

Democrats, Wake Up!

by Lyndon H. LaRouche, Jr.

The LaRouche Political Action Committee (LPAC) released this statement on May 23, 2007.

The presently deteriorating political situation in the process of the Federal government's deliberations on critical issues in today's U.S.A. demands some frank speech from me now. During the days and weeks ahead, I shall formulate a programmatic policy-statement of the type urgently needed by leading political parties which have shown themselves currently unable to grasp the actual situation which menaces our own and other nations today. Therefore, for the present moment, I fill in the political gap left by the major party leaderships with a relatively few words to the wise.

Westward, south of Scandinavia, across continental Europe, from the borders of Russia and Belarus, and in the United Kingdom, Europe has become a spectacle of already failed, or failing incumbent governments. This is also virtually the present internal political condition of the U.S.A., a fact which I find the most notable characteristic presently among the present national leaders of the U.S. Democratic Party organization. For me, the most shameful of these spectacles is the chronic failures shown by the leaderships of both the Republican and Democratic parties, especially since February 2006.

Naturally, in this report, my special attention to relevant lessons from the recent past, is focussed on the breakdown of the Democratic Party leadership since the overlapping incidents of the Alito confirmation, and the wretched way in which the Senate Democrats and Republicans, alike, sat on their hands while the core of U.S. industry, the auto industry, went under without a finger lifted by either party in our nation's defense against this terrible thing. Nonetheless, my passion is concentrated less on what has already happened, but on something far, far worse, which is about to happen,

soon, unless our elected leaders mend their negligent ways.

In both Europe and the U.S.A. itself, the key to the waves of virtual abandonment of the functions of national sovereignty, is to be recognized in the interdependent, combined effects of the submission to a form of rape and looting, which the combination of hedge-fund looting, and destruction of national sovereignty by globalization, represents. In effect, the U.S.A. and most of the population of western and central Europe have submitted, under the banner of globalization, to be sent in the direction of a threatened early return to a kind of imperial tyranny which was last seen in European history with the medieval alliance of a Venetian financier oligarchy and a brutish Norman chivalry.

In the meantime, the combination of the British Labour Party government and the Bush-Cheney maladministration, have committed repeated grossly impeachable offenses, while the Congress whimpers that it can do nothing for defense of our nation's Constitution against a usurper, the Vice-President Cheney—better called the President of Vice—who has used the President of the U.S. as he were like a badly maintained toilet-brush. It appears, that, like Hamlet, our Congress and our leading, pigeon-livered political parties, can do nothing for our nation's cause.

The fault lies not in our stars, "Dear Brutus," but in the fact that those who would be seen as our leaders, are showing the mentality of underlings whenever they are faced with the tyrants of wildly careening financier power.

Worst of all, some among the persons complicit in allowing this state of national affairs to prevail, are currently candidates for nomination to become the President of our United States. The acceleration of the early Presidential primaries has been particularly disgusting on this specific account. If that present trend were allowed to continue, the decision on leading candidates for the Presidential nomination would be

made before any serious debate on the systemic substance on leading issues could occur.

‘You Call These Candidates?’

So far, the candidates’ debates among one another, have evaded any substantive commitment on any subject of actually crucial importance for our republic at this time. “Touchy-feely” issues predominate, while such facts are ignored as a world faced with the presently oncoming threat of an early outbreak of the greatest financial and economic collapse in modern world history, and the fact that the cowardice shown by the Senate so far presents us now, not only with a nearly four-year-long, endless war in both Iraq and Afghanistan, but a serious threat of even a thermonuclear exchange among the powers of Eurasia, and, probably, also involving the U.S.A. On both of those exemplary issues, the candidates so far, have nothing useful to say. They are inclined, instead, either to flat (and frankly false) denials of such dangers, or whimpering protests of the form of “Please, please, please, don’t tell me it is really so!”

On the subject of the economy, the worst damage is being done by those hedge funds which have destroyed the U.S.-owned automotive industry, in favor of cheap-labor types of foreign-owned replacements, which are the same hedge funds which appear to be buying up leading candidates for the Presidential nomination.

Recently, the same United Kingdom government whose wild-eyed, flagrant lies led the United States into the presently endless war in Iraq, has orchestrated a threatened conflict with the thermonuclear powers Russia and China. In all cases, the drive toward war is pushed by lies of leading governments who are, nonetheless, treated as “respectable” by at least most of our leading candidates for Presidential nominations.

