

LAROUCHE WEBCAST:  
GREATEST CRISIS IN MODERN HISTORY

## The Last Chance For Civilization?

*Here is Lyndon LaRouche's Nov. 18, 2008 international webcast from Washington, sponsored by the Lyndon LaRouche Political Action Committee. The moderator was LaRouche's West Coast spokesman, Harley Schlanger.*

**Schlanger:** ...As the present global financial disintegration has been unfolding, and accelerating, we've been hearing, constantly, the refrain: "No one could have known it was coming." That refrain, no matter how often it's repeated, is dead wrong. We're also hearing another refrain, as trillions of dollars are being pumped into dead banks, in a futile effort to save the bankrupt system: "No one knows what to do." Again, those repeating that refrain, are dead wrong.

It's my great honor and privilege today to introduce to you the one man who not only forecast this crisis, who knew it was coming, but has offered a solution, and is organizing globally to implement that solution:

Ladies and Gentlemen, join me in welcoming economist and statesman, Lyndon LaRouche.

**LaRouche:** Thank you.

This past week, this past Tuesday, I gave an advance presentation to an audience, here in this city, and also in New York, on a discussion of what I was going to say today. What I said then was recorded—not in full, but the remarks I made in opening, were recorded—and have been reproduced and are in circulation now.

What I said, essentially is, what we're involved in today, is a general breakdown crisis of the world financial-monetary system. There is no possible rescue of this system, as such: that is, the present, international monetary system can not be rescued. If you try to rescue it, you will lose the planet. You have to choose: Replace the system, or get a new planet. Those are your choices, essentially. I think that any sane person would say, "Keep the planet." Mars is not particularly hospitable these years; I understand



EIRNS/Stuart Lewis

*Lyndon LaRouche addresses the Washington audience, Nov. 18, 2008. "You have two ways to go," he said. "Either you collapse the world, with starvation and mass death, and those effects. Or, you put the thing through bankruptcy reorganization."*



EIRNS/Stuart Lewis

it's rather cold there, at present.

So what that means, essentially, is, the world is now operating under an imperialist system, which is actually part of the British Empire. Now, the British Empire, is not the British Empire: It's an international monetary-financial system, which has a base in England, but which operates globally. And since the breakdown of the U.S. dollar, in 1971, and the subsequent launching of the highly speculative market in petroleum, the short-term speculative market in petroleum, the U.S. no longer controlled its own dollar. The dollar has been controlled increasingly, as the U.S. economy has deteriorated, by a London-centered crowd, centered in those financial interests.

The result of that, plus the fact of what was done, beginning in 1987, under a now departed—happily—former head of the Federal Reserve System, Alan Greenspan, is that a new addition was added to this process of this speculative kind of currency. It was based on a system which had been pioneered by a Michael Milken, who went to prison in the 1980s for what he did; but Alan Greenspan made it international.

So that, what happened last July, a year ago July, was not a crash of a short-term market, at all, a real estate market. The real estate market was collapsing, or

did collapse, as I said it would collapse, exactly at that time. But there was no real estate market collapse of the type talked about. What was collapsing was the system.

Now, the system is in the order of magnitude of *more than a quadrillion dollars*, many quadrillion dollars, of speculative currency, out there. More wealth nominally, than the world contains. Everything had been done to prop up this crazy dollar, as an international currency, controlled, not by the United States, but by a syndicate of international financier interests: the floating-exchange-rate system. And what happened is, they had gone into the area of U.S. real estate, as in London and elsewhere, in trying to create *debt*, synthetically, to cover this vast accumulation of unregulated dollar claims in the international market: quadrillions of dollars claims. Maybe more than \$1 quadrillion. Maybe \$10 quadrillion, or more than that.

And so, there is not enough money, real value in the world, to cover the demands against currency. And therefore, the system has gotten to the point, that under the present system, you've got to *sacrifice the currency claims*, or you've got to sacrifice the real economy. Which means, there's no way, that you can reorganize under the present world monetary-financial system.

You have to put the whole system into bankruptcy reorganization.

Now, how can you do that? Well, what you can do, is end the existence of monetary systems: You put them into bankruptcy and close them out. Well, what do you do for money? We go back to the U.S. dollar.

### **The American Constitutional System**

Our Constitution is unique among nations, in many respects: that we're a true nation-state, where European nations are not true nation-states. They may aspire to be nation-states—Charles de Gaulle tried to do that in France—but they're not really nation-states. Because they are under a parliamentary style of system, and a parliamentary style of system is inherently not a fully sovereign system of sovereign nation-states: It's controlled by something else; it's controlled by international monetary interests.

So, what we can do, is, very simply, is we can go back to the U.S. Federal Constitution, and create what's called a "credit-based dollar," as opposed to a "monetary dollar." A credit-based dollar is consistent with our Constitution: that no money, as legal currency, as legal tender, can be uttered under the U.S. Constitution, without a vote by the U.S. Congress on behalf of action by the U.S. Presidency.

So, in our system, the official currency of the United States, insofar as we follow our own Constitution, is limited to dollars, or dollar-equivalent negotiables, which are uttered *only* by previous authorization of the U.S. Congress, especially the House of Representatives, and uttered by the U.S. Federal government! There is no such thing as an international monetary source, which gives us our currency—not legally. It is uttered by the U.S. government; it is sovereign. We are a sovereign state, and our currency is uttered by us, under our Constitution: by approval of the House of Representatives, and by the Presidency. No other currency exists.

In Europe, that is not the case: In Europe, the monetary systems are *not* controlled by the government. They are created by central banking systems, which may negotiate with governments, and have agreements with governments, but the governments do not control the monetary system, as such. In point of fact, that is the *essence* of a free-trade system: that the governments have no essential control, as issuing authorities, over debt and credit outstanding.

And it's because of the utilization of that provision,

that artificial money was created, by people making a capital promise, in capital amount, to go into debt, to get a lesser amount of money uttered in their behalf, now. That's how the world incurred a presently outstanding debt, through such means as derivatives, in the order of *quadrillions of dollars*! Far in advance of anything that could ever be paid. So, we are *never, never going to pay those debts*! We *couldn't* pay those debts. So, we're never going to pay them.

What do you do in a case like that? What does the United States do in a case like that, under our Constitution? You declare those debts *in bankruptcy*. And what do you do with them in bankruptcy? You sort them out! Those things that should be supported, will be supported, and the rest of it will just wait, or die away. The great majority, the vast majority of the obligations outstanding today, as nominal claims against countries, *will be cancelled*. Those things which should be paid, will be paid. Those otherwise, will never be paid. And they will never be paid, in any case!

### **A Four-Power Alliance**

Now, you have two ways to go: Either you collapse the world, with starvation and mass death, and those effects. Or, you put the thing through *bankruptcy reorganization*. And how do you do that? Well, what I specified is very elementary: I have four nations in mind that can take the lead on this thing. And the four nations, which together, represent the greatest consolidation of power on this planet: These nations are the United States, Russia, China, and India, as joined by other nations, which join in the same deal. We put the world through bankruptcy reorganization. How do we do it? We use the U.S. Constitution to do that.

The U.S. Constitution is unique in the fact we have a kind of Federal Constitution we have: that our dollar is not a monetary dollar; it's a credit dollar. In other words, the United States has uttered an obligation, on behalf of the U.S. government, which can be monetized. That is our obligation; that's our only obligation, and any other kind of obligation is not fungible.

Other countries have a different kind of system.

Now, if the United States says, that we are going to back up our dollar, and enters into an agreement with Russia, China, and India, to join us, with other countries, in doing the same thing, to put the world through bankruptcy reorganization, in which we will *cancel* most of the outstanding financial obligations: It has to happen. Otherwise, no planet! If you try to collect on





USDA

*United States: Contour farming in Iowa, alternating alfalfa with corn, provides protection from soil erosion. American agriculture, once the world's best, must be restored.*

*A Four-Power agreement among the United States, Russia, India, and China is essential to reorganize the financial system and stabilize the world situation. These nations are each very different, and have unique problems and unique contributions to make.*



Indian Space Research Organisation

*An Indian satellite launch. India has a top-rank scientific and technological cadre force, dating back to the Nehru years.*



www.sysu.edu.cn/en

*China's Sun Yat-sen University. China is committed to advanced technology and educating its huge youth population, although it faces many obstacles.*



loc.gov

*Russia's Trans-Siberian Railway was built on the principles of the American System of economics. The nation is reviving an emphasis on infrastructure development, after long neglect. This image is digitized from a 1910 color photo, made on three colored glass plates.*

quadrillions of dollars of outstanding claims, from whom are you going to collect, by what means, and what's the effect? It is *against natural law*, to collect on that debt! How many people are you going to kill, to collect that debt? How many countries are you going to destroy, to collect that debt?

