

## LAROUCHE WEBCAST

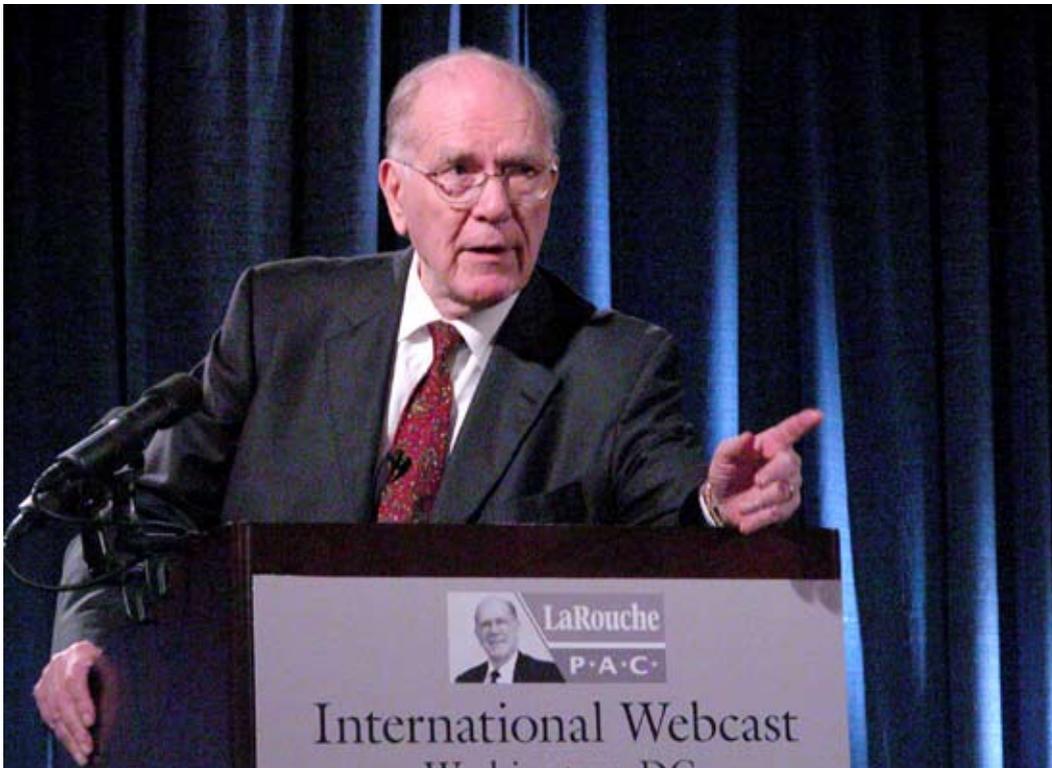
# The End of the Post-FDR Era

*Lyndon LaRouche addressed an international webcast on July 25, in Washington, D.C., which was attended by about 150 guests, and broadcast in full over the Internet, on [larouchepub.com](http://larouchepub.com) and [larouchepac.com](http://larouchepac.com), where it is archived. LaRouche's opening remarks were followed by two hours of dialogue. Here is an edited transcript.*

**Debra Freeman:** Good afternoon. My name is Debra Freeman, and on behalf of LaRouche PAC, I would like to welcome all of you to today's seminar. Just a short time ago when we met, Mr. LaRouche took up some profound questions, and the effect of those remarks is still reverberating in the halls of power here in Washington. At the same time, we are sitting on what is clearly a powder keg, in terms of the overall mood of the population, which today is, on a certain level, tired of debate, and wants to see action. I can tell you that, as we come into today's event, Congressman Conyers, who stands as the Chairman of the House Judiciary Committee, which is the venue where impeachment proceedings against Vice President Dick Cheney will begin, has taken the position that if three more members of the House sign on to Dennis Kucinich's impeachment resolution, that he will, in fact, begin impeachment proceedings. We just learned today, that that number has now dropped to two, because Congressman Brady of Philadelphia has signed on. [applause]

Up to this point, every time Lyndon LaRouche has done a presentation in Washington, D.C., within 48 hours, we have seen incredible things happen. To my mind, getting two members of Congress to sign on to this resolution—given the mood of the population, and given the fact that Mr. LaRouche is about to speak—is a piece of cake. So, ladies and gentlemen, please join me in welcoming Lyndon LaRouche. [applause]

**Lyndon LaRouche:** Thank you. Well, the time has come to make some history, to make a turning point in history, because there is no alternative. We have a military force, naval and others, stationed off the Indian Ocean region, which, contrary to all nonsense from idiots in the U.S. community, is a preparation for Cheney to unleash war against Iran, in terms of massive air attack. You don't move B-52s into the area, you don't move four task forces into that area, you don't do the other things that are being done unless you're prepared, while Congress is away, to launch war. The con-



EIRNS/Stuart Lewis

*“The time has come to make some history, to make a turning point... We’re in an impossible situation. But I love impossible situations; it’s some wonderful challenges,” LaRouche stated at the July 25 webcast.*

sequences of launching a war are unbelievable. This would be a different form of World War III; you could not put this back in the bottle. There are too many things that are unstable.

First of all, this occurs at a time when the world monetary-financial system is actually now currently in the process of disintegrating. There’s nothing mysterious about this; I’ve talked about it for some time, it’s been in progress, it’s not abating. What’s listed as stock values and market values in the financial markets internationally is bunk! These are purely fictitious beliefs. There’s no truth to it; the fakery is enormous. There *is* no possibility of a non-collapse of the present financial system—none! It’s finished, *now!* The present financial system can not continue to exist *under any circumstances, under any Presidency, under any leadership, or any leadership of nations.* Only a fundamental and *sudden change* in the world monetary-financial system will prevent a general, immediate chain-reaction type of collapse. At what speed we don’t know, but it will go on, and it will be *unstoppable!* And the longer it goes on before coming to an end, the worse things will get. And there is no one in the present institutions of government who is competent to deal with this. The Congress, the Senate, the House of Representatives is not currently competent to deal with this. And if the Congress goes on recess, *and leaves Cheney free,* then you might be kissing the United States and much more good-bye by September.

This is the month of August; it’s the anniversary of August 1914. It’s the anniversary of August 1939. The condition now is worse, objectively, than on either of those two occasions.

Either we can make a fundamental change in the policies of the United States’ government now, or you may be kissing civilization good-bye for some time to come. That’s the reality. Anyone who thinks differently is either just an incompetent, or an idiot, or a raving lunatic: *That’s reality.* Are you prepared to act *now?* If you’re *not* prepared to act, please leave the House of Representatives. If you’re not prepared to act, please leave the Senate; and above all, leave the Federal government, in terms of the key officials, because you’ll only make a mess of things. It’ll be worse with you there than if you just simply got out, and left it to a minority to solve this problem.

There are two things that must be done. Let’s start with the simplest thing, which is on the table now: Remember, impeachment is in the background, but impeachment is not the issue. The issue is *getting Cheney out.* You get Cheney out, now, and the situation can be made manageable. If you do not get Cheney out, you’re kissing civilization good-bye. If it survives, it’s not to your credit. And any Congressman who says he’s not going to get Cheney out now, should leave the premises *now,* as a final act of decency. If Nancy Pelosi and others—if they can’t get Cheney out now, if they’re not determined to do it *now, this month, before they leave Washington, they should quit now!* Submit their resignations, and let somebody who’s more competent come in, because it has to happen. *Cheney has to go!*

The impeachment process is not the process by which we get rid of Cheney. The process by which you get rid of Cheney

is that a number of gentlemen and ladies meet, and tell this jerk that he's gone; voluntarily, would be his best option. Get him out of there. Break the command structure. Isolate the idiot in the White House; he then becomes manageable. As long as Cheney is in there, he is not manageable. He has no brains, he has no intelligence, he has no judgment—he's a fool. But he was put into the Presidency because the people who put him there *knew* he was a fool. They put him in under the supervision of Cheney as his babysitter. Get Cheney out. Cheney is tied to the—I can go more into that. But this is what has to happen.

### **Pull Back the Troops in Southwest Asia**

Now, the first thing we're going to have to do: We're going to make a decision right away, to pull back the U.S. troops in Southwest Asia. You have to pull them back into holding positions. The fundamental thing we have to do, and it won't work by itself: The holding position means you're pulling the United States troops out of the conflict, into holding positions. Therefore, you are changing the positions of the U.S. troops from combatants, and the issue and the target, to a factor, in which a group of nations will make the decision to solve the problem. That, from a military and strategic standpoint, and a diplomatic standpoint, will work: It can be done. The algebra is known; a number of specialists have presented the algebra. *It will work!* As far as its motion is concerned, its mechanics will work, *but*, it won't work by itself. Not because it's not a good idea, not because it's not a workable idea, because *politically*, it's not adequate. You have to come up with something more. You have to come up with a group of nations, a group of powers, who recognize that the instability of this region is a threat to the continuation of civilization. And therefore, a remedy has to be forced through. And the only way, is that a group, a dominant group of nations says, "We agree. We are going to take the concerted power of our nations and insist that this happens. There will be no resistance. It will happen. We're going to have stabilization in this region."

This means what I proposed earlier. It can not be done unless we induce the idiot who's under adult supervision in the White House, without Cheney, to carry forth on what was started at Kennebunkport. Move in that direction, an inclination to move in that direction. Get Cheney out and go back into the Kennebunkport posture. At that point, the President of the United States, or the Office of the President of the United States, has to make an offer to Putin, and Putin will, without question, accept the offer. And that is, to build a coalition immediately, in the context of moving these troops, U.S. troops, away from the area of conflict, where all they are, are targets; they're not accomplishing anything, except being targets. If you want them to be targets, keep them there. The only function they're performing right now is as targets. Get them out of the target range.

All right, now, if we approach Russia and Putin, Putin will

accept the offer. If the United States government proposes to President Putin that the United States, Russia, China, with the support of India, become a sponsoring committee to build immediately a group among nations who are going to address these global problems which have to be dealt with immediately—because, smaller nations, individual nations can't do it. You have to change the world monetary-financial system immediately, and you can not do that with a couple of small nations. You can only do that from the top. You have to pull together the might of the world, the major powers of the world and those who will support them, and say, "We're going to change immediately the world monetary system. We're going to get rid of the floating-exchange-rate monetary system. We're going back immediately to a fixed-exchange-rate system." Because if we do not go back to a fixed-exchange-rate system, of the Franklin Roosevelt prototype, then there's no possibility of preventing a general collapse and disintegration of the world economy. It can't be done. Therefore, you have to have a power group which says, "We're going to save this planet from Hell."

One of the things which we're going to do, which is a trigger point, is to get something done in Southwest Asia: to get the U.S. troops out of the target range, and pull them into a holding position where they become a *factor* in negotiating the peaceful reconstruction of the region. That will not work by itself unless you have a power group which includes four powerful nations of this planet, and others, who decide that that's going to work. A power group which agrees that we're going back to a fixed-exchange-rate system, by government decree, as made by governments in concert. We're going to stop the floating-exchange-rate system, we're going to take steps to clean up the financial mess.

Most of the financial claims and the financial assets and obligations in the world today, are worthless. You have play money; the stock market is a fraud. The Treasury Department is committing a fraud. Most governments are committing fraud, and the British government is the worst of them all. The British government and the British system is the worst offender that we have to deal with on this planet. They organized this war, they organized most of the evil that is done in the world today. So, they will not be considered as having any veto rights in this matter. But the major powers are going to say: We're going to have to go back to a fixed-exchange-rate system. We're going to do it immediately, by treaty agreement, by signed agreement among countries. We're going to freeze a lot of things, and we're going make sure that things that have to be paid, things that have to go on, go on. That production is not cut; farming proceeds, food is produced, infrastructure is built, and so forth. And we'll have to build our way out of this process with steps which begin with these measures. And the measures are a matter of the will of a powerful group of nations, not just the four, but a powerful group of nations who agree that this has to be done, because Hell on Earth has to be prevented. And that's the only way it is going to happen.

# What Must Be Done in August



swiss-image.ch/Remy Steinegger

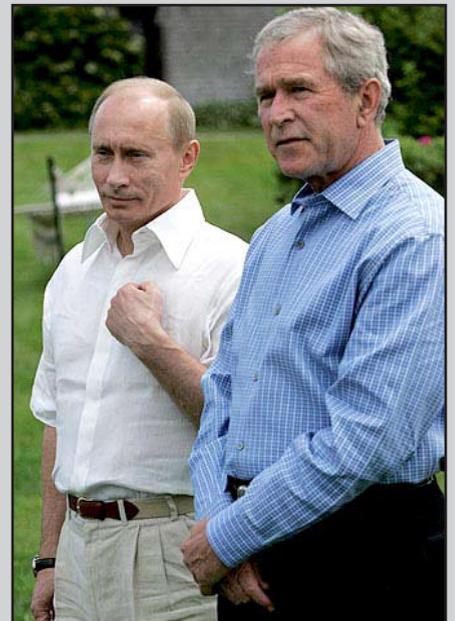
Vice President Dick Cheney

1. Get Cheney out!
2. Pull the troops in Iraq back into holding positions.
3. Approach Russian President Putin with a four-power plan: that the United States, Russia, China, and India take leadership to establish a fixed-exchange-rate monetary system, and negotiate the peaceful reconstruction of Southwest Asia.



