mon 12:30 pm; Fri 7 pm
- NORWICH CC Ch.14: Thu 7:30 pm
- SEYMOUR CC Ch.10: Tue 10 pm

DISTRICT OF COLUMBIA

- WASHINGTON CC Ch.95 & RCN Ch.10: Irregular

FLORIDA

- ESCAMBIA COUNTY CX Ch.4: Last Sat 4:30 pm

ILLINOIS

- CHICAGO CC./RCN/WOW Ch.21: Irregular
- PEORIA COUNTY IN Ch.22: Sun 7:30 pm
- QUAD CITIES MC Ch.19: Thu 11 pm
- ROCKFORD CC Ch.17 Wed 9 pm

IOWA

- QUAD CITIES MC Ch.19: Thu 11 pm

KENTUCKY

- BOONE/KENTON COUNTIES IN Ch.21: Sun 1 am; Fri Midnight
- JEFFERSON COUNTY IN Ch.98: Fri 2-2:30 pm

LOUISIANA

- ORLEANS PARISH CX Ch.78: Tue 4 am & 4 pm

MAINE

- PORTLAND TW Ch.2: Mon 1 & 11 am; 5 pm

MARYLAND

- ANN ARUNDEL CC Ch.99; FIOS Ch.42: Tue & Thu: 10 am; Fri & Sat: midnight
- P.G. COUNTY CC Ch.76 & FIOS Ch.42: Wed & Fri: 6 pm
- MONTGOMERY COUNTY CC/RCN/FIOS Ch.21: Tue 2 pm

MASSACHUSETTS

- BROOKLINE CV & RCN Ch.3: Mon 3:30 pm; Tue 3:30 am; Wed 9 am & 9 pm;
- CAMBRIDGE CC Ch.10: Tue 2:30 pm; Fri 10:30 am
- FRANKLIN COUNTY (NE) CC Ch.17: Sun 8 pm; Wed 9 pm; Sat 4 pm
- QUINCY CC Ch.8: Pop-ins.
- WALPOLE CC Ch.8: Tue 1 pm

MICHIGAN

- BYRON CENTER CC Ch.25: Mon 2 & 7 pm
- DETROIT CC Ch.68: Irregular
- GRAND RAPIDS CC Ch.25: Irreg.
- KALAMAZOO CH Ch.20: Tue 11 pm; Sat 10 am
- KENT COUNTY (North) CH Ch.22: Wed 3:30 & 11 pm
- KENT COUNTY (South) CC Ch.25: Wed 9:30 am
- LAKE ORION CC Ch.10: Mon/Tue 2 & 9 pm
- LANSING CC Ch.16: Fri Noon
- LIVONIA BH Ch.12: Thu 3 pm
- MT. PLEASANT CH Ch.3: Tue 5:30 pm; Wed 7 am
- SHELBY TOWNSHIP CC Ch.20 & WOW Ch.18: Mon/Wed 6:30 pm
- WAYNE COUNTY CC Ch.16/18: Mon 6-8 pm

MINNESOTA

- ALBANY AMTC Ch.13: Tue & Thu: 7:30 pm
- CAMBRIDGE US Ch.10: Wed 6 pm
- COLD SPRING US Ch. 10: Wed 6 pm
- COLUMBIA HEIGHTS CC Ch.15: Tue 9 pm
- DULUTH CH Ch.20: Mon 9 pm; Wed 12 pm, Fri 1 pm
- MARSHALL Prairie Wave & CH Ch.35/8: Sat. 9 am
- MINNEAPOLIS TW Ch.16: Tue 11 pm
- MINNEAPOLIS (N. Burbs) CC Ch.15: Thu 3 & 9 pm
- NEW ULM TW Ch. 14: Fri 5 pm
- PROCTOR MC Ch. 12: Tue 5 pm to 1 am
- ST. CLOUD CH Ch.12: Mon 6 pm
- ST. CROIX VALLEY CC Ch.14: Thu 1 & 7 pm; Fri 9 am
- ST. LOUIS PARK CC Ch.15: Sat/Sun Midnite, 8 am, 4 pm
- ST. PAUL CC Ch.15: Wed 9:30 pm
- ST. PAUL (S&W Burbs) CC Ch.15: Wed 10:30 am; Fri 7:30 pm
- SAULK CENTRE SCTV Ch.19: Sat 5 pm