So, we have this monetary authority outside, which has treaty agreements with governments, but which has no real obligation to governments otherwise, except

the treaty agreement. This agreement has resulted in the creation of a vast world debt, a monetary debt, which can never be paid. Well, obviously, the system is bankrupt! You shut down the system, and put it into bankruptcy reorganization—it's the only remedy.

### A Credit System

How does it work for us? Under our Constitution, any credit we utter, in a monetizable form, is an obliga-

tion under the authority of the U.S. government, in each process, by the approval of the Congress, the uttering of it, and by the action of the Federal government, with that approval. Now, also, not only do we utter our currency, properly, under those terms, but if we, as a nation, as a sovereign republic, enter into an agreement, a treaty agreement with other countries, for the same system, then under the treaty agreement, other countries enjoy the advantage of the same system we have for reorganization of our debts.

And that's the only way we can get out of this mess.

So, we create a group of nations, who are operating under treaty relationship with the United States, which gives Constitutional protection to this, so that we now have created a new system—a credit system—to replace the existing monetary system. And everything that is put under the protection of the *credit system*, is now solid. Everything else is thrown onto the floor, to see what you can pick up: It's in bankruptcy.

So therefore, we can create a new credit system, among nations, which I think—if the United States, Russia, China, and India agree, most nations of the world will happily join us, especially considering the alternative. And therefore, we can create a new world system, a new money system, a credit system as opposed to a monetary system. And under those conditions, we can proceed to advance credit on a large scale, for physical reconstruction of the world's physical economy. We can organize a recovery of the same type, which we undertook with President Franklin Roosevelt, back in the 1930s and 1940s. And we won't change from that, I should think, once we've done it.

That's the only alternative.

Now, what that means is, politically, the end of the British Empire; or what's called the British Empire. The British Empire is the present world empire. There is no other empire on this planet today, except the British Empire. The use of the "empire" to describe any other system, is incompetent. The British are the only empire, and the British Empire is that which controls the dollar, the floating dollar today, the monetary dollar.

So, under these conditions, we then proceed to world reconstruction. And what we do, instead of the present free-trade system, is we go back to a protectionist system, a fixed-rate system; in other words, currencies will have a fixed rate of exchange with respect to each other, or adjustable by treaty arrangements, but

they do not float. And we then proceed to utter the credit, for large-scale infrastructure investment, which will be the driver of the physical reconstruction of the planet. *That's the only remedy.* Any suggestion but that, is insane. Any failure to do exactly what I've prescribed, is insane. All sane people will, therefore, immediately agree—or we will have to draw the obvious conclusion.

So, that's what I outlined, in essence, as to how this would work—that's the core of it. This is the U.S. Constitution. It's a system which worked, every time we've used it. If we go back to it once again, as we did under Franklin Roosevelt, we'll come out of this nicely.

### **Globalization: A Crime Against Humanity**

What are we going to do, however? We have, then, a physical economy, which is a mess. We have a situation in which the people are in jeopardy, life is in jeopardy; the conditions of life, the *physical* conditions of life are deteriorating throughout the United States and elsewhere. We have a problem of starvation in many parts of the world. Much of the human population is now in desperate jeopardy, because of current food prices and current organization of food production. Globalization has become a mass murderer, and globalization is virtually a crime against humanity, in its present implications.

We set up a system, as you may have noticed, with the case of Monsanto and other ones, where we grow food in one country to be eaten in another country. And we don't grow food for that country, much in your own country. You grow food for other countries, under the present kinds of agreements, WTO type agreements, to produce food for people in other countries. For the food you eat yourself, you have to go to a completely different country than your own, and get them to produce food for you. In the middle stands someone who's a dealer in food, the international financial community, which determines the prices which are paid for the country which exports the food, and also determines the prices paid for the country that buys the food to consume it. And what we've done recently, is we have destroyed the independent food-producing capabilities of nations, so they no longer have self-sufficiency. They are at the mercy of something like the WTO, which is a form of mass crime against humanity! The WTO should be repealed, immediately; cancelled immediately! It's a crime against humanity, its very existence. People should grow food primarily in their own

Most of the other features of globalization have to end. They will end, if we're human, if we're decent. And that means a complete change of course from what the present trend in policies is. Most treaty agreements that now exist will have to be cancelled, relevant to this. And practices of this type will be outlawed. Food prices will be under international supervision, to make sure there's no more of this fraud.

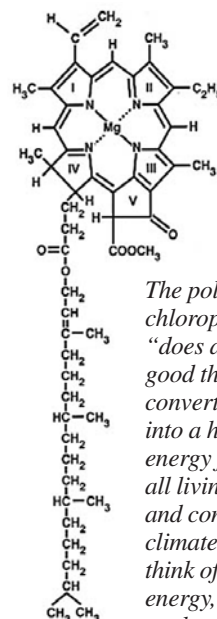
It's a tough one. And people say, "Why do you want to do that? Couldn't you take *slo-o-w-er* steps? Slo-o-*wer* steps?" "Well, you know that train's coming down the track, and you're walking across it—do you think you should take slo-o-w steps?"

November 28, 2008 **EIR**

## The Problem of Power-Generation

In the process of power, the low end of power is generally sunlight, as it impinges upon the Earth. That is a very poor quality of power. Now the best thing you can do with sunlight, is what we tend to do with Earth naturally. That is, sun-

under a microscope—it has a long tail which is sort of an antenna; and it has a head with a magnesium molecule in the head. And the sunlight impinging on this antenna is now captured by some of these molecules.



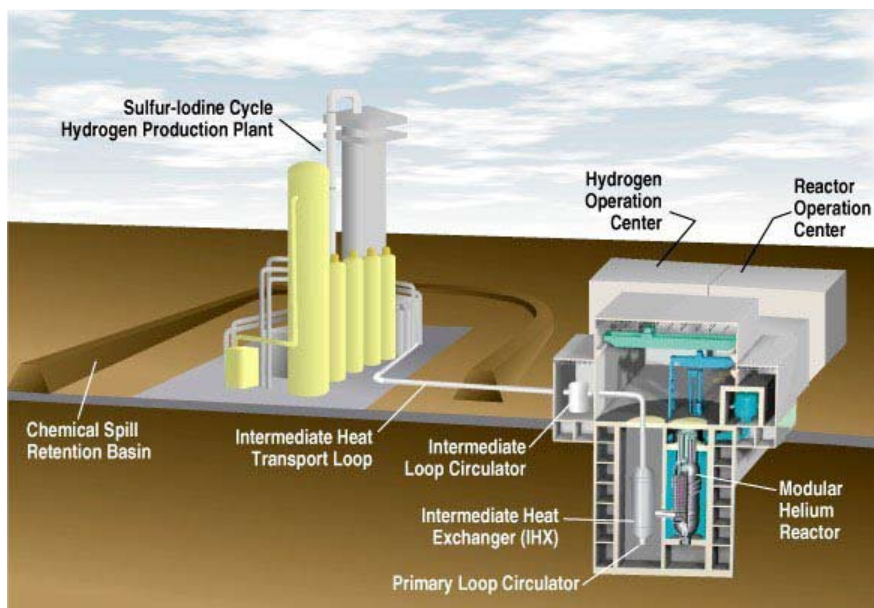
*The pollywog-like chlorophyll molecule “does all sorts of good things”: It converts sunlight into a higher-order energy form, feeding all living processes and controlling the climate. But don’t think of using solar energy, where nuclear power should be used instead!*



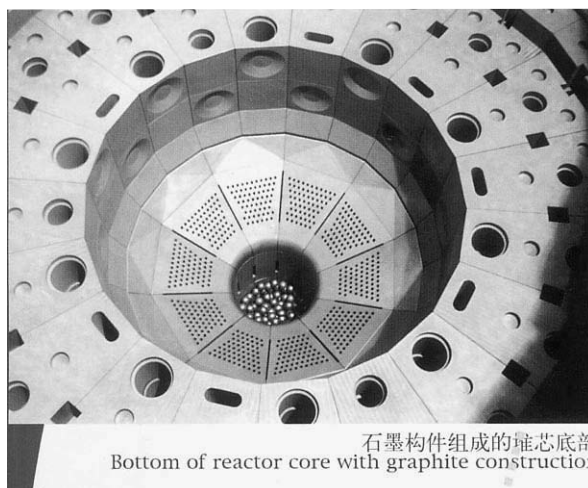
The power which is obtained by this antenna-like section of the molecule, now powers the magnesium head complex of that molecule. These molecules interact together, and what it does, these collections of molecules in chlorophyll, is increase the energy-flux density of the power which it has absorbed by means of these tails, from sunlight. This high-intensity power then converts carbon dioxide and so forth, into oxygen, and carbon products, and living things. So this, in turn—the increase in chlorophyll—cools the atmosphere, gives you a more uniform temperature, it turns a desert into something else, and that sort of thing; and therefore, all life on Earth depends, to a great degree, on this action of chlorophyll: of converting sunlight, through the action of chlorophyll, into a higher order, which then feeds all kinds of living processes, grows trees, cools the atmosphere. It does all sorts of good things. And this process is now essential to the system of life on Earth, and developing the entire planetary climate.