U.S. Army/Sgt. Tierney Nowland

U.S. forces patrol in Baghdad, July 25, 2007.



Presidential Press and Information Office

Putin and Bush in Kennebunkport, Maine.

And therefore, to do this, we must remove Cheney. Anyone who is not prepared to remove Cheney, should immediately leave any official position in the U.S. government—right now! And they should be told to leave; they should be impeached, hounded out of office, or whatever is necessary. Get 'em out of there. They're an impediment! Because we're going to return this government, in particular, to its people. And you see what has happened with this contempt which the leaders of Congress have shown toward the people, the contempt they've shown toward the majority of elected representatives in the Congress; toward the majority of people who are out there who are their constituents? What right do they have to say they represent the people, when they're against the people? *The people want us out of Southwest Asia*, and anyone who is not prepared to do that is not going to have a hearing

with a great majority of the American people. More than three-quarters of the Democrats insist on this; more than half of the Republicans insist on this. Others will insist and join it *en masse* if they think it has a chance of surviving. That's what they want.

When you say you're going to get us out of that mess in Southwest Asia—that's even what the *New York Times* said today in an editorial column—when the American people hear that we are determined to actually get out of that mess in Southwest Asia, then, and only then, will the American people respond with confidence to their government. If you don't do that, you're worth nothing. You should get out of office; you're an impediment; you're an embarrassment. For the sake of your descendants, get out of office; don't disgrace them any further. They've got enough trouble with the debt you've left



EIRNS/Stuart Lewis

*“Anyone who is not prepared to remove Cheney,” LaRouche said, “should immediately leave any official position in the U.S. government—right now! Get ’em out of there.... Because we’re going to return this government to its people.” Here, the U.S. Capitol.*

them, on top of everything else. So, that’s the general outline of the situation.

So, you have to, on the one hand, if you don’t take the drastic action—*get out now!*—nobody’s going to listen to you. You’re a fool. Shut your mouth; no one wants to hear it. Don’t bother us with your babble anymore. Secondly, that’s not going to work by itself. But it opens the door for something else. It opens the door for the President of the United States, under adult supervision, without Cheney, going to Putin and saying, “We need this.” I guarantee you, reading the situation in Russia, Putin will say “Yes.” The United States will say to China, and Putin will say to China, “We want you in on it.” “Yes.” China will say “Yes,” because China has a number of problems which I understand very well, and they will say yes, if you speak the right way. In terms of India: India will be somewhat reluctant because it was too long under British influence, and they have to get rid of some of that problem. But nonetheless, India is seeing what is happening with the Pakistan destabilization, and Indian leaders who understand what that means, will say “Yes, we, too, have a problem. We are being used as a cat’s paw in respect to Iran.” The Pakistan situation is a cat’s paw in respect to Iran. It’s a cat’s paw of those who are determined to destroy India, too. And

Indian patriots don’t like the United States, particularly with the current treaty proposals being shoved down their throats. India will go along, in an Indian way; it’s not the same thing as China. China is simpler. If China says they’re going to do it, they’re going to do it.

All right. Now, four powers on this planet agree that we’re going to sponsor this type of approach, to getting out of the mess which has been created in the world today, and say, “The British have to be put under adult supervision.” Then we can begin to do certain things.

### **The Economic-Financial-Monetary Crisis**

Now, the big problem we have to deal with, as I mentioned before, is the economic-financial-monetary crisis. The United States is disintegrating. If a depression occurs, the United States will see conditions you won’t believe. Nothing in the past century, no depression, is comparable to what will hit the United States if this system collapses now. *We don’t have industry; we have destroyed our agriculture; we have destroyed our health-care system. We’ve destroyed almost everything that we’ve depended upon.* And if we lose the power of money—which we’re about to lose—as long as the U.S. dollar was around, and as long as world affairs were denominated in U.S. dollar exchanges, we had a certain strength in this world. Not because we were worth anything, we weren’t worth anything; we threw that away a long time ago. But we were worth something because the U.S. dollar was, in effect, a reserve currency of the world. Why? Because the currency of China depended upon the value of the U.S. dollar. The currency of many countries depended upon the value of U.S. dollar; the debts were denominated in dollars. And as long as we were respectable, people would respect us, and treat us nicely, because they were afraid of the collapse of the U.S. dollar. Once the U.S. dollar is collapsing, we ain’t nuttin’ no more!

Now, therefore, we have to put the dollar under a fixed-exchange-rate system again. And we have to start to rebuild what we’ve destroyed. We have to take what was being shut down, the auto industry—put these hedge funds out of business, foreclose them; they’re all swindles anyway. Start to rebuild the infrastructure capacity, the hi-tech infrastructure capacity, which existed in Michigan, in Ohio, in Indiana, in other places we’ve destroyed. Build up our infrastructure, our mass transportation systems. Restore the growth of our agriculture. Go back to a high-tech economy again, not a Baby-Boomer economy, not a synthetic diaper economy. And therefore, if we do not mobilize to go away from what has happened to us since 1968, to get away from the ’68er mentality, to get away from zero growth, to get away from post-industrial society, to go back to high-tech, to proliferate nuclear power—we need it.

I mean, the future of humanity is nuclear power. You want fresh water? You need nuclear power. We’re just about to unleash a prototype of nuclear plant which is specifically de-



Courtesy of Korea Hydro and Nuclear Power Co. Ltd.

*We need a 50-year perspective to go back to the American System, LaRouche said, to “go back to a high-tech economy, to proliferate nuclear power—we need it. The future of humanity is nuclear power.” Here, the six-unit Yongwang plant in South Korea.*

signed to make not only fresh water for us, but to make fuels, hydrogen-based fuels, made synthetically from water. And the world is going to go to 800-1,000 megawatt power units, which are of a new type, a fourth-generation type, which are efficient for producing fuels from water, hydrogen-based fuels, whose waste product is water. Much better than coal; much better than anything else. And certainly much better than using up our food supply and starving people to death so we can run our automobiles, and still function.

So, therefore, we’re going to go back to the American System. We’re going to go back to an image of the United States as if we had remembered Franklin Roosevelt and what he did in the 1930s. What he did in the United States, saving the world from Hitler. Because without us, without Franklin Roosevelt, Hitler would have won. The British would have joined him. They already had joined him; they created him, after all. So therefore, we have to go back to that image. The world needs it.

Let’s take the case of China. Now, China has a population of 1.4 billion people, and India has 1.1. Now China is—people think China is very wealthy; it’s not true. There are some wealthy people in China, there are some industries in China, which are important, but also, the majority of the population of China is extremely poor. And therefore, without a revolution in technology, affecting the infrastructure and so forth, of the masses of China, the massive area, China has not got a future. Therefore, we have to think about that. We have India; we have probably 70% of the population of India, even though about 30% of the population of India, 1.1 billion people, is in fair shape, the majority is in

worse shape than ever before. They’re short of water, they’re short of everything. They’re short of the conditions of life. They need development. All of Asia needs development. Desert areas need development. So, we have to go into a period of high-tech nuclear-fission-driven growth in basic economic infrastructure.

Well, for example, one case in which we just had some agreement on, in terms of the Bering Strait Tunnel project. If we proceed—and my proposal, of course, is magnetic levitation—to build this tunnel which connects this tip of Siberia with Alaska. Now, if we do that—and preferably if we use magnetic levitation as the mechanism—we build a line which runs throughout Europe, along the route of what Mendeleyev designed as the Trans-Siberian Railroad. We run a line down through Canada, through the United States, through the Isthmus of Panama, down into South America. We run the other line through the so-called Middle East, Southwest Asia, into Africa, and build trunk lines. If we do that, we can build a transportation system which has certain very interesting characteristics.

First of all, it’s fast—200, 300 miles an hour, or something like that. That’s good enough, isn’t it? It’s a lot cheaper than air flight, a lot more efficient, and it can carry more people, and does the job. And no airport jam-ups. It’s also for freight. If we can have an efficient system of moving people and freight across borders, across continents, the continent of Eurasia, the continent of the Americas, the continent of Africa: If we do that, we will have transformed this planet. If we do this with nuclear power, and go on to developing thermonuclear fusion technologies, including the management of the supply



*We've lived in this world for most of what we know of it under the influence of the oligarchical model, typified by Aeschylus' play Prometheus Bound, in which the Olympian Zeus punishes Prometheus by sentencing him to eternal torture for the crime "of lifting mankind above the level of animals, by allowing human beings to know how to use fire to improve the human condition," LaRouche said. This illustration from a Greek vase, ca. 500 B.C., depicts Prometheus (right) bound to a rock, with an eagle tearing out his liver.*

of our Periodic Table for the needs of humanity, we have then a prospect of a 50-year recovery program, because you're talking about a lot of very long-term investment in very capital-intensive heavy works, among other things. And these are like large river systems, water management systems, power systems, all these types of things, are 25- to 50-years' investment; some are longer. We have to change the character of the planet in terms of fresh water supplies, and things of that sort.

So, we have a 50-year perspective before us if we start it now properly. We have some very good ideas about what to do. We can begin to reverse the post-industrial society, and that's what we have to do. We're suffering from an ideology of post-industrial society.

Now, let's go back one step on this: Why post-industrial society? Why did this disease of post-industrial society come about?

We have a famous play by a great author, Aeschylus; it had three parts, a trilogy, but the middle part is the one we'll focus on: *Prometheus Bound*. You have this evil bastard, the god Zeus, Olympian Zeus, who proclaims to Prometheus, who has been taken captive, that he is going to be tortured—he can't kill him because he is immortal—but he can torture him forever, sort of the Guantanamo effect. And that he is going to be tortured because he committed the crime of lifting mankind above the level of animals, by allowing human be-

ings to know how to use fire to improve the human condition. That's the crime that Zeus condemned Prometheus for.

## The Oligarchical Model

We have lived in this world for most of what we know of it under the influence of what is called an oligarchical model. Sometimes it's called the Persian model, in the times of the Ancient Greeks, but it's generally known as the oligarchical model. The oligarchical model is typified in European history, by the Spartan model in Greece. It's typified by the Roman Empire; it's typified by the Byzantine Empire. It's typified by the Venetian system, with the alliance of Venetian bankers with Norman chivalry, which is a form of empire; and it's typified today by the Anglo-Dutch Liberal system, which has pretty much run most of the world, increasingly, since about February of 1763, when the British defeated the French and some others, and used a war in Europe to make Europe impotent; and the British East India Company—not the British Monarchy, but the British East India Company!—ran India, as a colony, with a private army, as a colony—not the British monarchy, but the *British East India Company*! The British East India Company ran a war against China! And they did all these kinds of things. And today, the British East India Company exists in the form of the BAE, which is being investigated for

its connections to what happened on 9/11. It's the one capability on this planet that could have done 9/11—and probably did.

So, this empire: This is an oligarchical system! And the oligarchy does not like a republican state. It does not like a state in which society's policy is based on raising the productive powers of humanity, through science and technology, and the use of that, to transform the planet, to raise the standard of living, to raise the knowledge, to elevate man; but rather like something out of a nightmare of Quesnay: It's to have peasants who are treated as cows on the estate, on the assumption that the profit of the estate, as Quesnay specified, and Adam Smith admired him for this—the profit of the estate is due to the magical powers of the ownership of the title to nobility! So, you pay your peasants, who work on the farm, on the basis that you support your cows, until you decide to slaughter them. But you don't give them any more—you don't give them any credit for creating wealth. You treat them like cattle.

That's the oligarchical society. Whereas, somehow, the magical powers of ownership bestow upon the owner the riches which are produced by society: the oligarchical model.

So the historical struggle of humanity is centered around the struggle, at least in known history, the struggle for the *republic*, in which the commonwealth, the well-being of mankind in society as a whole, is the standard of

government, the standard of policy. As opposed to government and the masses of people as an object of convenience, for a few wealthy or otherwise powerful landowners, or people-owners.

And that's the struggle. That's the meaning of the Roman Empire. That's the meaning of the Byzantine Empire. That's the meaning of the Venetian chivalry system. That's the meaning of the British Empire. And that's the meaning of every petty, tyrannical regime which has ever cursed this planet.

And therefore, the issue is, the nature of man, the nature of the human individual. Is the human individual an animal, who simply has dog-like characteristics, or cow-like characteristics, certain species-characteristics given by a biological endowment? Or is mankind the human *mind*? Is mankind the creative being that Zeus hated? The individual who can create, discover universal physical principles, and apply the knowledge of these principles to change the condition of life for humanity, and to conquer man's problems as a whole?