Meanwhile, our friends in western and central Europe are in terrible shape politically and otherwise. What were formerly the Soviet-dominated Comecon states of eastern Europe, are in worse economic condition today than under Soviet domination, and are, with one or two exceptions, at most, in wretched internal political condition as well, inclined to a reckless form of arrogance which is in direct proportion to their lack of competence. None of these nations, as also the U.S.A., have shown any capability of defending themselves against the predatory forces of the hyena-like packs of hedge funds which are consuming the bone and marrow of those nations’ welfare.

In Europe, the prevalent trend is toward fragmentation of political parties, thus creating weak, minority forms of parliamentary governments, or inherently weakened forms of coalition governments, a state of affairs with very ugly potential consequences under present world conditions. Typical are Belgium’s case, on the one hand, and the fact that in recent elections in the United Kingdom, there were incongruent patterns of results in elections in England, Scotland, and Wales,

with Labour generally losing ground in these cases. There is, after all, the danger of “too much democracy,” under conditions of crisis in which no party is able to win majority support for urgently needed remedies for crisis.

What I Have Proposed

The crux of the world’s strategic situation now, is the onrushing breakdown of the world’s economy, chain-reaction style, under the impact of the greatest hyperinflationary bubble in world history. This is a bubble, centered in the pure swindle known as “hedge funds,” which is centered in a lunatics’ delusion far worse than the John Law-style bubbles of Europe’s early Eighteenth Century. Unless leading nations, such as the United States, take actions to put the present world monetary-financial system under governmental reorganization in bankruptcy, the entire world will be plunged, soon, into the kind of chain-reaction collapse which sent Europe into a great new dark age during the middle of the Fourteenth Century.

Any concerned person has merely to look at the mass of nominal hedge-fund capitalization to see the indication that there is no way that that mass of financial claims could survive. Only a general reorganization of what is presently the world’s inherently bankrupt monetary-financial system could avert an early collapse of the planet as a whole into a prolonged dark age. One third of Europe’s population was wiped out in this way during the Fourteenth-Century dark age; the threat today would cut much deeper.

The obvious problem is, that although the U.S. abandoned its effective control over its own dollar, as it did this under the professional direction of George Shultz during 1971-72, the U.S. dollar has remained the principal denominator of international debt among the nations of the world as a whole. A collapse of the dollar would not eliminate just the U.S.A.; it would set off a global chain-reaction in the monetary-financial system, wiping out most of the booked valuation of claims against the U.S. dollar, while collapsing economies around the world through a collapse of the dollar-related markets. When the hedge-fund bubble is factored in as part of the bubble ripe for popping, we have a situation today which is far worse as a threat to humanity of this planet, than the collapse of the House of Bardi set off during the middle of the Fourteenth Century.

The only remedy for this threat would be putting the world financial-monetary system as a whole into reorganization by a concert of governments, and conducting the management of that bankrupt system under principles modeled on the Franklin Roosevelt Administration’s design for a fixed-exchange-rate, protectionist system. Otherwise, the entire planet goes to Hell! That is the only choice actually available to you. One or the other decision; there is no significant in-between. You thought you had enjoyed the meal; now, you are faced with paying the bill for your indulgence in a deregulated, free-trade system of

attempted globalization.

There are some governments which would not accept that reform, unless they were given no feasible alternative. To push through the needed reform, we would require a concert of agreements among no less than the combination of the U.S.A., Russia, China, and India. We would expect a number of additional nations, hopefully including Japan, to support this decision, and then most of the rest of the planet would join, whether with a hearty laugh (perhaps from Argentina, among others), a smile (perhaps from Italy), or only an assenting grimace (from certain others).

This reform of the monetary system, would require the replacement of a monetarist system by the kind of credit system embedded in the intention of the U.S. Federal Constitution. The bulk of the credit needed would be devoted to capital formation in long-term investments, pivoted on a large mass dedicated to the basic economic infrastructure required by a modern standard of productivity and living, and a matching high-technology driver in agriculture and industry.

Actually intelligent U.S. politicians would agree with my proposal, if only because, if they are really intelligent, they would recognize that they have no sane alternative.