If you go to solar energy as a source of something else, and take the sunlight and now put it into trying to heat something, directly, what're you going to do to the climate? You're going to increase the temperature of the climate? Because you're not cooling it; plants cool the climate, green plants. You're going to have a higher temperature. You're going to come to creating an *artificial desert*! Where you want a green planet, you are creating a *desert*. And you say, "That's better for nature." This is only from the mind of denatured idiots, who think of these kinds of things. That's why they're called denatured.

So, in any case, therefore, the key thing here, is to increase the energy-flux density of power. Now, how do we do that? Or how have we done it so far? Well, you can burn brush—that's not too efficient. Again, you're burning something that was once alive. Another



General Atomics



石墨构件组成的堆芯底部

Institute of Nuclear Technology, Tsinghua University

*The key thing is to increase the energy-flux density of power. Go nuclear! The best choice is the high-temperature gas-cooled reactor (HTR). Above: An artist's depiction of a proposed HTR reactor, coupled with a hydrogen-producing plant. Left: The bottom of the reactor core in a demonstration HTR in Beijing.*

way is to burn wood, as such—a little bit higher order of fuel. Or you have charcoal; now, charcoal is a little higher order in combustion, in terms of energy-flux density, than just wood. Or you can go to coal, which is more efficient than wood. You can go to a more efficiently condensed form of coal, called coke. You can go to petroleum, a still higher order. You can go to various kinds of natural gas, that's a little bit better.

You can go to nuclear power: Boy! A factor of a thousand times or more better! You can go to a high-temperature gas-cooled reactors—oh, you're getting up there, buddy! A high-temperature gas-cooled reactor of a pebble-bed variety, you can start to desalinate, in a great way! You can take and provide large masses of water, and create the conditions of life. Don't use



GNU/Michel Maccagnan

*Thermonuclear fusion will be thousands of times more efficient even than fission power. Shown here, Korea Superconducting Tokamak Advanced Research (KSTAR), at the National Fusion Research Institute in Daejeon, South Korea.*

petroleum the way you do it now: hauling cheap petroleum all over the planet at high prices, to burn it! You generate, from water, you generate high-temperature gases, which are much more efficient for airplanes and automobiles and so forth; and other kinds of synthetic fuels. Then we will go, at some point, to thermonuclear fusion, which is still tens and thousands of times more efficient than that.

So, in this process, we go to higher and higher degrees of man's power to shape nature, per capita and per square kilometer. So, by going to these greater energy-flux densities of power, we're advancing the condition of life on the planet, for mankind as a whole.

Now, what we obviously wish to do, is just exactly that. For example, in the case of India: India has a large supply, a natural supply of thorium. Now, thorium is a

material which is related to uranium in its function, but it's generally not useful for making nuclear weapons; it's useful for producing power systems. India has the capability, with thorium, and with a large stock of thorium, and with thorium reactors, to increase the energy-flux density of its area. Now what that means is, you have in India, take a case, about 70% of the population is not too well trained, not too technologically qualified. But that's not going to stop you, because if you can increase the power available, locally, per capita and per square kilometer, in a country, you can take the same quality of labor—which is not too efficient, because it's not skilled, it's not trained—but you can increase its productivity without yet changing the way it behaves. By power supply, you can provide water, through desalination; or other kinds of things. So you create an environment, an infrastructure environment,





ABR./Antônio Milena

*Washing clothes in a ditch in Mumbai, India. Many people fled poverty in the rural areas, flocking to the cities in search of jobs—which turned out not to exist.*

in which the same quality of effort, the same level of skill by an Indian worker in a village, can be increased by several times, several-fold; conditions of life can be improved.

So therefore, the general method we've used in humanity, in our successive ventures, is to improve the environment, the environment of production, which as a lever, increases the productivity of production, in human terms, in terms of human effect. Therefore, you *upgrade* the conditions of life, by concentrating efforts on improving what we call "basic economic infrastructure," that of art, agriculture, and industry, and city life, and things of that sort. And that's the way we have to go.

### Save the U.S. Auto Industry?

For example, the question will come up; it comes up all over the place: Shouldn't we go back to making automobiles again? No! I fought for that back in 2005,



WHO/P. Viroit

*Farming in Rajasthan, India. Indian farming is being smashed by globalization, leading over 100,000 farmers to take their own lives in the last five years.*



*India's IT sector is no solution to the nation's economic problems. Here, a BPO India Call Center. American consumers are well acquainted with such call centers, which deal with everything from software viruses to broken washing machines.*

and early 2006. The Congress of the United States killed the idea of saving the automobile industry, when I was about to save it. They killed it in February of 2006: Now, the same idiots, who killed the automobile industry and destroyed it in February 2006, are now saying they're going to come back and start producing automobiles again, having destroyed the market for, and the ability to produce automobiles! Simply because people want to manufacture automobiles, there's a form of fantasy life now! There's no sense for the United States to go back into the automobile industry, not at this time. It's insane! But it's attractive to people who don't think.

Why are the people who shut down the auto industry, in February 2006 when I was working to save it, or save part of it, and save the industry, as well as the automobile production—why do they want to start it up now? They shut it down! The present Speaker of the House was one of those who shut it down! She says she's now promoting it! Did she change her mind? Did she change some other things? It's all fakery.

What we need now, is not U.S.-produced automobiles—the Japanese are doing a fine job of more than filling all our requirements.

There is an excess of automobile production, en masse, throughout the world! Why are we going back into the automobile manufacturing business? To produce vehicles we can't sell? Just to look at them?

Well, let's try something else: Let's take the highways around here. What's the congestion: How much time do you lose every day in commuting to work in the Washington, D.C. area? What is it, two hours commuting for you? Two and a half hours each way? What are the tolls you pay on these routes? How much of your personal life is lost by this commuting—as opposed to what you would have, if you had a high-speed



Transrapid

*The German-built maglev in Shanghai, China. High-speed rail is the best solution to the congestion of highways in the United States and other countries. The technology exists, so why not build it?*

rapid-transit system network to transport you, without having to drive the car, without having to smell the other guy's gas, ahead of you. You're getting sick.

How much would you like to have more time for family life? If you're spending five hours a day commuting, what kind of family, if you have two adults, both working, and some children: What kind of a family life are you creating, for Americans with that kind of arrangement? Shouldn't we have, instead of all these automobiles on the highway, with all these tolls, and all these fumes to smell from the automobile in front you—wouldn't it be better to get a shorter, and faster transportation system? And to have a better family life? Maybe a few hours a day saved, for some kind of normal family life, not wondering what your children are doing all these crazy hours?



David Shankbone

Don't we have a shortage of clean power sources? Don't we have a shortage of investment in manufacturing things that we need, which we're wasting on this sort of stuff?

And, do you have clean water? Do any of

you remember the time, you could get safe, fresh water, out of a city water system, from a tap? Do you remember when that was? How many bottles of bottled water do you drink a day? How much does it cost you? How much did it used to cost you, the same amount of water, safely out of a tap?

## Build Vital Infrastructure, Worldwide

So, what you need—the conditions of life and the conditions of production; we have a shortage of infrastructure in this country, of basic economic infrastructure. Not infrastruc-

ture like sidewalks, to pay taxes on! You have people in New York, like this crazy Mayor of New York: He wants to take over the infrastructure. He'll buy your sidewalk, and he'll put a tollgate at each block! This is not what I mean by infrastructure!

What you need are the basic things, like a generally free transportation system! We don't need the tolls! We



EIRNS/Ryan Milton

*The LaRouche movement in New York City rallies against the fascist policies of New York Mayor Michael Bloomberg (inset), Oct. 30, 2008. "Mouseolini" Bloomberg is on the right. If Bloomberg had his way, he'd put a tollgate on every sidewalk!*



don't need the tollbooths! They're not digestible. The story about getting "toll house cookies"—you never get toll house cookies in tollbooths! So, it's consumer fraud. We don't need that: What we need is an environment which is largely a free environment, because that's not the way to have commerce; but an environment which is not just free, but it becomes an essential part of providing the environmental conditions of life, in which the productive powers of labor, per capita and per square kilometer, are increased.