Is the individual sacred? Is the individual human being different than a mere animal? Do we have the kind of society which fosters that fact, and bases relations within society on the basis of the knowledge that the human individual is not an animal, but has a power of reason, the power of discovering new universal physical principles, and artistic principles, which no animal can do? And that we desire a society, a form of society, which we call a republic, or a commonwealth, in which the well-being of *all* of the people in society, and their descendants, will have a constantly *improved* condition of life, a constantly *improved realization* of the meaning of their life in the eyes of their grandchildren, and great-grandchildren, and so forth to come. And of other nations too.

And that's what the struggle is about.

## Democratic Desertion

The change came with Roosevelt's death. Roosevelt represented that principle. He was the epitome of that principle, and for that reason, people like Felix Rohatyn *hate him*. There was a meeting in the Spring of 2005. As you'll recall, I had some success in sparking the Democratic Party and others to lead in the defense of Social Security against George W. Bush. And we had a very successful mobilization in that respect. We did save the Social Security system. But unfortunately, beginning in the Spring of 2005, my fellow Democrats deserted one side of the cause. They continued to defend Social Security, but we'd also raised the question that we had to defend the birthright of the nation, as represented by its automobile industry. Not simply for making automobiles, but for making all kinds of things, like rebuilding river systems, and so forth, which that industry, because of its tool-making capacity, had provided us, during World War II, and so forth. And still could.

We had a rotting system in the United States, and we, the



National Archives

*President Franklin Roosevelt built up the U.S. industrial capability in-depth during World War II, under conditions of crisis. Now the Democratic Party, under the thumb of Felix Rohatyn, is allowing it to be crushed. Here workers assemble the pilot's compartment of a plane in 1942.*

members of the Congress, *allowed* this capacity, this idle capacity of the automobile industry, which is the machine-tool sector, the infrastructure-building capacity—we allowed that to be disassembled, and destroyed! Instead of fixing up what had happened in Katrina, in Louisiana, and so forth; instead of fixing our rivers; instead of fixing our transportation system; instead of restoring our health care system; we destroyed a precious part of our capability as a nation, of taking care of our own needs.

Who did it? The leadership of this came from the Democratic Party. There was a meeting, in which the subject was me. The meeting was organized by Felix Rohatyn, who is a fascist. He's a guy who played a key role in putting Pinochet into power in Chile, which tells you what his character is. If you knew what he did in Big MAC in New York, you know what his character is. The guy's a fascist, together with George Shultz, and people of the same type. And his argument was very clear at this meeting. His argument was: We don't want a LaRouche. Why? Because LaRouche is like Franklin Roosevelt, and we don't want another Franklin Roosevelt. We have to *stop* another Franklin Roosevelt.

So the Democratic Party, which Felix Rohatyn consid-

ers himself a controller of, moved to sideline what I was doing. Backed off. And you saw the result.

The Democratic Party participated in condoning a takeover of the Supreme Court, or a near takeover, by a fascist organization called the Federalist Society! That fascist organization is built around the ideas of Carl Schmitt, the man who *designed the Hitler dictatorship!*

Are they Nazis? Of course they're Nazis.

It's just like the Bank for International Settlements is a Nazi institution too—how the thing was organized. So, they're back at it. And Pinochet's a Nazi. Pinochet's also part of the British organization, the BAE. He's dead now, but he's still a part of it. Now his deadness makes him a much more confirmed part of it, and tradition.

Who else? George Shultz created that monster also. Others created it. Pinochet not only was Nazi in his thinking, but his government, with the backing of Shultz, and with the participation of Rohatyn, ran Operation Condor, which was a genocide operation in the Southern Cone of South America, which was run by a third-generation of the Nazis! Who were imported for that reason. This is what we're dealing with.

You say, why is it that Nazis are bad? Well, it's not just that Nazis are bad. Nazis are a product of the belief in oligarchical society. Look back in history. What did the Roman legions do? They ran extermination operations against populations too! That was their method. Exterminations as a method of controlling society. They ran the gladiator system, didn't they? What is that? The same thing.

Now the problem is, you have a mentality which is loose, typified by Felix Rohatyn, and Felix is treated as respectable in the Democratic Party! He may not have a swastika, a *Hakenkreuz* on his sleeve, but he has one in his heart. That's what he does. Look at what he does. Look at Big MAC in New York. It was a swindle. Highway robbery! They looted the city! They wanted to get the human beings out of there, and you had to conceal your membership card in the human race, and just show you were very rich, and you could live in New York City. Unless you came in as slave labor, or something, to maintain things.



*The founders came to America, LaRouche said, "to bring the best of European culture here, to build a nation, to be a cynosure for nations of the world as a model republic, the way that humanity should live." Here, the Statue of Liberty.*

But the problem here is this ideological problem. It permeates this society.

## The Physical Conditions of Life Are Collapsing

We have, for example: Look at the United States, look what's happened to it, since 1970-71. Look at what has happened to the lower 80% of the family-income brackets of our households, as opposed to earlier, under Roosevelt, in that Roosevelt tradition. Look around the world at systems. What do you see?

The objective physical conditions of life, the conditions necessary for *human* qualities of life, of our people, the lower 80%, have been collapsing at an accelerating rate since 1977. Collapsing, consistently: There's been no prosperity in the United States! Not for the lower 80% of family income brackets. Anyone who says so is a fool, or a liar. Everything is worse. Look at health care. Look at the cost of housing. Look at the quality of education. For the lower 80% of the family-income brackets in the United States, everything has become consistently worse. And the means by which we had a higher standard of

living, was destroyed, as part of the program of the Rockefeller Trilateral Commission. This policy destroyed the United States: destroyed our agriculture, destroyed our industry, destroyed our infrastructure.

It was continued under the Reagan Administration. It accelerated under the Bush I Administration. Clinton wasn't on to it yet; he didn't understand it yet. Bill Clinton probably now does understand it, but he didn't understand it when he was President. He made the mistake of thinking that Al Gore was human; that's a big mistake. Remember the coal mine—"16 Tons" and the company store. Al Gore owned that place, that got that song written about it. That's Al Gore. The guy's no good, and he comes from a background of a daddy who was no good either. Something that cross-bred with a possum up in the swamps of Tennessee. You know how they are.

Anyway, the problem is, the *cultural* problem is that our people have come to accept the idea of an oligarchical model in society, even in these United States. We accept the injustice which is heaped upon the lower 80% of our income brackets. We accept the injustice that's done in many other

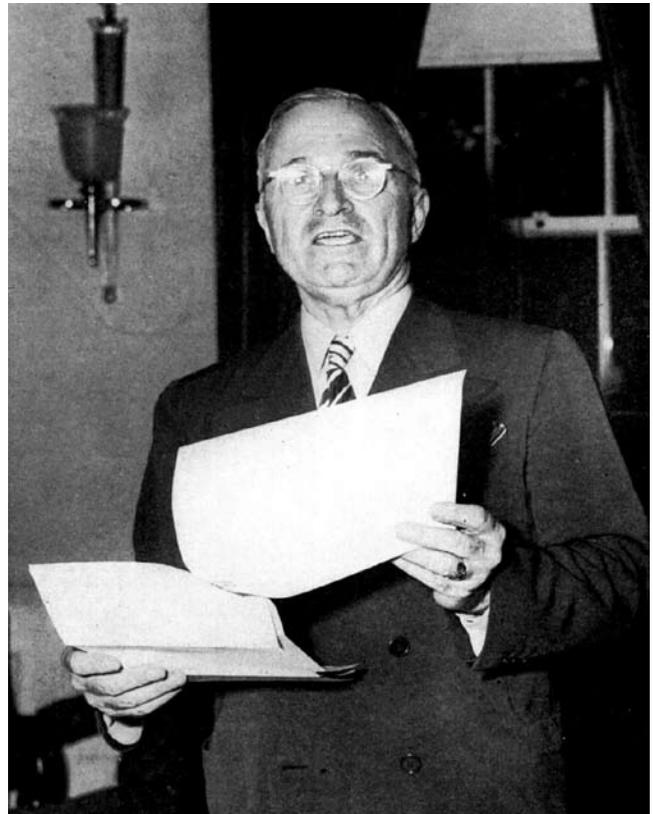
ways, to our own people. We sit in awe about the upper 3% of family-income brackets in the United States. We kiss the butt of some billionaire who's nothing but a thief. That's what we do. We have destroyed the idea of the commonwealth. We destroyed what we prized when we built our Constitution, in terms of Solon of Athens. We tore apart and disregarded every tradition, noble tradition of humanity, particularly of European civilization. And that's what we've done. And we've come to accept that! We've come to accept politicians who think like that. We've come to accept laws that practice that.

We look at other nations in that way. We don't think, as we should, as we used to as Americans: We used to think of how we came here—like I can say, some of my ancestors came here in the early 17th Century, into Massachusetts and related areas, as colonists. People came here, in the original settlements—they didn't flee from Europe, in the sense of having to escape from someplace—some people did fit that category, but that wasn't the way the colonies were built. The settlements were built by people who represented the best of European culture, but an anti-oligarchical sense of European culture. People came *here* because they were looking for a place in which to take the *best* of European civilization, and move it out of Europe, where Europe was dominated by oligarchical traditions. To build a true republic based on the commonwealth model, which had been repeatedly tried in Europe, particularly beginning in the 15th Century, but had repeatedly failed, because of the return of the old oligarchical forces, who still represent nobility. You know, you bow before nobility, even to this day, in Germany. You bow to nobility, the Black Nobility, in Italy! These are the most degenerate people you can imagine. The same thing goes on in France. There are more policemen than there are people. And this is Europe. Europe is permeated with oligarchical culture. Look, you have these two Polish twin idiots in Poland, and the Polish put up with this crap.

And therefore, we came *here*, the founders came *here*, to bring the best of European culture *here*, to build a nation, to be a cynosure for nations of the world, as a model republic, the way that humanity should live. This is what is built into our Constitution. This is what is built into our Declaration of Independence. These are the ideas of Leibniz, and people like that. This is what Lincoln did. And we've always had a struggle in our country, between the oligarchical tendencies coming in, particularly, chiefly, from Britain, into the United States, as in New York City and so forth, but we had a republic.

### **A World Based on Sovereign Republics**

And in the case of Franklin Roosevelt: Franklin Roosevelt found us in a low moment. We'd lost 30% of our standard of living, our income, in a short four-year period. And he led in rebuilding our nation, which was shattered. Not only rebuilding our nation, but moving to preserve this, to extend this, to



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*FDR rebuilt our nation, and moved to extend our republican standards to the rest of the world. But after Roosevelt died, LaRouche said, "Truman, who was a little bit of a pig, came in. (He was. I was there. And I saw the curly tail myself—figuratively speaking, of course)." Here, President Truman, announcing the Japanese surrender.*

eliminate colonies and similar kinds of oppression throughout the world. To promote a world based on republics, sovereign republics, which are each dedicated to serving their own people, by republican standards, and promoting republican standards of life among people of other nations, knowing that our security, and our well-being, and our purpose in living, depended upon what we did to promote these kinds of ideas, and these kinds of opportunities, among other peoples. The same rights that we desired for ourselves.

We have turned away from that.

This happened at the end of the war. Roosevelt died. Truman, who was a little bit of a pig, came in. (He was. I was there. And I saw the curly tail myself—figuratively speaking of course.) But we turned away.

The United States joined with Churchill and other Brits, in restoring colonialism! We took the Japanese troops out of the prison camps in Indochina, where they had surrendered to a force organized by the United States. Ho Chi Minh was an asset of the United States, an ally of the United States, in the freeing of Indochina from colonialism, and from the Japanese. The Japanese were put into prison camps. The ever-

loving British came in, armed the Japanese, and told them to get out and take over the country, until the British could get the French in there to replace them.

We restored colonialism in Southeast Asia! The Dutch went in to conduct a long war to suppress independence in Indonesia. This happened throughout the world, in that form, and various forms. This was the Anglo-American policy. Which is what Truman represented. This is what Eisenhower understood, when he gave the speech at the end of his term as President. He understood what had taken over the United States. He gave it a name: “military-industrial complex.” But the military-industrial complex was what was unleashed on the day that Franklin Roosevelt died, when Truman took over. And the thugs who had been originally—like the grandfather of present President of the United States, who’d been one of the people who had put Hitler in power in Germany—this crowd took over power in the United States, under Truman. And we haven’t gotten rid of it since.

So we have, in the United States, a tendency, this oligarchical tendency, of preferring an oligarchical society in which, a few of the rich, the beau-ti-ful people—they’re ugly as hell, I mean, actually. You see the way they dress. And the stuff they bare at parties. Oh! Disgusting. Anyway.

So that’s what’s happened to us. So therefore, there’s a factor, a rottenness in our culture, which the Baby Boomer generation was brought into, and that’s another story in itself, which I’ve told a number of times.