- WASHINGTON COUNTY (South) CC Ch.14: Thu 8 pm

NEVADA

- BOULDER CITY CH Ch.2: 2x/day: am & pm
- WASHOE COUNTY CH Ch.16: Thu 9 pm

NEW HAMPSHIRE

- CHESTERFIELD CC Ch.8: Wed 8 pm
- MANCHESTER CC Ch.23: Thu 4:30 pm

NEW JERSEY

- BERGEN CTY TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- MERCER COUNTY CC Trenton Ch.26: 3rd & 4th Fri 6 pm
- WINDSORS Ch.27: Mon 5:30 pm
- MONTVALE/MAHWAH CV Ch.76: Mon 5 pm
- PISCATAWAY CV Ch.15: Thu 11:30 pm
- UNION CC Ch.26: Irregular

NEW MEXICO

- BERNALILLO COUNTY CC Ch.27: Tue 2 pm
- LOS ALAMOS CC Ch.8: Wed 10 pm
- SANTA FE CC Ch.16: Thu 9 pm; Sat 6:30 pm
- SILVER CITY CC Ch.17: Daily 8-10 pm
- TAOS CC Ch.2: Thu 7 pm

NEW YORK

- ALBANY TW Ch.18: Wed 5 pm.
- BETHLEHEM TW Ch.18: Thu 9:30 pm
- BRONX CV Ch.70: Wed 7:30 am
- BROOKLYN CV Ch.68: Mon 10 am TW Ch.35: Mon 10 am RCN Ch.83: Mon 10 am FIOS Ch.43: Mon 10 am
- BUFFALO TW Ch.20: Wed & Fri 10:30-11pm
- CHEMUNG/STUEBEN TW Ch.1/99: Tue 7:30 pm
- ERIE COUNTY TW Ch.20: Thu 10:35 pm
- IRONDEQUOIT TW Ch.15: Mon/Thu 7 pm
- JEFFERSON/LEWIS COUNTIES TW Ch.99: Irregular
- MANHATTAN TW & RCN Ch.57/85 Fri 2:30 am
- ONEIDA COUNTY TW Ch.99: Thu 8 or 9 pm
- PENFIELD TW Ch.15: Irregular
- QUEENS TW Ch.56: 4th Sat 2 pm RCN Ch.85: 4th Sat 2 pm
- QUEENSBURY TW Ch.71: Mon 7 pm
- ROCHESTER TW Ch.15: Sun 9 pm; Thu 8 pm
- ROCKLAND CV Ch.76: Tue 5 pm
- SCHENECTADY TW Ch.16: Fri 1 pm; Sat 1:30 am
- STATEN ISLAND TW Ch.35: Mon & Thu Midnite. TW Ch.34: Sat 8 am
- TOMPKINS COUNTY TW Ch.13: Sun 12:30 pm; Sat 6 pm

- TRI-LAKES TW Ch.2: Sun 7 am, 1 pm, 8 pm
- WEBSTER TW Ch.12: Wed 9 pm
- WEST SENECA TW Ch.20: Thu 10:35 pm

NORTH CAROLINA

- HICKORY CH Ch.6: Tue 10 pm
- MECKLENBURG COUNTY TW Ch.22: Sat/Sun 11 pm

OHIO

- AMHERST TW Ch.95: 3X Daily
- CUYAHOGA COUNTY TW Ch.21: Wed 3:30 pm
- OBERLIN Cable Co-Op Ch.9: Thu 8 pm