So, in many parts of the world where you have poor people, as in Africa, with no infrastructure, and other parts of the world like that, you're not going to get a significant increase in productivity by applying the effort to the local point of production. You're going to increase the productive powers of labor, by providing the infrastructure, which enables the existing level of personal skills to be much more efficient in terms of their effect.

Kill the bugs, in Africa! Maybe some food will survive. Africa is one of the largest food-producing areas in the world, but most of the food doesn't survive to get to somebody's mouth. The diseases are not controlled; you don't have the transportation systems in order to connect communities, to provide the services which are needed for agriculture.

What we need in the United States, and other parts of the world, is the basic development of improved infrastructure, as it affects human life and production, in order to increase the productive powers of labor per capita. That's what we need in the United States. We need to increase the productive powers of labor. At the same time, we have a population, which, over the past period, over the past 40 years!—40 years! *Forty years!*—the United States has been losing productivity per capita over 40 years. It started back in 1967-1968, we began to lose, shrink, net infrastructure development: Over the course of time, we lost our industry, we lost our productivity, we lost science, we have people doing kinds of work that is not work any more, just make-work to keep them busy; and services, to service services, to service services. We destroyed that! We have a people that no longer have the *skills* to produce what they used to be



EIRNS/Ilya Karpowski

*Germany, which used to be a powerhouse of productivity, has been virtually destroyed since 1990. Here, a closed factory in Berlin.*

*The end of communism in Russia in 1991, and its replacement with "free-market" oligarchism, destroyed most of what remained of the nation's productivity. Russia's leaders are now trying to restore it. Below, a woman selling goods at an open-air market in the 1990s.*



EIRNS

able to produce with the same population then, today. We've lost that.

We have been insane *for 40 years!* Since 1967-68, Fiscal Year '67-68. We have been losing infrastructure. Under Carter, we had a disaster! We wrecked the U.S. economy under Carter! That was Carter's great achievement! Under the guidance of David Rockefeller, with the Trilateral Commission. We've been destroying the United States! We've been destroying Europe! Look at Germany, since 1990: The economy of Germany was destroyed, on orders from Margaret Thatcher, Prime



Minister of England; supported by George H.W. Bush, the father of present idiot; and the support of Mitterrand. Germany, which was a powerhouse of productivity, has been virtually destroyed by this order. Similar things have happened in the rest of Europe: Poland is much worse off, today, in terms of productivity, than it was under the Warsaw Pact. Other countries of the former Comecon states, are similarly situated. We destroyed Russia, in terms of economic productivity. We destroyed essential parts of the productivity of the entire planet; we destroyed technology, with these measures.

And therefore, we have great needs for breakthroughs in technology, which are within our reach; but we also have to be able to assimilate technology, by what? By improving infrastructure: the infrastructure which is necessary to enable labor of a certain skill to improve its productivity, because we have unskilled people! We don't have the skilled labor population we had 40 years ago! We've lost it! We have a very small fraction of that. We're about to lose much more of that, right now.

Look, take the aircraft industry—we were talking about this today. We have, most of the modern planes that we're developing, aren't flying! We're flying old planes, of lower technology. We've lost the technology that we once had, or the relative technology that we once had. So we've got to back to that, and dig up that. So, what we need is the large employment, that's feasible, for the development of the basic economic infrastructure which is needed to increase productivity per capita. And to then use that, to gradually phase in the population, back into the kinds of production levels we used to have, when we had the skills to do that.

So, putting money into automobiles that you can't sell, hmm?—which you can not compete in productivity with other countries which are producing automobiles, because our capability—we were doing it already before we shut down the automobile industry; while Japan and Germany, especially Japan, and Korea, were increasing their productivity in the area of auto and related things, *we weren't*. We were using old technologies, to produce so-called “new, modern” cars. We can no longer compete with Japan or Korea. We lost it—that was a deliberate choice, a policy choice.

So what we have to do, essentially, today, is we have to think in these terms, go back to a high-energy-density policy. If you don't believe in nuclear power, you're an idiot. You're not going to succeed. You have



[www.mo.nrcs.usda.gov](http://www.mo.nrcs.usda.gov)

*The United States used to have a balance of agriculture, infrastructure, and industry, dispersed throughout the country. Now, family farms have been replaced with centralized cartels, and former farm belts have turned into wastelands. Here, a Missouri rice farmer.*

to go back to a high energy-density system of infrastructure. Stop all this highway building! Get back to mass transit.

We also have an insane policy on development of the economy generally. We used to have the idea of taking every state of the Union and developing production in every state: In other words, you spread production and its skills throughout the United States. That was one of the functions of our developing of a national transportation system. You didn't have super-industries where the whole industry was concentrated in one corner of some state and not in others. We had a balance of agriculture, infrastructure, and industry, which we used to develop the separate states of the United States, at least to a certain degree. So we distributed the productivity over the countryside. We didn't try to get giant industries to gobble up all of these things.

So we would balance the cost of production against the economy as a whole, this whole territory.

We were doing, essentially, with many wrong things included, but relative to today, what we were doing 40 years ago, was sane, compared to what we're doing today, which is relatively insane. And our first objective is, to do what is immediately feasible, is to recapture the kinds of things we used to do, and do them once again. And measure what we assign people to do, to what the present skills are out there.

One of the first areas we have to get into, is the

system of education: Our public education system stinks. So you've got to get back to an education for human beings, not for monkeys. And often emotionally disturbed monkeys, is what we're doing today: We're turning children into emotionally disturbed monkeys, which creates a market for teaching children who are emotionally disturbed. And the training program itself, increasing the disturbance. That's what we're doing.

So we have to get back to the standards we used to practice, and realize that we've been systematically destroyed by the policy-changes which have been in effect over a period of time.

### Roots of Our Problem: British Fascism

This goes way back, and we have to remember how this happened: In the 1920s and the 1930s, before the election of Franklin Roosevelt, coming out of the First World War, the leading financial powers of the world, were headed toward global fascism. That was the policy. Germany did not create fascism; Britain did. Hitler was put into power in Germany by the British, with help from New York City, people, like the grandfather of the present President of the United States, Prescott Bush. Prescott Bush was the guy who personally issued the order, which refinanced the bank, and refinanced the Nazi Party in the end of 1932, to enable Hitler to become dictator of Germany in January of 1933. And these guys, including that crowd, including Prescott Bush, remained on the Nazi side, up into the time, we ourselves were going to war against Nazi Germany. And he got into trouble at that time.

Truman was also involved in that kind of stuff, back then.

The whole Wall Street crowd was just as Nazi as the British were, and the British created Hitler. It's absolutely clear. They created Mussolini. Winston Churchill was a backer of Mussolini, up until the time that Mussolini invaded France. And Winston Churchill was still his friend, even after that. Winston Churchill was still supporting Hitler, until Nazi Germany invaded France.

So Hitler was not a creation of Germany; Hitler Germany was a creation, largely, of London, with support from a lot of people in the United States—including from the grandfather of the present President of the United States, Prescott Bush.

So, what happened in this process, is, Franklin Roosevelt, in becoming President—over the objec-

tions and the opposition of the financial crowd of J.P. Morgan and Co., which supported Hitler and had supported Mussolini—Roosevelt produced a miracle of saving the world from going into a fascist dictatorship, then. And the British finally agreed to go along with him, when Hitler invaded France, and broke the agreement that Britain had with Germany in support of Nazism.

So, what we did, in my generation, in going to war against Hitler, and in setting up what Roosevelt intended should become a post-war development, changed history for the better. But the moment that Franklin Roosevelt died, we were in trouble! (I was there; there are a few, maybe one or two in this room, who were there at the time, who were adults at the time, as I was.) And they moved as fast as possible, as time would allow and public toleration would allow, to move back in a different direction: Back to exactly the policies that Franklin Roosevelt had opposed, back in 1932-33.

And that's the root of our problem.

So today, when I am proposing what I'm proposing now, which sounds to anybody looking back on those days, as exactly—I'm proposing to go back to the kind of philosophy of outlook that Franklin Roosevelt represented, back then, in '32-33 and afterward.

I'm going against them, kicking against the pricks.

Because the trend is what? The trend has been continuously one toward *world fascism*. That's what's been happening in this election campaign, so far this year. A drive toward a new kind of world fascism, called "globalization."