So, we’ve come to the point that we have a way of choosing. We can choose to do what I propose, which, from a strategic standpoint, is the only sequence of major developments which will get the world out of what would otherwise be a plunge into a Dark Age, something comparable to the 14th Century in Europe. We could do that. We could return to our character, as Franklin Roosevelt once did earlier, under conditions of crisis. And what I’m proposing could only be done, admittedly, under conditions of crisis. Only when these guys get down on their knees, and people admit that this isn’t working, that this is a danger to human life, and *they have no choice*, no acceptable choice but to do what I say, on this one—then they will choose it. They will be happier. And that’s the only chance for humanity.

Without the United States, it can’t happen. Europe couldn’t do it. Asia couldn’t do it. We must be the sparkplug. That is our destiny; that’s our legacy. Not to rule the world, but to be the sparkplug by which the world comes to rule itself. We have to be the sparkplug. We have to say: We’re going to pull our troops back, unilaterally. We’re offering everybody: We’re getting out. We’ll take the U.S. troops and move part of them out of Baghdad city, into the airport. We’ll move them into other holding positions. We’re not here to shoot, nor to be targets. Now, we’ve created a mess for you, haven’t we? Uh-huh, good. Now *you guys*, get yourselves together, we’re going to bring this fighting to an end. We’re going to bring this to an end.

Then we turn around, knowing that won’t work by itself. We’ll then go to Putin. The President of the United States, whose one redeeming feature is that he seems to like Putin, or something. You never know, or understand exactly why or what goes on in that funny mind, if there is a mind at all. But this is one thing he seems to do—and we encourage that, not because it’s very good, but because it’s the only virtue we can find with the guy.

So, he goes to Putin and says, “We, the United States, need your cooperation. We’ve got to cooperate, and get these Brits under control.” And Putin will say, “That’s a very good idea.” And “We’ve got to have China involved in this.” Putin will say, “Yes, that’s true.” “And India has to be involved.” Putin will say, “That’s good, that’s good. A better balance.” And then four of the most powerful nations on this planet agree that what we’re doing in Iraq, in pulling back, is the right thing to do.

But it’s not sufficient, because we have a world financial crash coming down. It’s fully in progress. Therefore, we have to act also together, in unity, to take certain emergency measures which will stabilize the situation, and enable us to organize our way out of this mess. If we do that, you will find that Germany will probably be the first to desert Britain on this kind of thing. They’d love it, because the Germans are really getting sodomized by the British. And they really, despite appearances, they don’t like it. The Italians will laugh, and say, “Ah!” and they will be happy. The French will say, “Mmm-hmm.”

But what will happen is that you will find, very rapidly, immediately, and if we solve this problem, we take this whole area of Southwest Asia, which is now a terrible crisis area, and we say, “This thing is going to be settled, peace is going to come here now,” it will happen. *It will happen.*

Because, you know, one of the things that feeds the problems in this region, in particular, is the fact that it’s a region of *injustice*. And the Saudi royal family is not an asset. I tell you, it’s not an asset in this area. They have their own agenda, and people like Prince Bandar are really a menace.

But in this area, if we get this kind of agreement, we can bring about peace in the Middle East. It will be tough, but with that combination of power, we can do it. Because we will end the injustice. We will present a plausible, clear alternative to a perpetuation of the injustice.

And by our initiating that, initiating the measures which bring this about, we will give the United States back a position of moral leadership in the world.

## Preparing the Next Presidency

Now this is going to create another problem. We have an onrushing Presidential election. We couldn’t produce a farce, so we had an election campaign. What I saw this week on CNN, was the most disgusting piece of depravity that was ever concocted in the name of politics. This was absolutely obscene! CNN should run around with its tail between its



*The Democratic candidates' debate on CNN was "absolutely obscene," LaRouche said. "Completely irrelevant to anything of importance in the United States.... I think the candidates should all agree not to participate in such a clown-show again."*

legs—not somebody else's legs—but its own, for producing this piece of insanity. Completely irrelevant to *anything* of importance in the United States. Who cares what the price of toadstools is? We've got to get rid of war. Our people are dying for lack of health care. All these problems, and you want to talk about these odds and ends? A diversionary thing. You can have that debate in East Podunk. But we have a world war, a world depression in progress, and an explosion beyond belief. And what is going to be done by the person who is running for President of the United States? What is that person going to *do*, and represent as leadership, about *these problems on which the fate of mankind as a whole depends*? Not somebody's local opinion, or special pleading.

What do you do? You produce a clown-circus, a sideshow, the most disgusting political sideshow, a complete irrelevance, to anything of importance to this nation or the world. You make the United States disgusting in the eyes of the world, by putting on such a sideshow with that CNN set-up, that clown-show. And I think the candidates should all agree not to participate in such a clown-show, again. The candidates should all boycott such a clown-show; to say, we're not going to attend that clown-show. We're not going to disgrace ourselves.

I should send a message to Hillary Clinton, for example: Hillary, get anybody else who's clean and you guys agree, you're not going to participate in a clown-show like that again. You just walk out. You won't be in it. And say why you won't be in it. We're not going to have the moneybags behind CNN, controlling CNN, dictating the politics of the United States.

The politics of the United States belong to the people. The politics of the United States belong properly to those issues upon which the welfare of the nation as a whole depend, particularly when it comes to Presidential elections.

Now, there's another thing to be considered about the Presidential election. We're coming close to that now. This is now Summer. We're going into August; if we survive the perils of August, we are getting deeply into the next Presidential election. Now that has to be prepared. This is not going to be, if successful, a simple partisan election. It's not going to be Democrats or Republicans, up or down, either way. You're going to have a different kind of government. You probably will have to have a Presidential selection as a Democrat, and we have very few people qualified for that position. We're also going to have to include a composition of a significant number of Republicans in the administration. Not as window-dressing. Not as a political package. We're going to have to craft an administration which is practically going to have to run, and be elected that way, of every key position of the Executive branch.

Every key cabinet and related position.

Because you need to have a team, which should begin to be built *now*. A team, to come in with a figure as the President, with a team with that President, who is ready to be deployed, like an army, to attack the several fronts which have to be dealt with, to deal with the problems of the world. You're going to have to pick a State Department, maybe not the Secretary of State, but you're going to have to pick from every top key area of government, a team. The parties are going to have to do something about the selection of the leaders in the legislative branches, as teams, with a mission-orientation and a policy which is clear.

Because we have to reorganize this whole planet. We have to reorganize it mostly from the top down. We can not have the kind of silly politics that you've been seeing in recent years. We're now in the worst crisis in modern history; the most dangerous. And this is no time for amateurs. You've got to give the country back to the people. The people have to have confidence that the government that is coming in is *their* government, not a government *of* them, but a government which is theirs. A government which represents them and their interests; a government of competence; a government of determination.

You're going to have to come in with, not which enemy you're going to fight abroad, or who you're going to hate and who you're going to love. Who you're going to cut a deal with, and who you're not going to cut a deal with. You're going to have to cut a deal with the world as a whole: To organize an international monetary financial system,

which we must do, means you have to get everybody involved in it. You may have a couple of malingers on the outside, but in the main, most of the countries have to agree. And they have to agree not on tiddlywinks, not on bits and pieces. They have to agree on principle: How is this thing going to work? What's our general plan? What are we going to do with this planet?

And therefore, you have to now think about not only getting through the month of August, but coming out of the month of August, with an idea of what the next government of the United States is going to be. Not based on which candidate is going to win; that will happen, but that's not the point. We need a picture, an image, of what the policy of the United States should be, coming out of August, and what the government of the United States should be coming out of August; what it should be like; what's it going to do. And let's put this nonsense that we saw on CNN to one side. And anybody that runs something like CNN again, any candidate who is good should *refuse*, with other candidates, to participate in such a debate; refuse. We're not going into the outhouse to discuss politics. We'll have a respectable forum, and we're going to discuss what we want to discuss. We're going to discuss what the great issues are that face the future of humanity.

So, anyway, that's the general outline that we face. And we're going to have some discussion on it soon, but that's the issue. We have to see things in a holistic way, not one issue at a time. We have a planet in deadly crisis; in a breakdown crisis. We have to look at things which are very ugly, and deal with it them summary fashion, as I have indicated. The first thing is that decision on Southwest Asia. We're getting the troops pulled back, *now!*—*in the month of August, not September! In the month of August.* That's the beginning. It won't work without getting Russia, China, and India in to support the action. Once you've reached that threshold, and you've got Cheney out, then we can begin to shape up what the world is going to look like for the next 50 years.

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## Dialogue With LaRouche

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**Freeman:** ... We have a number of questions that came in while Mr. LaRouche was speaking, and some that were submitted even before he began.

### Emergency Legislation To Prevent Foreclosures

A number of questions, Lyn, are dealing with the current crisis in housing. The first one that I would like to ask you comes from a senior member of the Democratic staff in the House of Representatives, actually from one of the most powerful committees up there. And what she asks is: "Mr. LaRouche, as you know, several committees on the House and Senate side, including our own, have introduced legislation to rein in the private equity and hedge funds. Regarding the pro-

posals on carried interest and the 15% vs. 35% tax payments, I did see your very cogent comment that 'they should pay their taxes.' Even our limited effort thus far, has caused quite a response from the hedge funds, and from equity fund managers. Beyond what has already been proposed legislatively by the House and Senate committees, what more do you think we should do on this?"

**LaRouche:** You know, battling hedge funds is like proposing to eliminate prostitution in Las Vegas. You're threatening the income of, shall we say, the procurers. But we are beyond that. We are at the point that we need emergency legislation to provide for non-foreclosure.

Look, you've got two problems. First of all, the whole banking system of the United States, the major banks, are all bankrupt in one sense. And you can't have them closing their doors, so therefore, you're going to have to provide these banks with protection. Now, you have to protect them from that which, essentially, controls them—the hedge funds, and similar funds. Therefore, you've got to protect the bank as an institution against the hedge funds, and other financial interests, which are actually larger and more powerful than they are. Because, we *need* the banks; *we don't need the hedge funds.* There's not a single hedge fund or related organization, that we need. As a matter of fact, if they would disappear, it would be much better. I would propose to the hedge funds, "Go! Before we jail you." That's the attitude.

But we have to protect the banking industry. This housing swindle—which is what it is—is run by the Federal Reserve System, because of the appendages which have been tacked to it. Remember that in 1987, we had the equivalent of a 1929 crash. It happened in October 1987. The incoming replacement for the Federal Reserve System chairman said, "Hold everything!" He should have held his mouth. But he said, "Hold everything, because I'm coming in." And you say, "We're locking the door before you get here." But he came in with this business of various methods, and others were accomplices, in flooding the market with phony dollars, with credit systems, with all kinds of things that should never have been allowed; that should have been considered illegal, immoral, and everything else.

So, therefore, what happened is, the system went bankrupt. 1987, October 1987, a 1929-style bankruptcy occurred. I had the privilege of forecasting it, on time. "My baby." They should have shut it down, as I said. We really had to go into emergency measures, Roosevelt-type measures *then.* Roosevelt-type reforms which would have reversed the decisions made under Nixon, and under Carter, and afterward. They should have been reversed. We should have gone back to a fixed-exchange-rate system, actually to conditions from before 1968. Just reverse the whole legal structure. Say, "This is bad, this is an outhouse, this is a house of prostitution, and let's get out of here before we catch a disease." And get out of it, and go back to what had worked, which is the Roosevelt system of the fixed-exchange-rate system of the

Federal Reserve System, with a fixed-exchange-rate system on the dollar.

Then, we should have gone back and repealed all that garbage that went through under Carter, the Trilateral Commission stuff, and gone back to what was there beforehand, which is a protectionist economy, which is the only kind that works. A fair trade economy is the only kind that works, especially one that protects infrastructure. We were destroying our infrastructure, going to cheap shots, *gambling* as opposed to actually producing. We shut down agriculture, we bankrupted the farmers. We shut down the savings and loan associations in a *swindle!* Volcker organized a swindle, and the entire savings and loan associations system, which had been the bulwark of the housing rebuilding in the postwar period, was shut down, with a swindle. We allowed usury. Our banks in the United States had anti-usury laws; we shut them down. We shut down the anti-usury laws; we unleashed usury. We turned the thing over to the loan sharks, and so forth. So, this was the problem; this is still the problem today.

Now we come to the point: What is the law of the United States? What's our law? What is the issue of the Declaration of Independence? The principle of law at the center of the Constitution, is in the Preamble. And the Preamble says the same thing which was the intention stated in the Declaration of Independence, on the Pursuit of Happiness. And what is in the Preamble of the Federal Constitution is the same thing spelled out in different words than Leibniz's argument for the Pursuit of Happiness, as the fundamental law of government. Therefore, we should have gone back to it; and we have to go back to it today.

Under our moral law, which is our Constitution, as interpreted from the standpoint of the Preamble, and the implications of the Declaration of Independence—that's our law, not British law—we are not a monetary system, we are a credit system. We do not allow our government to be controlled by money; we control money. We utter currency under the Constitutional provisions. It is a credit system; our money is credit, backed by the U.S. government, the Federal government. We authorize, through the Congress, the utterance of a currency. The authorization for the utterance of a currency, or similar actions by the Congress, especially the House of Representatives, empowers the Federal government, through the Treasury, to utter credit, to print money and to otherwise utter credit.