Only Four Powers Can Stop World War

by Jeffrey Steinberg

It must be said, fairly, that when the Democratic Party leadership in the U.S. Congress shamelessly capitulated to Vice President Dick Cheney, and abandoned their commitment to impose a withdrawal timetable on the Iraq war supplemental funding bill, none among them were consciously thinking that their act of cowardice might have brought the planet significantly closer to World War III. Despite their collective failure to comprehend the consequences of their action, the sad truth is that the world is now significantly closer to a global “permanent war/permanent revolution” than at any time in the period since the death of U.S. President Franklin D. Roosevelt.

In a stinging commentary on the Democratic Congressional leadership failure, Lyndon LaRouche issued a statement on May 23, warning that “The Democratic leadership has lost the confidence of their own core political base” by refusing to impeach Cheney. “And they are unwilling to take the only steps that would regain it. You cannot mobilize public opin-

ion,” LaRouche continued, “without mobilizing the base of the Democratic Party.” The Cheney impeachment, LaRouche concluded, “is the key domestic issue. All U.S. politics at this moment centers on the ouster of Cheney.” LaRouche argued that by energizing the Democratic base by pushing Cheney’s impeachment, the political conditions would be created where a large number of Republicans would join in the effort, and the removal of the Vice President would be a done deal—before the end of 2007.

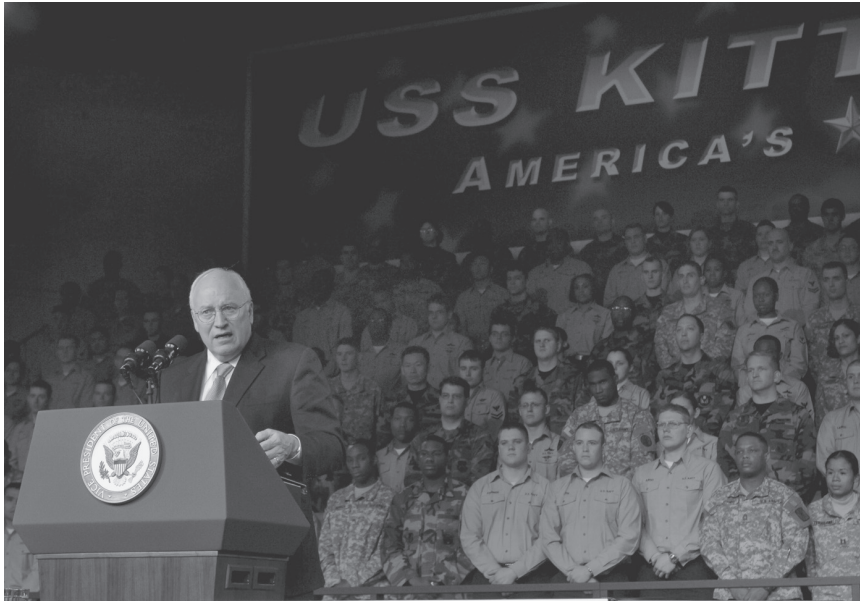
The Larger Strategic Context

To properly situate the Cheney impeachment battle and the threat of World War III, it is necessary to spell out some key characteristics of the present global situation.

First and foremost, the entire post-Bretton Woods financial system is in its death-throes. Nothing by way of reform of the present floating-exchange-rate system can work. While former Federal Reserve Board Chairman Alan Greenspan “postponed the inevitable,” from October 1987 onward, through a “wall of money” hyperinflationary policy, which could still stall the day of reckoning for weeks or months longer, the prospect of the present financial system remaining intact through the next 12 months is remote at best. Furthermore, the growing monopoly of offshore hedge funds and private equity funds over the physical economies of Europe and the Americas, has done so much damage to global physical production, that any further delay in implementing a fundamental systemic change would have unfathomable consequences. With anti-science swindles like Al Gore’s “global warming” and “ethanol” further eroding the planet’s dwindling productive capacities, the world is facing famine, disease, and other man-made crises on an unprecedented scale.