Therefore, if you look at this, look at the process by which we have been destroyed from what we were becoming, and had become, up until the end of the last war, especially since 1968 to approximately '71. If you look at that, you see, this is not some "natural" process: This is the natural *consequence* of an intentional direction of policy in the wrong direction! We didn't collapse because we were worn out; we didn't collapse because the environment was strained; we didn't collapse for any of those reasons! We collapsed because somebody intended that we should be collapsed! Because they wanted *their* kind of society, the kind of society they were headed toward, under Wall Street influence back in the 1920s, into the early 1930s. And we had a replay of that, right in the recent election campaign! A replay of 1932. Only in that case, Roosevelt won.

So, we're in trouble today, only because we made that change—and we've made it again, back in the same direction.

## We're Going Straight to Hell!

Now, the question is: Do we want to survive? If we want to survive, we have a lesson of how to survive, in what Roosevelt in particular accomplished as President, during the time he was President. We can survive. But, if we don't, we're not going to survive. As a matter of fact, with the present conditions, if those changes are not made, you must expect that there will never be a recovery of the economy: *This present crisis will be a permanent one.*

We now have between 6.5 and more billion people on this planet. Two generations from now, we will have less than 1 billion, something like the dark ages of the 14th Century. And if we continue in this direction, the direction we're going in now, the direction which we're going in as of the 18th of November, the direction we're going in as of the end of the week—if we continue in that direction, that's where we're going: We're going straight to Hell!

And the alternative is, to turn this around. Go back! Recognize: *We're headed straight toward Hell, right now!* This is not somewhere down the line: We're talking about this year—we're talking about January, February. This joke that was passed this week [at the G-20 meeting], this joke with this President of the United States, this silly fool! And the silly fools that were participating. Many people were not silly fools there, but they said, "We're going to go along with this, because this guy's getting out of here. It's temporary." If we go in that direction, we're finished. Civilization as you've known it is finished.

It's happened before! Look at the history of mankind in total! Look at what we know about the history of mankind. This has happened before! Not exactly the same thing, but the same type of problem! Mankind had a civilization which was on the way up: The conditions of life of the average person were improving; the culture was improving; technological-scientific progress, in terms of those times, was going on! Mankind was on an upward course!

And BOOM! Something like this intervened. The civilization went into a crisis, and collapsed. It's happened repeatedly. Dark ages are a characteristic of mankind, at every part of mankind. In every case, there was the possibility of not letting that happen. In many

cases, it was allowed to happen; no one resisted.

Are we now going to resist? Do we care what happens to our people, what happens to the country in the coming period, what happens to the world? Are we willing to kick against pricks? Are we willing to say, "No, no, no! You don't do this to us"? Do we have political leaders who have the guts to do what's necessary? Do we have political leaders who have even the guts to *recognize* that it's necessary, even if they don't have the guts to do it?!

We have people, who tell me, "Well, can't you compromise? Can you start this a little bit here? A sample, a teaser here? To see how it works?" When you're on the ship that's sinking? The *Titanic* is sinking, and you want to argue about stateroom accommodations?

That's our situation now.

## Use the Presidential System

So therefore, that's what I laid out on Tuesday, last Tuesday. It's an outline of exactly the policy we can follow. If we can reach agreement, in the United States—I don't care who the current President, I don't care who the President-elect is. We have a Presidential *system* which is more important than any President: Can the *Presidential system* of the United States decide to reach an agreement with Russia, China, and India—*now!*—to take joint action, which will turn the planet around. And that joint action *would turn the planet around!*

Are we willing to do that? With the understanding that we're going back to the kind of policy that Franklin Roosevelt represented in his time, that we know we must represent, relative to our circumstances in our time? If we're willing to do that, and if we can engage Russia, China, and India, which are countries completely different in culture than our own, and different than each other; if we can engage in that, with those four nations, and others, to make a commitment to say, "This is not going to happen to us: We're going to take action to transform this planet. We're going to move upward," we can survive, we can succeed. Are we willing to do that? If we are, we can survive. And if we're not, we're a bunch of fools! And richly deserve what's going to happen to us, if we're not willing to do that. That's the issue.

And people say, "Well, explain your scheme, explain your scheme." I say, "Look, it's simple: You guys are a bunch of fascists. Now, stop being fascists!" That simple, just stop being fascists. Don't pull these swin-



dles, you're stealing, you swindled everything out of our people!

What do you think the debt is that the typical American has? Look at the quadrillions of dollars of debt out there! Don't talk about subprime mortgages! The so-called subprime mortgage is the fag-end, a little, teeny fag-end result, of the big one—which is *quadrillions of dollars*! You're going to walk into some poor householder and say, "You owe a quadrillion dollars?" The guy's going to say, "Take the house!"

No, that's the point we're at: We've got a bunch of cowards, and they're not stinking cowards, because many of these people who are acting like cowards, by combat standards are cowards; by ordinary standards, no. They're just frightened people, who are afraid of taking on a tough enemy who they know is a killer. George Bush is a killer, you know. Look at how many people he killed. How many people, how many Americans did this guy kill, in wars that should never have been fought? In other effects on people, that should not have occurred; he's a killer. He'll kill you—willingly. Won't even care.

And that's the problem: People in power *know* that! Not just George W. Bush, but other people in power, are just as bad, or worse. George Shultz is worse! He's a more mature killer. Felix Rohatyn, who was one of the supporters of the Pinochet regime in Chile, is worse. One of the big funders of this Democratic campaign—George Soros—is a killer. One of the biggest drug dealers in the world. A mass murderer: Who took his experience in sending—he's a Jew, remember—sending Jews to death camps, as his job, as a teenager: And *with the same mentality, unimproved*, conducting similar operations, today.

So, the guy out there, the politician who looks a little bit frightened—don't necessarily call him a coward by ordinary standards of cowardice: Take into account the fact that he's terrified. He's not combat worthy, or combat ready. And therefore, he's frightened; he's running scared. He's a deserter, in fact. And some deserters had a good excuse, didn't they? They were frightened.

So that's our part—and some of us have to stand up, as I'm doing, and take leadership in this situation. Because, if we do it, we have in our hands the ability to introduce the policies that will succeed. If we bring together, cooperation among the United States, Russia, China, and India, and other countries follow and join that, *we can turn this world situation around*. We can



88th Regional Readiness Command

*How many Americans did President George W. Bush kill, in wars that should never have been fought? Shown: The burial of Staff Sgt. Nathan J. Vacho of Ladysmith, Wisc., who was killed in Iraq on May 5, 2006.*

get back to something which is going in a different direction—we can do that. And the question today, is, are we willing to do that?

## Look to Future Generations

The problem today, is a question of morality of a special type: When I was younger—and some of you, who are approximately my age, or verging upon it, were younger—when you thought about life, you generally thought about two generations of preceding generations, grandfather and father's generation; and you thought about two generations to come, you thought about becoming a grandfather, and the two generations that would come afterward. Many people who immigrated into the United States thought that way. They came here as poor people, from poor countries, or poor conditions in other countries, and they looked forward to their children succeeding and their grandchildren

succeeding. The idea of coming over to the United States, as labor, in New York City, and ending up with a grandchild as a scientist or a doctor or something. It was a sense of achievement and that was the mentality of people from that time, people coming to this country as a land of opportunity to become something, to develop into something.

That's not the standard today. The standard is much more selfish. Self-centered is, "When I stop breathing, I don't care any more." In my generation, or in older generations, that was not the standard. We said, "I'm going to stop breathing, but what I'm doing is going to go on. The process I'm part of, is going to go on." And therefore, you weren't a dog, you were a human being. And like a human being, you thought in terms of coming generations, as well as past generations; you thought of how you had come into being, you thought about your background, you tried to learn from your family's experience, and the experience around you of older generations; you tried to see where the country's going; you tried to see what role you were playing in the country; and thinking about raising a family, and seeing what comes of that family two or three generations from now. And life was organized around this kind of idea, of family and community. Of a meaning of *being* somebody, and who you were in a community that's growing and evolving with successive generations, about four, five, six generations, was the context of your life.

And if you did a little study of history, you would look back further, a few hundred years; or if you studied as I did, you'd look back a few thousand years. And look ahead at least a couple hundred years. And you situated your life, in what your role is *now*, in the time-phase you occupy in life—relative to a few thousand years before you, and maybe a hundred or more years to come.

And that's where you located your interest! Your interest in *being*, was not what you experienced while you were alive. But what you experienced in knowing what you were part of, in times past and times to come!



U.S. Bureau of Reclamation

*The Grand Coulee Dam, in Washington state, with Lake Roosevelt behind it. The enormous dam is the fourth largest producer of hydroelectricity in the world, and all the Pyramids at Giza could be put inside its base. President Franklin D. Roosevelt authorized its construction in 1933, and it was completed in 1942.*

What you were determined to help *cause* to be the case, in times to come! It's like the grandfather who would take his grandson out to a large project, like the Tennessee Valley project of the old days, and saying to the grandson, "I helped build this. See what I helped build." And that was the standard of life.