Particularly, we put the emphasis, wherever possible, on giving credit to the states, or to the Federal government, for large-scale works in infrastructure or other programs, which are capitalized programs. We engage the private banking system, together with the Federal banking system; we engage them in the creation and management of a massive credit, which is supposed to be steered primarily into improvements, which are of two types. Public improvements at the Federal level, or the state levels, or local levels as a subsidiary consideration, or for large-scale private projects which we provide

credit for, as we did with the War Production Acts during World War II. We provide the credit; we encourage entrepreneurs to proceed with things that are in the national interest, and we give them preferential treatment. And we manage the system so that it is not inflationary. We also allow laws for things that are more valuable to the United States, to be taxed less than things which are wasteful.

For example: a producer, an employer, a corporation. We invest capital in improving the firm. He's going to be taxed less for his profit than if he takes it out and disperses it. If he disperses it as profits to his stockholders and so forth, he gets taxed more. If he retains the earnings to improve his firm, or to assist through his bank in assisting other firms, he is taxed less, with an investment tax credit type of program. That's how we did things; that's how we did war production; that's how we turned the nation from a junk heap into the most powerful machine the world had ever seen during the course of the 1940s, under Roosevelt.

So therefore, our law is that. Our law is the general law of the nation, and welfare of the people, and justice for the people, is our financial law. Somebody comes in and says, like the British system, "Well, I'm sorry, but the money has to be primary." That's a monetary system. Money becomes the law. Under the American System, money is controlled by the law. Under the British system, money controls the law. Under the American System, the law controls the money. And the law is the moral law. The moral law is specified by the Preamble to the Constitution. Any act, any amendment to the Constitution which defies the Preamble to the Constitution, is inherently unconstitutional, and must be nullified.

So, therefore, that's what we have to do. We're in such a situation. You can never collect and foreclose; you never collect on the mortgage obligations which are outstanding in the mortgages which are collapsing now. The collapse of these values by as much as 20%, essentially bankrupts most of the entire mortgage system, because the equity of the mortgagee is now nil: They don't own anything; they're in negative equity! So therefore, do we want them evicted?

Let's take the case of Loudoun County. Loudoun County is an insane county. I know, I live there, and I saw it at close range. In 1983, they were going with what they called "development," by the Mellons, and people like that, other fruitcakes. Anyway, I said, "This is crazy." You have an area which is largely farming; the ground is no good for anything else except really cattle growing and a few things like that. It has no utility for anything else, and it was being used that way, which was sensible. It needed a mass transit system in there. But we built up, as you can see, if you look around this area; you see we have this great agglomeration of housing, all around greater Washington, D.C. It's insane! You have great residential areas, with no agriculture, and no production—that is, no physical production, or very little. You have people coming from West Virginia, and similar locations, driving along the highways every day, to get to



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*“We made a terrible mistake in our land-use programs since the 1970s,” LaRouche said, using suburban Loudoun County, Virginia, a suburb of Washington, D.C., as an example. We have to defend the economy by reorganizing it, writing down the mortgages instead of foreclosing, and returning to a high-tech industrial base. Here, typical commuter housing, under construction, in Loudoun County.*

work in the area around Washington, D.C. We built up large highway systems to accommodate this, and they’re still jammed.

Obviously, they’re nuts! These guys don’t know how to manage anything, totally incompetent! The way you manage land use, is, you have decentralized land use. You have communities in which you have a distribution of places which generate wealth, as by production, and you have people who live there, generally, who are associated with those functions. You don’t have migration over 60 miles. You don’t have one-and-a-half-hour to two-hour commuting to work daily each way. What does it take coming from West Virginia at high-traffic hours? And back and forth? Four hours a day, on the highway, or longer on an “off” day. So, this is insane.

Now, you have no tax revenue base in the areas where people live. The only tax revenue base is housing, habitation. Commuting! Now, you have to pay for all this commuting cost, including highway systems, and so forth, which are enlarged to carry all this commuting. But then; now what happens? You go into a speculation, housing speculation like in Loudoun County. It collapses, and this place is ready to collapse by 40% to 50%. Forty to 50% of the housing of Loudoun County is doomed. That’s what you have to estimate as your immediate, very near-term exposure.

Now, what happens when the 40% foreclosures occur, or the equivalent? What about the tax revenue base? Ha, ha, ha! Yes, but you’ve created a county government with its functions, its municipal functions, which now have a tax base *below* the cost of maintaining those functions, because of the collapse. *Idiots! Lunatics!* They call themselves accountants—fire them! They call themselves economists—shoot them! *It’s insane!*

We have all this territory in the United States, we are one of the least densely populated areas in the world, in developed areas. We have vast areas of farming, vast areas of industry which we’ve shut down. Cleveland is dead. We’ve shut down much of Ohio; we’ve shut down Michigan; we’ve shut down all this vast area which used to have in it, in Roosevelt’s time, plants in various areas, and you would travel, you would commute 15 minutes to and from work, at most, in these communities. And the flow was nice. Some people could walk to work and back. And the community had its own tax-revenue base, it had a productive base, industries and so forth

in this area, and services all together. You had a decentralized form of utilization of land area, so you didn’t have to travel from California to get to your job in New York City, which is the direction we’ve been going in if something doesn’t stop it!

So, therefore, we have to think about going back to fundamentals. There are no “fix-it” things that are going to work. The catastrophe is beyond belief in terms of anybody’s usual thinking. You have to say, we’re going to have to put this thing through a drastic bankruptcy reorganization. We’re going to have to freeze a lot of things. If someone’s living in a house, they’re living in an area, they’re not going to be evicted. We’ll convert their obligation to a rent, we’ll maintain the thing. We want them to stay there until we can find, in a natural way, a better option for them. We are going to recognize that we made a terrible mistake in our land-use programs since the 1970s, our tax programs, everything has been insane; since Nixon, everything has been nuts. And we’re going to have *eat it*, and we’re going to have to go back to a high-tech industry.

### **A Fifty-Year Perspective**

See, the need of the world is typified by Asia and Africa. The need of the world is, you’ve got areas where people can not feed themselves, like Asia. The population, 70% of the

population of India, is in terrible condition. Most of the population of China is in terrible condition. This is the typical condition of Asia. You should look at what the income is in Africa; you should look at the income levels of a typical person in so-called Southwest Asia. It's *horrible*.

We're going to have to transform the planet, we're going to have the change the character, we're going to have to change water-supply availability. We're going to have to develop power systems. We're going to have to transform this planet into a productive planet. And Africa and Asia generally are the two areas which are the most brutally afflicted. We're going to have to save them; change our policy. We're going to make Europe, we're going to make North America—again, it's going to be the fulcrum of high-technology production; capital good production, high technology. We're going to produce high technology for the world, these nations. We're going to build a rail system in Africa. They can't afford it? We'll give it to them, because they can't develop without it. And we're going to have a 50-year cycle, we'll figure this out on a 50-year basis. We're going to give ourselves 50 years to work it out.

In the meantime, what we're going to have to do, in response to the question as such, in that context, we're going to have look at emergency measures to freeze things to prevent catastrophes from occurring. We're going to *buy time*. We're not going to meet scheduled obligations, financial obligations, because they can't be met. So, in lieu of having a general bankruptcy which would shut down the economy, we're going to defend the economy by reorganizing; that is, going through a kind of a bankruptcy reorganization of these kinds of things. We'll say, "We're going to write down your mortgage here. Your mortgage is too big. You've got a \$500,000 mortgage; we're going to write it down for \$200,000." And so forth, things like that. Write-offs. Because, we've got to think about the future of humanity.

And my estimate—and I'm a pretty good economist, probably the best you can find on this stuff—we need 50 years to put this planet back into shape. We need a 50-year margin of reorganization, until things can come back into some kind of automatic balance. Any other view is insane; it doesn't recognize the reality, that the thing is coming down. So, what we need is the more drastic action. The things referred to in the question that was asked, yeah sure, in normal times that's the way you look at it; but we're not in normal times.

We're in an impossible situation. But I love impossible situations; it's some wonderful challenges.

**Freeman:** ... I'd like to mention before I read this next question, that as is always the case, there are a number of organized gatherings around the world that are auditing or watching this webcast, and I certainly would like to extend our welcome to them. We have three groups at various universities in Bolivia, at the Unifranz in La Paz, Bolivia; at the university in the city of El Alto, at Universidad de San Simon in



*In response to a question from the Zimbabwe LYM, LaRouche said that we have to implement what Franklin Roosevelt intended as postwar political decolonization. We have to repeal British imperialism and the legacy of the imperialist, Cecil Rhodes (depicted here, astride Africa).*

Cochabamba. We also have audiences connected to Lyn's webcast in Ecuador, in Costa Rica, in El Salvador, Venezuela, and Guatemala, and we certainly welcome all of them to today's proceedings. We also have a gathering of the Zimbabwe LYM, currently monitoring this webcast. I want to especially welcome them, and Richmond there has a question for you, Lyn, which I'll read to you. And hopefully, one of these days, Richmond can ask the question himself.

### **How Can Zimbabwe Recover?**

What Richmond asks is: "Lyn, Zimbabwe has been isolated for the last decade. As a result of the land reform program, illegal sanctions have been imposed, and the country has a huge foreign and domestic debt. The U.S., under Roosevelt, created the best industry, from almost a similar situation. How best can Zimbabwe recover, and in fact, become the bread basket for all of Africa?"

**LaRouche:** Well, in point of fact, as anyone in Zimbabwe knows, it means you have to repeal the British United Kingdom, because Zimbabwe—as some people should know—

was formerly known as southern Rhodesia, and that was not a good name. It was one of the last hold-outs in the humanization of South Africa, but the significance of it was, you had an African farmer development, which was actually Brits, largely, who had these farms, large farms. And the British farms in Rhodesia, now Zimbabwe, were a prime supplier for London of foodstuffs and things of that sort. So now, from the beginning of the liberation of Zimbabwe, of Rhodesia, the issue was, were we going to allow the indigenous African population, who were farmers, to have access to farmlands, and to the development of those farmlands for production? The idea is simply, you would have an African farmer, and there's a European farmer next to him: Would the African farmer have the opportunity to rise to the same conditions of production as the European farmer, the same system, the same advantages? "No," was the point.

So, the issue here with Zimbabwe, was that the British set out, with the complicity of a rotten U.S. government, to oppress Zimbabweans historically, to try to bankrupt the place, in short. And got the other African states to collaborate with the British, because the other African states were frightened, and therefore they collaborated with the British—because the British *kill!* That's what they do best. They don't know how to build, they know how to destroy. So therefore, it's just like what they did with the flooding in southern England, today, as a result of British stupidity—and venality. I don't know which is the greater evil, but that's the point.

So therefore, that's the problem. And we need, really, the implementation of what Franklin Roosevelt intended as post-war decolonization. That, in effect, Zimbabwe, while it has political independence, is not really given the right to exercise its independence, and it's on the issue of the British control over the agricultural production and others things in Zimbabwe. They're out to destroy the government! And destroy the state.

It's a crime against humanity.

But you see an example, in this issue of this British demand that a Russian citizen be delivered to trial in London, when no adequate grounds have been presented for accusing him of a crime. And the British have threatened to make a war, virtually, over this issue. The British have no respect for these things. They still think in these terms, and the Thatcher government was like that, and the Blair government was like that, and the present government is like that. They have no respect for the rights of others: They still think, as Putin said, in colonialist or imperialist terms when dealing with other nations. And Zimbabwe is a victim of British imperialism, and it is a victim of the tradition of Cecil Rhodes, in particular.

### Can We Succeed—in Thirty Days?

**Freeman:** Okay, I'd like to take a question from the audience here. Professor Mezinsky, why don't you come up to the microphone.



The Bush Archive

*There are still institutions, where people who have retired from government, can bring about the necessary changes, LaRouche said. "In politics you come to a point of crisis where wills are broken ... because reality strikes hard." As examples, he pointed to George H.W. Bush and Henry Kissinger ("of all people") getting behind an agreement with Russia. Here, Kissinger and Bush in earlier years.*

**Q:** Mr. LaRouche, you told us that there are certain very important things that need to be done—or at least started—in the month of August: Impeach Cheney; pull the troops back; get Russia, India, China together with the U.S.; begin to change the currency policy throughout the world.

Do you *really* think, that with *this* government, and with *these* candidates that we have for the Presidency, that anything along these lines can be started in the next 30 days?

**LaRouche:** Absolutely! [laughter, applause] It can be done. I know how to do it. And we've got some politicians in the United States, who are capable of understanding that and doing it.

Remember, we have also in the United States, we have a military. We have institutions of the Federal government, and people who are retired from the Federal government who still function. That's our system here, as you are probably quite aware: that many of us are part of the government without actually being a part of it. And we have in these institutions of government, professional people, skilled people, experienced people, who know where the chains and faucets and so forth are, to do these kinds of things.