OKLAHOMA

- NORMAN CX Ch.20: Wed 9 pm

PENNSYLVANIA

- PITTSBURGH CC Ch.21: Thu 6 am

RHODE ISLAND

- BRISTOL, BARRINGTON, WARREN Full Channel Ch.49: Tue: 10 am
- EAST PROVIDENCE CX Ch.18; FIOS Ch.25: Tue: 6 pm
- STATEWIDE RI INTERCONNECT CX Ch.13; FIOS Ch.32 Tue 10 am

TEXAS

- HOUSTON CC Ch.17 & TV Max Ch.95: Wed 5:30 pm; Sat 9 am
- KINGWOOD CB Ch.98: Wed 5:30 pm; Sat 9 am

VERMONT

- BRATTLEBORO CC Ch.8: Mon 6 pm, Tue 4:30 pm, Wed 8 pm
- GREATER FALLS CC Ch.10: Mon/Wed/Fri 1 pm
- MONTPELIER CC Ch.15: Tue 10 pm; Wed 3 am & 4 pm

VIRGINIA

- ALBEMARLE COUNTY CC Ch.13: Sun 4 am; Fri 3 pm
- ARLINGTON CC Ch.69 & FIOS Ch.38: Tue 9 am
- CHESTERFIELD COUNTY CC Ch.17; FIOS Ch.28: Mon 1 pm
- FAIRFAX CX & FIOS Ch.10: 1st & 2nd Wed 1 pm; Sun 4 am. FIOS Ch.41: Wed 6 pm
- LOUDOUN COUNTY CC Ch.98 & FIOS Ch.41: Wed 6 pm
- ROANOKE COUNTY CX Ch.78: Tue 7 pm; Thu 2 pm

WASHINGTON

- KING COUNTY CC Ch.77: Mon 11 am, Wed 7 am BS Ch.23: Mon 11 am, Wed 7 am
- TRI CITIES CH Ch.13/99: Mon 7 pm; Thu 9 pm

WISCONSIN

- MARATHON CH Ch.10: Thu 9:30 pm; Fri 12 Noon
- MUSKEGO TW Ch.14: Sat 4 pm; Sun 7 am

WYOMING

- GILLETTE BR Ch.31: Tue 7

MSO Codes: AS=Astound; BD=Beld; BR=Bresnan; BH=BrightHouse; BS = Broadstripe; CV=Cablevision; CB=Cebridge; CH=Charter; CC=Comcast; CX=Cox; GY=Galaxy; IN=Insight;

MC=MediaCom; TW=TimeWarner; US=US Cable. FIOS=Verizon FIOS-TV.

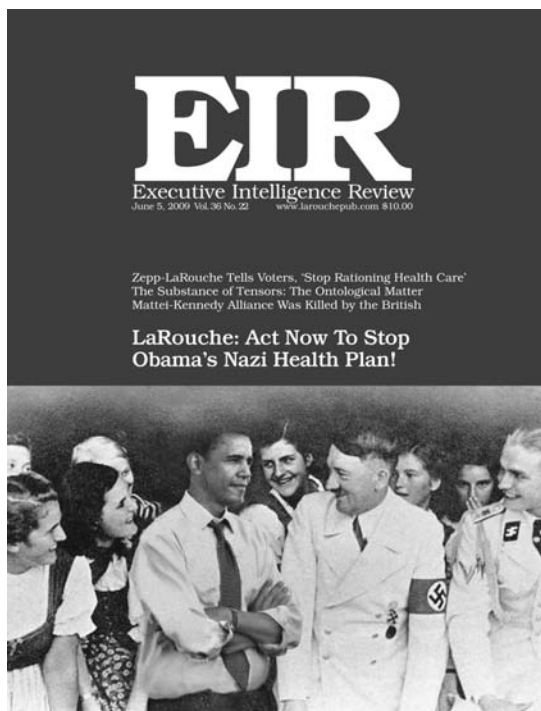
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