The problem today, is that standard doesn't exist. It exists in rare people; it exists to some degree in a feeling and anticipation of desire; it's the desire to be human, the desire to have a sense of immortality. But there's not much substance to it. There's not much confidence in it, because the society doesn't encourage you to think in those terms.

And so that's the situation before us. We can solve this problem, and discuss it here. We can solve these problems: But we have to understand the problem. We have to understand that we are now at the end of civilization. That the policies which are being presented to us, by high-level sources in the United States, in Europe generally, lead to an absolute disaster for humanity in the very near term.

*There is no question whether this system is coming down or not! It is coming down, now! And without the kind of radical changes that I indicate, this system is*

coming down this year! This year and the coming year. It's coming down: It's gone! There's nowhere else to run to! You want to live in Hell? Stay where you are. No need to change, no need to travel: Just stay where you are, it'll come to you.

But, the point is: Are you willing to take the risk of changing? Are you willing to fight the war that has to be fought, rather than some war you would rather fight?

That's the situation today. That's my situation. You've got to think in those terms. I've spelled this out in writing, I've spelled it out in the past weeks' time, in several ways, in a number of pieces. The situation is clear to me, we can win, it's possible: But, it's not likely, is it? You have to make it likely. Maybe some of us have the guts to do it.

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## Dialogue with LaRouche

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**Schlanger:** While we're gathered here in Washington, there are groups organized to hear this webcast around the world. Throughout Ibero-America, in Argentina; in Bolivia, there are several universities, and also a showing at the Radisson Hotel in La Paz; Dominican Republic; in Ecuador, at the Technical University of Cotopaxi; in El Salvador; in Guatemala, the Society of Economists in Guatemala City is showing the webcast; in Mexico; in Peru, at the Economics Department of the National Engineering University in Lima; and also, in Venezuela.

In Argentina, it was scheduled to be heard in the Argentine Congress. But a strange group called the Argentine-British Parliamentary Friendship Group cancelled the room. Some of these Brits still believe that Argentina is part of the Empire; it's still a colony.

There are other places we'll recognize later, but I want to get to some of the questions.

### 'April Will Be Too Late'

And given the theme that you spoke on, today, Lyn, on this question of "we're going to Hell, if this doesn't change, and quickly": We have a question from a well-known D.C. policy journal. And the question is: "Mr. LaRouche, although it was clear that nothing positive was going to come out of the G20 meeting, we were somewhat startled, and in fact, quite discouraged, when the already planned December follow up meeting, was replaced by a meeting in late April.

"Obviously, without decisive, immediate action, there's little reason to expect that anything would be left by then, especially given what you just said, so obviously, we can expect some kind of earlier initiative. Is it your view that that initiative *must* come from the United States? Even if a new President Obama were inclined to move in this direction, even Jan. 20 is a long way off. Could the initiative come from somewhere else, Russia, perhaps?"

**LaRouche:** Well, I take a different view. See, I'm inside the United States. And I have what I have in the United States, and we're not without some influence. So my job is to kick people in the United States, and say, "You must do this." But I don't sit, and wait for them to do that. I go to other countries, and say, "Help me kick the United States into doing this." And that's what I do. And to some degree it works.

Now, there are some people in the United States, who are absolutely delighted when I do that. "You're getting somebody else to come to our rescue—that's a good idea!" they say. "You want to join me?" I say. "Oh, not just yet," they say. [laughs]

No. You will find, in France, for example, and elsewhere, there are serious sources which are seriously considering alternatives. And I think that what's happened—you had this jerk, called "the President" who called the session. Now, look at the session itself. Some of you saw some of the proceedings as portrayed on television screens and so forth. What do you have? You have this mass, and what's going on there? This is a serious meeting?

Not at all!

You have a limited amount of time, limited number of speakers, secondary speakers, not primary ones; no discussion whatsoever! Exchange—if you want to say, two guys spitting at each other, that is not exactly a discussion. Or shouting at each other, or breathing in each other's face, that's not really a discussion.

So they said, "The Idiot wants to babble. He's an outgoing personality. He should have gone, long since, huh? Let the baby babble! We have not got our acts together again, yet. So, come mid-January, we will be discussing with others, some actual options." "Mid-January": Now, what does that mean? I'm not sure!

I already got messages today from certain high-level circles abroad, that that's one of the commitments. And I think, on the other hand, that the pressure of reality is forcing people to realize that they're being pushed into the trenches or onto the front lines, as the





EIRNS/Sergio Oswaldo Barbara García

Radio host René Alonso interviews LaRouche during a 2006 visit to Monterrey, Mexico.



EIRNS/Flavio Tabanelli

LaRouche speaks at the Italian Parliament in Rome, 2007.

LaRouche is interviewed for the Russian website KM.ru during a 2007 visit to Moscow.



KM.ru

*“As long as I live, I’ll be fighting,” said LaRouche. “And people can count on that. And I’ll be fighting abroad, as well as here, trying to influence people abroad, as well as here, what they must do.”*



Office of the Indian President

Lyndon and Helga LaRouche with Indian President Shri Kocheril Raman Narayanan in New Delhi, 2001.



EIRNS/Dean Andromidas

Lyndon and Helga LaRouche in West Berlin, at the Memorial of German Resistance, 1988.

case may be, whether they like it or not. Because they know the system is coming down. They know there’s nothing in the works, that’s going to keep this system alive—they know that! And therefore, there’s tremendous pressure on them, to try to come up with something. They’re not of great courage. And therefore, they sort of look to one another: “You ready?” “Well, yeah, hmm.” So, there’s that kind of problem. So, I just

have to push, push, push, push, push—which is what I do. And that’s the way it works.

Can civilization be saved? Can it? *Yes!* Am I determined that it shall be saved? Yes, no doubt about that. Do I have plans for that? Yeah, yeah. Okay. Are you willing to join me? “Uhhhh. I’ll join you a little later on!” “Down the line.”

So, I wouldn’t put it either way. You know, there are

some things in life that have yet to be decided. And all you can do, is do your part, in trying to bring that desired decision about. What am I committed to? I can tell you what I'm committed to. What's the other guy committed to? Well, he said this—but, umm, I'm not sure, whether he means it or not. Or, whether he means it when the time comes to do it.

My view is to show people how terrible the reality is, without exaggeration: Here's what the reality is. Here's what you've decided to do, if you decide to do nothing. Here's what you're going to get, if you do nothing. And here's what you can get, if we succeed in doing something. And that's a process! That's not a matter of prediction; that's not a matter of, can I give the magic order? This is a fight. It's a fight over ideas. It's like a fight in warfare: No guarantees. I never saw a guarantee in life. Life itself is not a guarantee—you can be killed in walking across the street, and never make it to the other side. Nothing is guaranteed.

But what *can* be guaranteed, is how you're going to act, in respect to the challenge placed before you. That's the best anyone can demand of you. Or demand of me, for that matter. And I'm fairly flexible, you know, I've bounced around for a good number of years, which indicates a certain amount of flexibility. Some people make disparaging comments about my ability to survive, but I've done fairly well so far, despite all hazards. And I'll be here, as long as I live—I'll be fighting. And people can count on that. And I'll be fighting abroad, as well as here, trying to influence people abroad, as well as here, into what they must do. And it's not entirely without success. I wouldn't want to brag about it, I wouldn't want to exaggerate it; but it's not entirely without success.

We can win. It's possible. And we must win: That's certain. And, act accordingly: That's life. Act accordingly.

## Bankruptcy or Bailout?

**Schlanger:** This is a question from someone with the [Obama] transition team: “Mr. LaRouche, As I'm



U.S. Army Corps of Engineers

*The most important thing we could produce now with the facilities of the U.S. auto industry, is not cars, but basic infrastructure. The central river system of the United States isn't functioning now, due to lack of maintenance. Fix it! Shown is Lock and Dam 25 on the Mississippi River, near Winfield, Missouri.*

sure you're aware since the passage of the bailout, there's been a great deal of discussion of the concept of bailout versus that of bankruptcy, especially as it becomes more and more apparent that the entities involved are, without question, bankrupt.

“Now, in addition to the large banks, the major American automakers are also seeking bailout. The CEO of General Motors has argued that only a bailout will do, that they are beyond bankruptcy reorganization.

“I wonder if you would address both the bankruptcy versus bailout issue, and also indicate what you see is the viability of the American auto industry?”