Right now, for example, in the case of the withdrawal, the pullback in Iraq, this has been vetted. I pushed it—it was vetted also by some people who are professionals in that area of the military, and in other areas, who have passed along their endorsement of what I proposed to certain Congressmen, and

other things like that.

So, under conditions of emergency, under conditions of crisis—as you probably know from your experience, in politics you come to a point of crisis where wills are broken: that is, where the will to act, or the will not to act, is broken, because reality strikes hard! And someone knows that and pushes hard on reality, and causes a sudden change. We are in, as I'm sure you'll appreciate, a time of sudden changes.

What you need is leaders of the tenor to do that, the insight to do that, and people who are willing to go along and make it work. And we have, on the issue of getting the troops out of Iraq, as such, we have a *very* good pull right now, with about 75% of the Democrats and others in general for it. We have a few cowards and corrupt people who are against it. But we have the clout to do it.

My point is, if you pull the plug—the plug is called Cheney—you can flush a lot of things at that point.

And you have, even with the Bush family—. Look at what you have: You have Henry Kissinger, of all people, in the negotiation I was involved in without being witting to all these things that were going on around me. When I was going to Russia and so forth, and having these discussions, we also had the two former Presidents, George H.W. Bush and Clinton were at a meeting, in the environment of the Yeltsin funeral. Henry Kissinger was also there. And people I know on the Russian side were also negotiating with these guys. So what happened at Kennebunkport, where the President and his idiot son showed up and met Putin: This was something which had actually been brought to maturity, by people, including the former President Bush, and others, who realized that this had to be done! We had reached a point of no return, we had to make a change. And there was no good reason for not trying to come to an agreement with Putin, at least on some key, leading issues. Knowing that, if we got a key, leading issue through with Putin, and so forth, on some steps toward progress, we could go further. And under conditions of desperation, yes, we'd do it.

You know, this is like war. Doing what I do, it's like launching war, isn't it? And if you look at it in those terms, you say, "Well, wars can be launched and won. There's also the risk of failure." So, that's the situation we're in. And I'm in a situation where we have to fight this war, we have to launch it, we have to fight it. We don't have a choice! There is no other choice. The circumstances give us no other choice. And I think it's winnable. The question is, can we find enough good men and women, in key positions, who are willing to do their part to make it work?

I think we can do it.



*The first line of protection for U.S. workers, LaRouche said, is to raise the national minimum wage. Immigration is not the place to start, he said, in response to a question from Iron Workers business agent Mark Thomas. Here, migrant farm workers.*

## The Immigration Crisis

**Freeman:** Lyn, we have a number of questions that have been submitted both from Capitol Hill and also from around the country, on the question of immigration. This question has been submitted by Mark Thomas, who is a business agent for Iron Workers local #3 in Pittsburgh.

And he says: "Lyn, the situation on immigration is getting quite horrible. We have numbers of people sending in applications to be union iron workers, and we are in the midst of negotiating contracts to employ our members. At the same time, there are large numbers of people, who are either here legally, or who are completely undocumented, who are waiting in line to take the jobs being offered, who are obviously not in the union. These people, who are in fact desperate, are willing to work for low wages, and for very few benefits. Many of these folks have no health care. They themselves are living on a shoestring. The whole system is unfair to them, and they are being treated as virtual slaves. But it's equally unfair to skilled union employees, who also need to support their families. Can you describe what would be a sound immigration policy for the nation?"

**LaRouche:** Well, don't start with immigration, because that's not the place to start. Let's start, by talking about a national minimum wage law. Huh? And at the same time, let's talk about talking to Mexico, about building industries in northern Mexico. We've already got the problem, we caused it, because we wanted it! We wanted cheap labor!

Now, the point is, the Mexican is desperate, and he goes to some gangster, who's a drug-runner and a militarily skilled guy who kills. He's desperate, and he has nothing, so he slips across the border. These guys are slipping across the border, because they have no chance in Mexico! Particularly in northern Mexico. No chance at all!

And the jobs are offered here: *They're brought into the United States!* They don't break into the United States, they're brought in! By whom? By gangsters. And the United States doesn't dare touch some of these things, for example, in northern Mexico, right on the Texas border: The United States is fully aware of what's going on there with the drug running—one of the major sources of infiltration in that part of the world. They didn't do anything about it—they never did! They want it! They want cheap labor. And they want to break the unions in the United States.

So therefore, we have two policies: Number one, we're humane. We don't do anything inhumane. The first humane thing is, *raise the minimum wage level!* And enforce it! We need to do that anyway. We have people who can't afford health care—why? because they don't get enough income, things like that. So: Raise the minimum wage.

We don't need multibillion-dollar parachutes for blood-suckers. Why aren't we taxing the hell out of these guys? Why are we giving them exemptions? Why are we giving them these things? We can take that away; they have no right to that, that's not a right!

And the other arm of the thing, is to cut a deal with Mexico! To build the industries *in* Mexico. Promote the industries in Mexico. For example: Mexico needs everything. Mexico does not have a rail line from Mexico City to El Paso. Doesn't have functioning rail line! It doesn't have water processing. Mexico has water; it has areas for growing crops, but it's not allowed to do that. This is something the United States created—and I was there, when it happened, in 1982. When they crushed my friend President López Portillo of Mexico. And that's when this hell started there. They had industries—they shut them down! They looted the place! They stole the place!

So therefore, we have two things: We've got to protect American workers? Protect them. All right, what's the best way to protect them? Minimum wage. That's your first line of protection. Protect their health-care systems, protect the things that are needed. We don't allow people to work cheap in the United States. *We don't allow it.* Then, we do what we can to deal with the problems, to upgrade people into higher-paying jobs, which is not going to hurt anybody who came into this country, to get a higher-paying job.

And we also, at the same time, work with Mexico and other countries below the border, to promote the industries and development in their own countries, particularly in infrastructure, the major area of immediate investment in northern Mexico. Because they have no infrastructure, so therefore, you can't do much there, because you don't have the infra-

structure to do much with. So, build a couple of railroads, build some water management systems. That will keep people employed. You've got whole states in Mexico, where the remittances from people working in the United States pay for the families that live in Mexico, in those entire states. It's insane; it's inhuman.

So, if you take a human approach, it's a challenge, but it's not really a contradiction. Help them to stay in Mexico: which means you may have to give a few lectures to the current Mexican government, which is not a people-friendly government. But we can encourage, however, the government of Mexico to become a people-friendly government. That can be done, with U.S. help. In the meantime, raise the minimum wage here: We have to do it, anyway.

## Real Leadership, Not 'Group Dynamics'

**Freeman:** The next question is from a Congresswoman from a major East Coast city. She says: "Mr. LaRouche, I represent a district, where the only hope many young men have of avoiding a life of crime, of obtaining gainful employment, and of possibly furthering their education, comes by joining the military. One of those young men, who did exactly that, and who served this country with two tours of duty in Iraq, is now facing criminal charges because he hired somebody to shoot him in the legs so he would not have to go back to Iraq. He would rather live his life as a cripple, than to have to serve a third tour.

"You began your remarks discussing a withdrawal plan. Yet, despite massive popular sentiment against the war, despite what we are told is major disquietude among the military brass, and despite the fact that an increasing number of Republicans seem to be coming out in opposition to the war, even a very small step to end the war failed to pass the United States Senate.

"I'd like to know from you, 1) what you think it will actually take? And 2) I am familiar with your Southwest Asia Doctrine and I was wondering if you had amended or altered that plan from the standpoint of an actual withdrawal?"

**LaRouche:** On the Southwest Asia policy, I have not really altered that in principle in any respect. It still applies. We have to engage the nations in the region in a cooperative venture. As I said, that will not work without some other things as well. But the other things won't work without that, too.

In this case here—I have a problem: I'm probably quite a capable leader of our country. But I'm all too capable for the liking of some people in power. Therefore, I'm not in that position—because they don't want me in that position! I've done a few things, as some of you know, in my life, in the 1970s and 1980s in particular, which terrified some people who thought I was all too powerful. And the SDI was one of these ventures, and some other things as well. And so therefore, they try to keep people like me out of government. They like cowards in government, they prefer them. And I'm afraid that you've got a streak of cowardice which is endemic.



Courtesy of Robert Beltran

*“Most tragedies are caused by common opinion, by shared cultures,” LaRouche said, pointing to the cowardly figure of Hamlet. “All tragedy is based on the commonality of self-destruction, of corruption, which works as group dynamics.” The way you deal with that is “to stir up a revolt against the consensus.” Here, actor Robert Beltran as Hamlet, in a 1997 production.*

You know, if a man gets into the Senate or the House of Representatives, you know how he’s told what the rules of the game are. And the rules of the game make him impotent.

I’ve written a great deal about this business. This is an important scientific and political question, as to how people are turned into impotent people, who would not be impotent otherwise. You know, the myth is, that, in society, everyone is measured by their own qualities. That’s bunk. Tragedy is never a matter of individuals. The exceptions to tragedy are a matter of individuals. Only exceptional individuals will break free of a tragedy.

Most tragedies are caused by common opinion, by shared cultures. You know, you’ll often see people who, as individuals, will act quite rationally. But when the same individual is with a group, he will not act rationally. And he’s operating under the influence of group dynamics. And all real Classical tragedy, including those written by Shakespeare, some ancient Greek tragedies, those written by Schiller and so forth: All great tragedies involve group dynamics. There is no tragedy which involves a hero. They’re called “heroes”—they’re not heroes. But they all submit to group dynamics. And they

say, “Well, I would do that myself, but I can’t, because I have to go along with my friends”—or this, or that. “Therefore, I can’t consider that.”

They come like Hamlet, you know? Hamlet, all Danes of that type—not our visiting great Danes, but the great Danes of that act—were cowards! Intrinsically cowards! Hamlet was a coward! But what kind of a coward? He’s afraid of a ghost! He’s afraid of the King. He wants to maneuver, with a play. It doesn’t work. Then he says, “Well, nothing works! Therefore, I’m just going to go throw my body on the line, and get everybody killed,” in the Third Act soliloquy. So therefore, all the figures in *Hamlet*, except Horatio, are traitors; they’re all skunks. There’s not a good man among them. There’s not a good person in *Macbeth*. There’s not a good person in *Lear*, not a sane one in *Lear*, they’re all nuts. There’s not a good figure in *Julius Caesar*, except the one who’s mentioned, but not present: Cicero.

All tragedy is based on the commonality of self-destruction, of corruption, which works as group dynamics. The individual is bound as by an electric fence of opinion, and can not act independently. And you find, often in society, you find a real-life situation, in which an individual as an individual, isolated from their cronies, will act as a rational person. But when they’re with their group, they’re skunks. Hmm? And the problem here is, the “go along to get along” principle in the Congress, is a Skunk Hollow principle. The individuals who are perfectly sane, intelligent people, will not in the Congress in their capacity as members of Congress, act in an intelligent and honest way.

So therefore, you will find the individual general, the this, the that, the so forth, who’s outside that particular part of the process. And the way you deal with that is you stir up a *revolt* against the consensus: Break the consensus! Destroy the consensus. That’s the only way you get rationality under these kinds of conditions. *Don’t accept a consensus*. Someone says, “I have to go along. I have to go along with my friends. I have to go along with this, with that.”

“You’re corrupt! You’re rotten! You’re part of the tragedy. You *are* the problem! Because you go along to get along, you *are* the problem.”

It’s *breaking* that, when you know morality requires you to break it, the *guts* to do that. And I have the guts to do that. I also happen to know a few things, which helps me choose when to do that.

But that’s exactly it: We’re in a situation, where we can win. The ability to win this fight is there. The trouble is to find enough people with the *guts* to do it!

### ‘Are We Doomed to Mediocrity?’

**Freeman:** Lyn, the next question is from a state official. He’s from the same state as the Congresswoman who just asked you the question. He says: “Lyn, today’s *Washington Post* poll on the Presidential candidates indicates that to most respondents, strength and leadership are more important to



FDR Library

*Harry Hopkins (left) played a key role, not only in organizing the public works and mass employment programs in the Roosevelt Administration, but in setting up the U.S. military logistical capability. Here Hopkins poses at Yalta, in 1945, with Roosevelt secretary Steve Early (center) and foreign service officer Chip Bohlen.*

them, than what was identified as ‘new ideas.’ There is no question that I will work to elect the Democratic Presidential nominee, whoever he or she is. But given the nature of the current crisis, particularly as you’ve described it, I can’t honestly say that any of the announced candidates stand out, either because of their new ideas, or because of the strength of their leadership. And as such, I’m not really comfortable picking a President by default.

“Is there a dark horse potential out there? Or are we in fact doomed to mediocrity?”

**LaRouche:** Well, I’ll tell you—let me just say, that when I say that government must do something, I’m taking personal responsibility for getting it done. If I say that we need a President with certain qualities, and I’m prepared to do my part, to ensure that the President has available, the qualities they need for that part. I’m not running for office; but if we get a good selection, a workable selection, I’m going to be there. And I’m going to do my job. And it will happen. And I know some other people around government, who have similar qualities, and I would ensure, or attempt to ensure, that they are represented.