Second, the Cheney policy of preventive war, even nuclear war, which has been the dominant London-imposed policy of the Washington, D.C. “war party” since Cheney’s tenure as Secretary of Defense under President George H.W. Bush, is not merely directed at the so-called “Axis of Evil” (Iraq, Iran, and North Korea). The real targets are Russia, China, and to an only slightly lesser extent, India, the three great Eurasian powers. Recent unilateral American and NATO moves, such as the planned deployment of ABM systems in Central Europe and the Baltics, the European Union- and Washington-sponsored “rainbow revolutions” on all of Russia’s immediate borders, and threats of preemptive attacks on Russia’s southern neighbor Iran, constitute a “reverse Global Showdown,” in which both Moscow and Beijing see themselves as the ultimate targets for a new Cold War, or worse.

Third, as the consequence of the combined assault on the nation-state system from the London-directed private offshore financier operations, and the British Arab Bureau’s Dr. Bernard Lewis’s “clash of civilizations,” most nations today



U.S. Navy/Todd P. Cichonowicz

The Democrats' gutless refusal to organize support for Dick Cheney's impeachment places the world closer to "permanent war" than any time since the death of FDR. Here, Cheney growls aboard the USS Kitty Hawk in Yokosuka, Japan, Feb. 21, 2007.

are facing a crisis of ungovernability. In many parts of the world, this is taking the form of sectarian and communal asymmetric warfare. Much of Africa, Southwest Asia, and Ibero-America is facing this crisis at this moment.

Even in the United States, the attempt to rig the 2008 Presidential elections, through hedge-fund financing of pre-selected candidates, and the scheme to determine the nominees of both parties by the first two months of the new year, through the front-end-loading of the scheduled primaries, could trigger popular anger and social chaos. The collapse of the home mortgage bubble, already under way, threatens parts of the country with mass evictions and foreclosures, further adding to the potential for widespread domestic social unrest.

The Iran Showdown

In this overall context, the intent of Dick Cheney and his London backers to stage a military confrontation with Iran before the Bush-Cheney Administration leaves office, is of special note. Recent inspections of Iran's nuclear sites by the International Atomic Energy Agency confirm that Iran has developed the capacity for enriching nuclear fuel. IAEA head Dr. Mohammed ElBaradei has demanded that the West engage Iran in direct negotiations, to establish an inspection regime to assure that the nuclear energy program is not "weaponized."

Employing the same propaganda techniques that sold Congress on the need to invade Iraq, the Cheney war party is intent on turning Iran's nuclear program into a *casus belli*, justifying a preventive bombing campaign, that could, ultimately,

involve the use of mini-nukes. As one Washington source put it, "The clock has been running for several months" on a confrontation with Iran.

It was in this context that LaRouche warned on May 24 that no "conventional" settlement of the Iran nuclear power issue, in the traditional framework of IAEA inspections, the Nuclear Non-Proliferation Treaty (NPT), and European, Russian, and Chinese diplomatic efforts, can succeed in averting a confrontation—a confrontation that could quickly spiral into world war.

Nothing short of a revolution in world affairs, centered around a new collaboration among the Great Powers—the United States, Russia, China, and India—can avoid a disastrous global asymmetric confrontation, LaRouche insisted.

The good news is that Russian President Vladimir Putin has made it clear, in a series of recent gestures, that he understands this situation, and is looking

for an American partner in war avoidance. In the past month, Putin has conferred (during the funeral for Boris Yeltsin) with former American President Bill Clinton, about his desire to collaborate with a United States committed to a revival of the principles of President Franklin D. Roosevelt, according to sources. He has thrown his support behind the proposal to construct a Bering Strait tunnel, linking the Russian Far East to Alaska, and integrating the economies of Eurasia and the Americas for the first time.

The question on the table in Washington is: Will Putin find a partner in this war avoidance effort? Only a strategic alliance, anchored in Washington and Moscow, can offset the power of the private, offshore financial oligarchy, most visible in the hedge funds and private equity funds that are looting the industrial and agricultural wealth of Europe and the Americas. With China and India also backing such an effort, along with the vast majority of developing-sector smaller nation-states, the world could rapidly shift direction from a steady march to war, to a world of sovereign nation-states, collectively committed to physical economic development, for the benefit of all.

So long as Dick Cheney is in office, no such partnership can be realized. Remove Cheney from his current job, replace him with a competent and well-intended figure who will pursue this four-power alliance, and the vision of FDR of a prosperous world, free of the plague of colonialism and imperialism, can be made real.

That is the strategic significance of the Cheney issue today.