**LaRouche:** The American auto industry, as an auto industry, *has no viability whatsoever!* It's a waste of money! However, the automobile industry has two things associated with it, which are of interest to me, now, as they were a few years ago. The auto industry is a failure, the American auto industry. It's a deliberate failure. It's a case of suicide. It committed suicide. They didn't do the things they should have done, and we lost it.

Now, my determination, some years ago—back in 2005—when I was originally on the case, doing something about this, and I laid down a set of plans, which would have been the solution for the auto industry's plight! That does not mean we'd have been producing as many automobiles as some people said they'd like



to. My plan said: Look, divide the auto industry into two parts, but united by a common feature. The common feature is infrastructure. The common feature is the machine-tool-design capability. It has two parts to it: One, is you produce automobiles and similar kinds of moving objects. On the other side, you could produce other things.

And the most important thing we could produce with the facilities of the auto industry, is basic economic infrastructure. For example: Let's take one big project. Let's take the river system, the central river system of the United States, which goes between the Rocky Mountains and the Allegheny Mountains. From the Ohio River to the western rivers of the Western Plains; which runs down from Mississippi, Missouri, Ohio, other systems. And this system is most of the heartland of the United States. It isn't functioning now!

Well, why isn't it functioning? Take the river system. First of all, we did once develop the system from St. Louis down, on the Mississippi. But we never really developed the system north of that. The Missouri was never really developed. The northern part of the Mississippi was never developed. The Ohio River was in part developed. But all this development, where it's occurred, was breaking down! It's subject to obsolescence! You know—50 years, a 100 years! Large investments tend to break down, need all their replacements. The lock system on the Ohio River is breaking down. The water control system: We could have a *disaster* to the whole central part of the United States, because we don't have a water management system for this whole system!

You saw what happened in the case of Louisiana, what happened in New Orleans. You saw what this crazy President did, or didn't do! You saw what didn't happen that should have happened. It should have happened before then. We got the thing, because the President lied! We had a high risk, and they lied! Denied the risk, because they didn't want to spend the money. And the security organizations *lied*! Not everybody in them, but those who were going to tell the truth, got pushed to one side, or neutralized.

So therefore, that's one big thing.

Now, also, this area happens to be a key part of our



USDA/Ken Hammond

*Mexican migrant workers pick tobacco near Danville, Virginia. As Mexican workers lose their U.S. jobs and return home, they will need employment. The Northwest Hydraulic Plan (PLHINO), long planned but never implemented, would provide an answer.*

national food production capability! We have a similar thing, an extension of that, in northern Mexico. Northern Mexico, near the U.S. border—which is a key part of the security system of the United States!—is now becoming a drug-running area, because of the negligence of the development there. The key there thing is agriculture, because the population of that part of Mexico, is largely based on agricultural skills. But they're limited to the men.

What happened is, we drew the men out, into California and north, for cheap labor, including illegal immigration. The women are left behind. Production drops. The men are still agriculturally skilled, and they're about to be kicked out of their jobs in the United States. And then we throw 'em back across the border. What's going to happen?

Well, you have some large agricultural development capabilities in that area, for water systems, like the PLHINO [Northwest Hydraulic Plan] system, in general. The people who are being kicked out, are skilled enough to be valuable in the PLHINO system. You can increase, significantly, the food production in northern Mexico, by doing this, and solving in part, the unemployment problem.

You have similar situations there: Mexico as a whole, requires large-scale infrastructure development. It has no efficient system of rails from North to South! To Mexico City. Try to get from the border to



Mexico City; find out what kind of a deal you've got.

So, Mexico is underdeveloped, it's our nearest neighbor, and it's also tied to an area north of there, inside the United States, which is also a high development area, and we're doing nothing there, either! How do you fix that?

Well, we have, what we used to call the Corps of Engineers. But the Corps of Engineers was also an integral part of the machine-tool industry, which was also part of the auto industry: the machine-tool-design sector, which would design and provide the elements which are needed by manufacturing to deal with these large-scale infrastructure projects.

And our big problem in the United States, today, is to develop what we can do: large-scale infrastructure projects, in which the automobile industry machine-tool capability is essentially useful. Now, if you employ the section of the automobile machine-tool sector, for these projects, who does the work that they do? Who does it? Who carries forward the work, the production, that their designs—? The same people that work in the auto plants! They have lots of floor space; they can design anything—remember what we did in World War II, the same kind of floor space; large floor space. Take that floor space as working space, take the people who work in these towns and cities, in these neighborhoods; take the infrastructure capability, the machine-tool capability, put 'em all back to work there! The ones that have survived, so far. And give them the projects!

Give *them* the projects! They don't need an auto project, they need employment! So, give them back their towns, save their towns and cities! Give them back their employment! They don't have to produce automobiles, they can produce something. As long as they get the employment that uses their skills, and as long as we, in the United States, get the benefit of the machine-tool capability, that's represented there: We benefit!

So let's stop talking about "building back the automobile industry"—that's a swindle! It's a fake! And either the person who proposes that is either incompetent—they've come out with some wing-ding, some fantasy they dreamed up. "Oh! We can help people, we



U.S. Navy/Photographer's Mate 2nd Class Angela M. Vimig

*The Navy's Machinery Repairman Fireman Ernesto Alvarado manufactures equipment with a lathe. Machine-tool capability used to be one of America's great strengths; but without Federal action, we lose most of what remains of it.*

can get votes—by promising them automobile factories”—a swindle! Typical swindle.

All right, let's give them something serious here. Let's do what the government has *refused to do*! To maintain the basic economic infrastructure of the United States as necessary for production. Let's use the people who are skilled in providing that infrastructure, the high technology, the machine-tool design. Let's take the people who used to work with them, in the auto industry, and put them into another form of production, which they're perfectly capable of doing, in the same places. Let's save the towns and cities, in which this production used to go on. Save those communities, put them back to work, doing useful things.

You don't need the automobile industry. What you need is the employment for those people, in those communities, including the machine-tool sector, which we all need. So, instead of coming up with these fruity, fly-by-night schemes, which somebody tosses off the back of their neck, or something, that's what we do.

So, we do need large-scale: We're talking about 30- to 50-year cycles, in terms of machine-tool design of capital goods. Now that means that the Federal government is going to have to come up with some credit, to finance what amounts to about 30- to 50-year projects, in terms of development; 30-year lifetime projects. It'll be done in, say 5-10 years, but washout is about 30

to 50 years. We're going to have to create a capital investment, under a Federal capital investment, which finances, through Federal credit, these necessary projects, in the national interest. Projects which resemble the idea of the Tennessee Valley Authority. Look at what we did in Tennessee with the Tennessee Valley Authority with Roosevelt—look what we did! We have the same kind of problem too, in the Mississippi Delta and Valley. We have the same thing—we require the skills of what used to be employed in the automobile industry. Remember, we lost most of our machine-tool capability, except for the auto industry. So when the auto industry goes down, you lose the machine-tool capability. And you're losing your nation's machine-tool capability.

Our objective should be to restore that machine-tool capability, rapidly! By giving it Federal assignments, which are relevant to the nation, and relevant to the use of those resources, those people. Get it going again! And that's exactly what we should do.

But that means: Not dribbling away, the way they're talking now. That means, the United States government must *clear up its finances*, by reorganizing our system, to go back to the full meaning of the credit system. Let's wipe out this worthless debt, which is dishonest debt—wipe it off the books. Go back to a clean bill on investment. And put our capital long-term investments in these things, which are the *future* of our households, as well as the future of the nation, otherwise. That's the approach we should take: An FDR approach, a Franklin Roosevelt approach. It worked then, it'll work now. It'll work better, because we have lessons where they did learn, from the Roosevelt project; we did learn, and we can do it again. And therefore, we should put everything in that direction.

But, look: What happened is—what was the argument against me, on this? It came from that Nazi, Felix Rohatyn. Why do I say Nazi? Because, he was part of, with George Shultz, in that operation called the Chilean dictatorship, the Pinochet dictatorship. And this dictatorship *not only* did bad things to people in Chile: It committed Nazi-style mass murder in the Southern Cone, in the early 1970s, under Nixon Administration direction. It committed mass murder! It took hundreds of kids, thousands of kids—young people—took them up in airplanes, cut their guts out and threw 'em out of the planes. And by gutting their guts out, so the bodies would sink, threw them out over the South Atlantic, and dumped them there. And did similar kinds of

*Felix Rohatyn. At a forum in 2006, EIR asked him if he supported FDR's large-scale public credits and capital budgeting for infrastructure. Rohatyn erupted:*

*“No! We have a lot of new financing mechanisms since the days of the New Deal. Roosevelt did marvelous things because he had nothing—no alternatives with respect to financing these projects. We do! ... We are far away from the days and methods of the RFC [Reconstruction Finance Corp.]”*



EIRNS/Chris Jadatz

“No Franklin Roosevelt. No LaRouche.” That’s what they said; they said it repeatedly. The entire *policy* during the election campaign this year, has been that. “No FDR. No LaRouche.” “No Hillary Clinton; she might be connected to LaRouche.” Hmm? And there were threats involved in that. Serious threats.