You know, when Roosevelt took over, Franklin Roosevelt, he brought in a guy, Harry Hopkins, who didn’t come from nowhere. Harry Hopkins was a specialist, who did a great deal in building up the mass employment and so forth, the public works programs, but he also was a military programmer. Because, the day, as now, as I described the situation today, now—remember that Roosevelt was actually inau-

gurated as President within a couple of weeks after Hitler had received dictatorial powers from the original author of the Federalist Society in the United States, Carl Schmitt. And therefore, Hitler had become a dictator, through Hermann Göring, who was the Dick Cheney of the moment, who set fire to the Reichstag, in order to create a 9/11 type event, which was used to give Hitler dictatorial powers, which he never relinquished until the day he died.

So, Harry Hopkins came in as Roosevelt’s man, because Harry Hopkins was also a key part of the military organization of the United States. And the day that Franklin Roosevelt became President, he already knew that the United States was going to fight a war against Hitler, and that we had to prepare for it. And the entire organization of the effort, which included people like Dwight Eisenhower; also MacArthur was a key part of this, the industrial policy; other people. That the recovery program of the United States was a dual program: It was building an industrial capability for fighting and winning a war.

Our soldiers were not the most capable soldiers that existed during World War II. The Germans were. Performance all the way around, the German military was far more capable than we were in combat. But we had one thing, which the United States had, and created under Roosevelt, which Harry Hopkins represented: We had logistical capability. Where they had a few hundred pounds, we had *tons* of logistics. And we built a system: We built more airplanes than the world ever believed could have existed, each year! We built more of this and more of that than anybody! And I was there. And I trained some of our soldiers, that was one of my jobs—they were bums! But we won the war! And we won the war with logistics!

And Roosevelt came in, and therefore he picked a team of experts among all the people around him, and that hard-core team knew that we were going to save the U.S. economy, and they knew we were going to have to fight war against Hitler.

And the problem was, we had to get the British, who put Hitler into power, to quit, and join the United States. And we did: As long as Roosevelt was around to bite the heels and the legs of the British, they behaved themselves ... somewhat. And Roosevelt used to refer to them as “that bastard!” “That bastard! That bastard!” He would tell Churchill that his key man, “Hey I know why you brought that bastard here!” And so forth.

So, Roosevelt had no illusions. He was an actual, real leader. And you need a real leader in the United States. But that’s the kind of leader you need—you need the American-style leader, not the dictator, but the American-style leader, who knows what has to be done, who is determined to do it, who has a long view, and who pulls the crew around them to

get the job done. It'll be a mess. It'll be slop, like our war was slop... but we won! And if Roosevelt had lived, we'd have won more. And that's the way you have to approach it.

## A Mission-Oriented Approach To Economics

**Freeman:** The next question will come from the audience: Michelle Rasmussen, one of the leaders of our Danish organization.

**LaRouche:** A Great Dane.

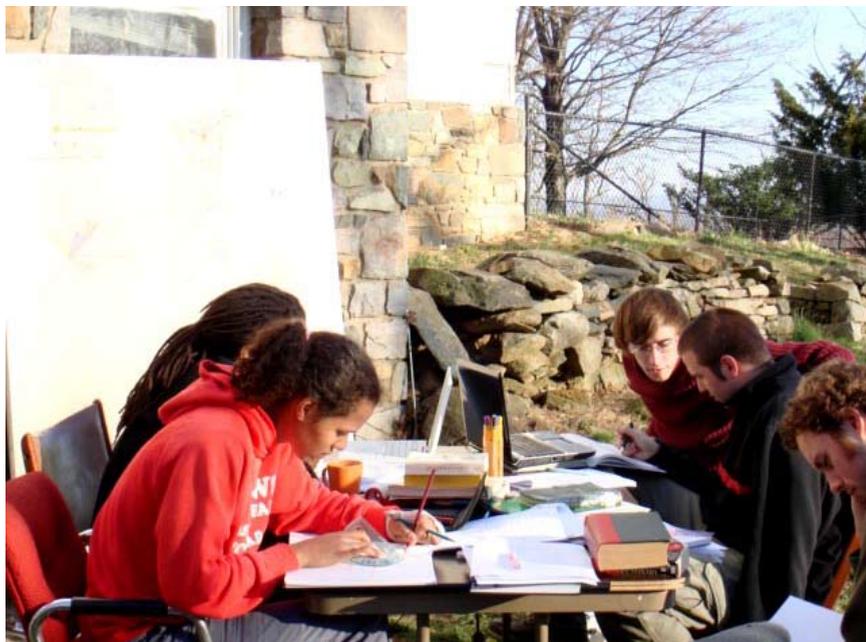
**Q:** Your associates in Europe, in the Schiller Institute, are organizing a conference on Sept. 15th and 16th on the subject of getting a Bering Strait connection built. And we in the Schiller Institute in Denmark have been proposing, that Denmark lead Europe in building the first commercial maglev line. These proposals have really sparked the imagination of the population and of some of the political institutions, some of the press. And the only real significant opposition so far has been people who say, "Well, it costs too much money!"

You addressed some of this in your speech, but I just wanted to ask you, how you respond to those people. And what more can you say about the importance of the Bering Strait Project, to help inspire people to participate in the conference?

**LaRouche:** See, the problem with most economists, especially accountants, is they think like monkeys. And therefore, they don't know how to do these things, because they think like monkeys.

Now, human beings are not monkeys. Some people fool us and pretend to be, quite successfully, but people are not monkeys. Now, the difference is, human beings change the productive powers of mankind, through the assimilation and generation of discoveries of principle, and the discoveries of applications of those principles. That's the difference between a human being and a slave. A slave is not allowed to invent anything. A slave is told to do as they're told. And most people in society today, in the United States, are slaves. They're told not to think—and they do that very well. They don't think.

So therefore, the key thing here is, economics is based on a principle which is unknown to virtually every professional economist in the United States. That principle is the human mind, the creative powers of the human mind. Those of us who are old enough to remember the time that we were actually productive; in all kinds of jobs, you would have factories that would have production suggestion boxes. Now, they were



EIRNS

*"Human beings aren't monkeys." We have to stimulate the creative power in people. We're doing it in the "Basement," LaRouche said, referring to the LaRouche Youth Movement crew (above), independently developing their mental powers, as they master the work of Kepler and Gauss.*

not junk; a typical suggestion for a company that had some high technology in it, would be something that would have been crafted over a period of probably some months, by one person or a number of persons who were employees in that plant. And they would work out a plan, a detailed plan for a device or a tactic or something; they would work it out in great detail, with essentially the equivalent of scientific precision, or a machine-tool like precision. They'd work it through, and it wasn't—you know, "Give a Kleenex to the something or other;" but something really serious of that type which would affect production.

In World War II production, under those kinds of conditions, even in the postwar period, you would have this kind of re-lofting of an aircraft. For example, Grumman at one point, in the immediate postwar period, was making innovations in its aircraft. And they made the mistake of having this pile-up of revisions. At first, they would say, "Well, let's make each revision in order." That is, they would take revision #1, revision #2, revision #3, and the problem was that when they put these series of revisions through, they were cutting holes in all kinds of things, in making these different kinds of attachments and arrangements. So, they realized they had to re-loft the whole thing from the end result, rather than trying to do it step by step. And what we would have, is you would have people who would make these kinds of suggestions in these kinds of industries, who actually would go through that process and say, "This is the mistake we're making. Here's how we have to do it," and

that kind of re-lofting idea would come out of that sort of thing.

So, you had, in the idea of high-technology production, especially coming out of World War II, where we brought a lot of people into war production and similar things, we had a high premium on innovation. This continued in the so-called Cold War period, where innovation was important. But as the effect of the right-wing turn into suppressing the mental agility of people in production, they became less and less creative, and a smaller and smaller number of people were working.

We had a convergence, where the launching of the manned Moon landing, actually on the authority of [President] Kennedy, was the last great step we made in net effect in this direction. By the 1970s, we were already destroying that power of innovation in the population, and people were becoming less and less creative, and what's called "innovation" today, tends toward crap more often than it is something useful.

So, that's the problem. But we have the ability, if we organize properly, to stimulate this creative power in people. Look, we're doing it in the Basement out there, in a sense, in getting people to go through a certain sequence of their own self-development.\* What's important is not getting the result which they produce for somebody else to look at. What's important is the *self*-development of going through this exercise, of working something out more or less independently, and developing their own mental powers. And that's what's important.

So if I say, we take a mission-oriented approach to management, as opposed to what's called a "management approach" today—and you give people a mission-oriented assignment, with some freedom to express this mission orientation, you will find that the human factor among talented young people, will cause you to generate improvements in the process, which will increase constantly, the effective, productive powers of labor. That, what you do in planning the economy, planning programs in the economy, is you play on that factor: of inspiring people to become creative in a true sense, not creative in some kind of "how to make a better paper clip," but really—and you get that creative factor; if you have a high science content in your drive, that sort of thing. You know, the farmers, for example, in the 1950s, the farmers in the United States, were coming out of the World War II experience, and you had young farmers going to agricultural institutions, and they were becoming agricultural scientists, agronomists. And they were making innovations in crop design and in methods of production, faster than the Agriculture Department or anybody else could keep up with them. This was killed in the 1970s, this impetus. This is the same thing, in the history of war production during

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\*LaRouche Youth Movement organizers in Northern Virginia are conducting intensive research on Johannes Kepler, Carl Gauss, and Bernhard Riemann. See [www.wylm.com/~animations](http://www.wylm.com/~animations).

World War II and immediately after, the same thing that I referred to before.

So therefore, if you plan development properly, if you plan it from an economic standpoint, to activate the human factor, of human creativity, in this way, in productive efficiency, then this is the source of the gain which is the net physical gain in productive output that you get by an investment. It comes from the human mind. The activation of the creative powers of the individual human mind, those innovations are the margin, by which the increase in the productive powers of labor is generated. And the key thing to successful economy is to organize an economy around that kind of motivation and method. And we know that you can take a 3 to 5% average gain in productive powers of labor in society, by simply approaching things with that kind of understanding. It's automatic.

That's why we insist that the rate of interest on loans for production should be less than 2%. Because at less than 2%, we can create a significant margin of gain in productive powers of labor, so that we can easily afford the 1 to 2% interest rate on the loans, if it's not compounded.

So, that's the way it works. And we know that works, we know how that works (at least some of us do), and therefore, when you plan how the economy should go, that's the way you do it. You look at these kinds of factors, you know how you can get the gain, and you're getting the gain by what the innovation factor is that you're getting from the people who are doing the job. *It is the productive powers of labor*, not the shrewdness of management! It's not money that earns profit: It's people that create it.

### 'What Can Save the Auto Industry?'

**Freeman:** The next question is from Darrin Gilley, who is a UAW official from St. Louis, Missouri. And he says, "Lyn, would it be possible for the Big Three automakers to actually negotiate a fair labor agreement with the UAW under current market conditions? Is it possible for the auto industry to overcome the unfair trade practices that are currently undermining all American industry? What do you recommend for the UAW and other unions, as we approach these current labor negotiations that are now set to begin, given the current economic crisis as you've developed it?"

**LaRouche:** Well, I would say, the easy way to get that, is to let me do it.

Because you're not going to get it from the union level. That's not the way you're going to get the result. You get the result from the participation of the people in the unions on the program, but you have to have a Roosevelt type of approach. It has to be, the government which is able to organize its tax policy, and other things, simply says, "We have a policy," as Roosevelt did. "We have a policy."

As I said earlier, in response to an earlier question: Raise the minimum wage. Raise it! Enforce it! Enforce the raise in the minimum wage.

You also do other things the same way. And what you do, is you consult with everybody involved on these things. You consult with the unions and so forth involved, and you negotiate, sitting around a table or discussions—you negotiate, and say, “Would you go along with this? Would you go along with this?” That sort of thing. And you come up with a package.

But the intent, is the commitment of government to make something work. You never will have a private initiative on this kind of policy question, which by itself will solve a problem on a national basis. It has to be the government. The government has to have a political commitment to achieve a result. And call in the people who are affected, like the unions and so forth, and say, “Let’s discuss this. We’re looking in this direction: What do you have to say about it?” And you come up with a package. And with the power of government behind the package, you make sure it works. And if the union understands what it is, if they cooperate, it probably will work! Usually does. If it doesn’t work, you’ll learn a lesson from it, and you go back and take another crack at it and try it again, and you’ll get the result.

But it’s the human initiative, and human will. It’s not systems; it’s not plots and schemes, and so forth. It’s a social process, always focused on one thing: a mission-orientation—where do you want to take society? Where do you want to go? How can we get there? What are the implications? And then the will and cooperation to get the job done. Just like warfare.

But the emphasis always has to be on human creativity. And you will find in general, that the guy who is creative—. See, the worst trade union bureaucrat is the hack. He doesn’t want to think about creativity. He wants to think about “this here deal.” He doesn’t want to think about creativity. But the young, vigorous, or the old guy who likes science, who likes that sort of thing, he wants to do a good job. And he has ideas about how things can work, and he’ll make things work. Whereas you get this bureaucratic mentality, that’s tough to deal with.

But you work around it. You find the creative people in the situation, and you try to give them a little more leverage, and make their weight felt more effectively, and it comes out.

But the way to do it, is simply, we have to lower the profits in the United States, particularly financial profits. We have to increase the profitability of production, have to lower the profitability of speculation to less than zero, hmm? Shrink it down. And we have to emphasize scientific and technological progress, greater capital intensity, much more emphasis on basic economic infrastructure that’s related to production. And being intelligent. That’s all there is to it.

But if we decide that we’re going to change the United States back to what it was, before Kennedy was killed, at least—if we decide we’re going to do that, and we’re going to use those kinds of criteria, it’ll work! It’ll work. Unless they kill us. But it will work.

And that’s how it’s done. It’s done by the human will and intellect, but you have to have a commitment from the top down, or it won’t work. If you have a commitment from the top down to prevent it from working, it’s probably not going to work.

## The ‘Lobster Summit’

**Freeman:** Lyn, the next question is from the chief of staff of a Senate office, which has major responsibility for foreign policy. And she asks: “Mr. LaRouche, at the beginning of this month, coming out of the “Lobster Summit,” it looked as if reason had prevailed and that our planet had been granted something of a reprieve. Now, however, it looks like that reprieve was a very brief one. In your view, have we lost what was accomplished there? If not, how can we actually regain the momentum of the Kennebunkport process, and by doing so, avoid what some have referred to as the ‘Guns of August’?”

**LaRouche:** Well, in a sense, I don’t think we lost anything as such. We lost time; we lost an opportunity, a momentary opportunity. But the problem is, we didn’t get rid of Cheney! That’s the problem.

I mean, when the President got back to Washington, and he got into the hands of that Rove-ing idiot who advises him, and Cheney, hmm? Or, Rove-ing hands, or whatever he is. But, the President took a flop backwards. He’s of fragile mind anyway, and the flower, the bloom wilted rather quickly.

See, the fact is, the President is actually Trilby. He can only sing when his hypnotist has got him under control. If the hypnotist doesn’t hypnotize him, he can’t sing. So, he’s dependent upon Cheney. It’s a horrible spectacle, isn’t it?

But, anyway, he got back and Cheney went to work on him. And he went back into Cheneyism.

And my answer is: You idiots! You’re talking about impeaching Bush. You idiot! You idiot! You idiot! What you have to do is get rid of Cheney. By impeaching him? Well, you don’t have to really impeach him. First of all, you have to decide you want to get rid of him, and you want to get rid of him without shooting him. There are ways to do that. You just have to have the determination.

If you get the right combination of people to realize they’re going to save the nation, and some tough people who won’t give up, Cheney is out! That simple. If Cheney is out, Kennebunkport is back—provided we do what I’ve indicated today has to be done. You have to commit yourself absolutely: We are getting the troops pulled back *in August!* Not September, not November. They’re pulled back in August.

To make that possible, we have to enter into a discussion with Russia—because Western Europe doesn’t mean anything right now; there’s no competence there. China, and India—because India’s now scared, because of what happened with Pakistan. Because anyone in India who understands things, knows that a destruction of Pakistan, of the type that’s in progress now, means that India’s going to be affect-

ed. So therefore, this is essential.

If we do that, then that puts it back on the table. In other words, you had the father of the idiot, who's not the brightest bulb in the world either—but the father of the idiot, and the idiot, decided that they wanted to move in a certain direction. And the father was pushing it, and other people were pushing it. That's good. All right, we've lost that in that form, but if we do *this*, and then get Cheney to get out, and then push this at the same time, *then* go back to Russia. Because the White House knows, whether the President fully understands it or not, that if we want to pull this off in Southwest Asia, we have to have cooperation from Russia. There's no other nation that's crucial for this, otherwise. The others then come in, and you can pull it together.

So therefore, we have not lost the issue. That was a gain that that happened. We've lost the way we thought we were going to get it, by getting a first step, and then going to another step, and then another step in cooperation. We lost that. But what we did, was good, it was important. We can bring it back, this way. And the way to do it, is go at: We know we've got to pull this deal with Southwest Asia; we pull out, get the agreement. But we know that won't work, without the Presidency going to Russia, going to Putin, to get the other nations involved, to create the circumstances in which the thing will work.

So, I don't think we lost anything. We lost time. And get Cheney out: It's all solved. *But get him out!!*

## The Principle of Creativity

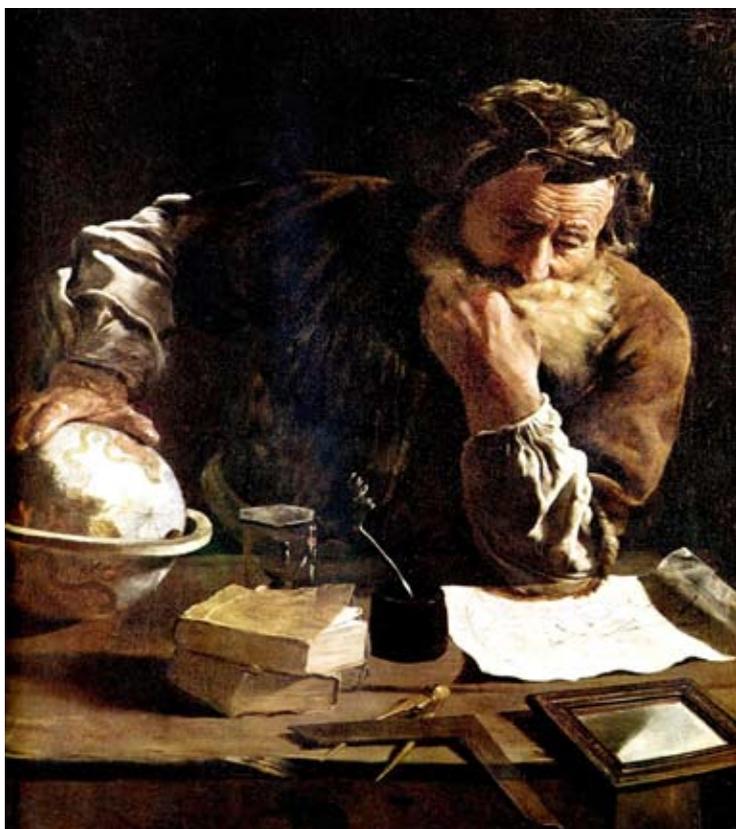
**Freeman:** This is a question from the audience, from Alan Egge.

**Q:** It comes from your new paper, "Music: Science or Fantasy," footnote 3, to be specific, where you go through the whole progression from Archimedes' quadrature of the circle, and then Nicholas of Cusa, his refuting of the quadrature of the circle; and then you go through Kepler's discovery of gravitation, to the infinitesimal calculus, to elliptical functions.

Now, my question is general, but I want to understand that progression more, because working on the Kepler work, it's hard to really understand what Kepler's going through without really understanding the whole progression. Like what is the actual historical context that he sits in. So, if you could elaborate.

**LaRouche:** There's a principle involved. And the principle is that Archimedes was wrong! Archimedes was incompetent. He was competent in some things, but on this he was incompetent. Because you can not define the circle, ontologically, by quadrature. You never come to an actual circular motion: It's always in some small—it's rectangular.

Now, this becomes obvious to you—Nicholas of Cusa



*Archimedes was wrong to define the circle ontologically by quadrature, as recognized by Nicholas of Cusa, LaRouche said. "You never come to an actual circular motion: It's rectangular." Here, a 1620 painting by Domenico Fetti of "Archimedes Thoughtful."*

was the one who recognized this. Nicholas had been getting all these papers, which he and others had collected from the archives in Greece, where some of these old things were still there and maintained. He realized that Archimedes was wrong, and he realized that it was a systemic error in the thinking of Archimedes, which in point of fact, was not an error in Archimedes' associate and correspondent, Eratosthenes. Eratosthenes of Egypt made no such error; Archimedes did.

Now, the thing becomes clear, on reflection, when you go to the first stage of Kepler's discovery of gravitation. And the point is, as long as you believe—which is what the error is, of this quadrature—as long as you believe, as most people today who are mis-educated believe, that if you know the mathematical formula, the formula is what determines the pathway of action. But the formula does *not* determine the pathway of action: The formula was an attempt to *describe* the pathway of action, it does not determine, it is not the  *motive*, as Gauss dealt with this thing—it is not the motive for the action. What pushes, what causes, what is the motive? Because, not only does the planet follow an elliptical orbit, but it has a certain variation in its rate of motion, of the equal times/equal areas, right? So, where does the motive come for

equal times/equal areas? Because it's the equal time/equal area, the volume, and the volume effect, which determines the rate of change of motion. So, you don't have quadrature, because you have a rate of change of motion! A rate of change of the vector of motion! In the smallest degree: So there is no possibility of quadrature.

This then involves the fundamental principle, which becomes the principle of the Leibniz calculus, which is first defined *as* the principle of the calculus by Kepler, on this basis, and on the basis of harmonics. Which means that, when you get to harmonics, you realize that—as I lay out in the paper here—you have this relationship: You've got on the one hand, two senses that are primary, vision and hearing, harmonics. Now, these are two different senses. Now, you often will find, as you can hear, up here at the podium, at the same time you have vision and hearing, are going on simultaneously. Vision and hearing, which are two distinct senses, are like instrumentation of your experience of the universe.

Vision and hearing, they're different. Hearing is not symmetrical with seeing. Seeing: Idiots believe in something like Cartesian geometry, or Euclidean geometry—but only an idiot really believes in Euclidean geometry. Because Euclidean geometry says, "I believe in what I see. I pay no attention to what I hear." Hmm? Typical idiot. He sits in a classroom, "I see everything," he hears nothing. Like the three monkeys.

So, in any case, the point is, that the mind is not a simple reflection of sense-perception. A description of motion, as described by a faculty of sense-perception, whether it's harmonic or vision, is not reality. Reality is something which is neither, but is that which is common to both. Now, this faculty of the human mind, to define an infinitesimal, as Kepler defines an infinitesimal, is the faculty of science, physical science, which corresponds to human creativity, which is the difference between man and a monkey.

So, that's the issue. So therefore, on the issue as I lay out that series, is, Archimedes made an error. Archimedes was a very creative mind, but he couldn't identify creativity in geometry. Whereas Eratosthenes could, his correspondent.

So therefore, once you define creativity, which is what Kepler did with that discovery, and then he went to harmonics, and he defined the relationship—Kepler's calculation for gravitation involves *harmonics*, not just vision. It's not just equal areas/equal time—it involves harmonics. So therefore, you have the faculty of vision and the faculty of hearing, or harmonics—harmonics is not just hearing—but harmonics, and therefore harmonics determines the organization of the Solar System. It's not quite the way you would think otherwise, but it's that.

So thus, the mind is neither sight nor hearing: These are merely instrumentations, like instrumentation of any experiment. The mind resolves that which does not correspond simply to sense-perception. And it's this understanding, the human mind's ability to discover these things, discover the

ironies of sight and hearing, in respect to a phenomenon, which is the location of the function of creativity in the human being, which distinguishes the human being from an animal.

Now, once you discover this, then you have Leibniz's discovery of the calculus, which is based on Kepler. Then you have Fermat's proof of least action, which is another irony of the same type. So, now, when Leibniz unifies, together with Jean Bernouilli, the question of the relationship of the harmonics and vision in this way, by taking least action as well as this principle of the infinitesimal, then you get the universal physical least action. Which is the basis, which leads into—

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*"Society and social relations should be based on that which distinguishes human beings from animals. That's the issue."*

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once you get rid of Euclid and all of this other nonsense—it leads into Riemann. And once you get to Riemann, you have a picture of the universe as man knows it, today. It's not as we will know it a hundred years from now, but it's as we know it today.

So, the point is, once you get on that track, as I enumerate that track, the point is, that *this is a track* which defines human creativity. Which means, if you just study mathematics and don't learn to sing, like Bach would force you to sing, or should force you sing, you don't know a damned thing! You have to know both. And because you have to find the resolution which makes you something more than an animal, something more than a machine: You're not simply a piece of instrumentation attached to another piece of instrumentation. You are the living mind, which distinguishes you from an animal. And society, and social relations should therefore be based on that which distinguishes human beings from animals. That's the issue.

**Freeman:** Well, when we started today's seminar, we started with the idea that we needed three more members of Congress to sign on to the Kucinich resolution, in order for Chairman Conyers to proceed with impeachment proceedings. Before we actually officially convened, we needed [only] two more.

Lyn, in his first remarks, said that "it was time to make history," and there are few things that he has said that I agree more than that. . . .

You've been a great audience. Please join me in thanking Lyn.