So the reason we have a problem is because of that. And the reason we have a problem is not because of those threats, but because many people didn’t have the *guts* to say, “People who make threats like that belong in prison. People who threaten to do Nazi-like things inside the United States, or in the name of the United States, outside, they belong in prison.” Let’s, this time, catch them before the act, before the damage is done.

And that’s the problem. So, if we have the guts, we already had the possibility, we already had the decision. If we have the guts, we’ll do it. And I just hope and encourage people to have the guts, and maybe if we get some international support on this kind of operation, we’ll have enough support to give people the guts to do what has to be done.

## Obama First 100 Days

**Schlanger:** We're getting these questions pouring in. It's quite amazing, how many people want to know what you're saying, and what needs to be done.

This question is a bit redundant, but since it's from someone else on the transition team, and since it's clear that they're focussed on what has to be done immediately, I think it's worth looking at. Also, because this question of Franklin Roosevelt has now been put on the table. You've been talking about it for years, but now, finally, people are discovering we once had a President who dealt with a financial crisis in the last century.

So this is a question from the transition team: "The first hundred days of Obama's Presidency: What would your order of battle be?"

**LaRouche:** [chuckles] "Come talk to me!" I'll give you the full bill! (It won't be just Bill Clinton.)

But, now, first: We have to recognize we're in a world crisis, a world collapse. The system is going down. Nothing can save the world system in its present form: *Nothing!* And there's no likelihood that you can keep the system alive into the Spring of this coming year. So, a hundred days is a pretty long period of time. You might not have a country by that time.

So what you need to do, is you need to do the form I've just indicated: You want to be President of the United States? If you want Obama to be a national hero, what's he supposed to do? Go, right now, to Russia, to China, and to India, and tell them you want to do exactly what I've just said, and what I've said on other occasions.

Well, if you survive, if the British don't kill you for doing that—get your security up when you do that, because they may come for you. But get your security up, and do that.

You will find a favorable response from Russia; they may not trust you at first, because they've had so



barackobama.com

*Asked by a Presidential transition team member what Barack Obama should do in his first 100 days, LaRouche replied, "Come talk to me!"*

many promises in the past of this type, that they may not trust you. But go to them. Talk to people in China, who are very concerned about these problems. Talk to people in India. and say, you're willing to commit yourself to something like that, if they will join us.

You've either signed a suicide pact, which some Presidents do risk, for the sake of the nation; or you're going to become a world hero, on that basis. The smartest thing you could ever do. If you're looking for a page in history, it's the smartest thing you could do. If you're looking for a page in a cemetery, it'd almost be a quick way to get there.

That's the way you have to think about these things. Because you are becoming a great threat. But, in any case, that's the starting point. You have to have something to work with!

The resources of the United States, within the framework of the present monetary-financial system, are virtually nonexistent. Look, three Bush Presidencies! Remember, 12 years in the Bushes! You know, you may lose contact with civilization after 12 years in the Bushes. And I think that's pretty much what's happened. There may be some other factors along the way, too, as well, but that certainly has not been a positive.

So anyway, that's the way to start! If you start with that, then you will convince the American people, you're deadly serious. And you'll find all the support you require from that point on. It doesn't mean it's going to be given to you automatically, but they're going to listen. And they're going to give you the benefit of the doubt. So, if you want to be a successful President, start right out with that one. Because, the first thing that's going to hit you, really hard, unless the British try to shoot you—we'll try to protect you from that!—but the first thing you've got to deal with, is this problem, in the first weeks and months of the coming year, *you must be able to pull this off*. Otherwise, everything else is in doubt.



If you pull this off, this kind of cooperation, I can assure you, that if you get that agreement with these countries, even a tentative working agreement, you'll get support from Japan, you'll get support from Korea, you'll get support from other countries; you'll get support from countries such as France and Italy. You can more or less bank on it. You want to be a success as President of the United States? Do that, and all other good things will be coming to you. Just duck the bullets!

## What Currency Arrangement?

**Schlanger:** The next question is from an old friend from Beijing, who asks: "Under a New Bretton Woods system, what does LaRouche think as to a global currency arrangement? Should it still be the U.S. dollar, or a basket of currencies? Or should we create a new currency?" And we had a similar question from Manuel Frías, a prominent engineer in Mexico, on whether or not to have a new currency. "If yes, to the last part, how should the new currency arrangement be linked to gold, or to a basket of currencies?"

**LaRouche:** My advice is, never desire or apply to become a basket case. Because, that's exactly what you would be. A basket of currencies is a piece of idiocy, it's a piece of diplomatic nonsense, that some people like to utter when they're not thinking, for want of something else to say.

There's only *one* solution: And that is to go back to a Bretton Woods design as *Roosevelt* intended in 1944—not Keynes. Forget Keynes; Keynes was a fascist, as he said so in 1937, his book on the general theory, in which he said he was publishing his book in Germany in '37, because he thought the ideas would get better sympathy in that country's present economic policy, political policy. This is that kind of thing. You have to have the American System; it has to be a fixed-exchange-rate system. To have a fixed-exchange-rate system that works, you must have agreement among the United States, which is a keystone without which you can not have a fixed-exchange-rate system on this planet; it has to include Russia; it has to include China; and it has to include India. If you can get that, you can do something. Anything else is a fool's paradise, which will only lead to disaster.

And that's the thing to concentrate on. That is the solution. That needs a system that is going to be based on a credit system, not a monetary system. You have to eliminate the present world monetary system, by re-

*John Maynard Keynes wrote, in the 1937 German edition of his General Theory of Employment, Interest, and Money:*

*"[T]he theory of production as a whole, which is the object of this book, can be much better adapted to the conditions of a totalitarian state, than the theory of production and distribution of wealth under circumstances of free competition and a large measure of laissez-faire." This endorsement of Nazism was deleted from English editions.*



placing it. You put the monetary system into receivership and bankruptcy, and create a credit system to replace it. You then have an administration where you process the monetary system assets and liabilities, and you process them so that the essential things, which are in monetary possession, are now transferred to the credit account. And the things that are not accepted as acceptable for investment under the credit system, will simply be frozen or disposed of in some other way, over time, not necessarily immediately. But the thing would be what would be immediately accepted is what's crucial. You create an agreement, which, under treaty agreement among those four powers, would have sufficient capability and credibility to force through the reorganization and bankruptcy of the international monetary-financial system, and would do so by creating a credit system, as a treaty of organization of the United States. And it has to be the United States, because we're the only nation that has that kind of system: the United States, Russia, China, and India, and other countries will join.

So now you create a credit system. The members of

the credit system will then engage in buying out salvageable elements which are important for security, of the existing monetary system, leaving the monetary assets still in the monetary basket, by putting some of these things in the credit basket. So, the credit basket will function immediately, and this will include obvious things—towns, cities, municipalities, the whole business, essential industries and so forth, all go into the credit basket. That is, those things which are essential to society must be funded; therefore, you put them in the credit basket. Those things which are dubious, like financial derivatives and so forth, remain in the monetary basket, unless somebody wants to pick them up. Well, let them pick it up, they want to take the risk—and it's a very big risk. And sooner or later, a lot of these things that are left in the monetary basket will be bought out—if they're valuable—but they'll be bought out at a discount. Somebody says, "Okay, I'll take ten cents on the dollar," or something like that. And that's the only way you're going to get out of this mess. That will work, but it's the only way, and I highly recommend it. You can breathe better, you have a better chance of survival for your children and so forth. That's the way to do it—but you have to have the guts to do that.

### **The Homeowners and Bank Protection Act**

**Schlanger:** The next question came from a group of state legislators who introduced the Homeowners and Bank Protection Act in their state legislatures, and they all have a very similar question on what to do beyond the Homeowners and Bank Protection Act, or what to do to get it implemented. This is from State Sen. Constance Johnson in Oklahoma City, State Sen. Joey Pendleton from Hopkinsville, Kentucky, and State Rep. Jameela Nashid from St. Louis, Missouri. They all have a similar question. They introduced the bill—I think it passed in Kentucky and several other states—but Pelosi blocked it in the Congress. So the first part is, what should they do in terms of the Homeowners and Bank Protection Act, and then secondly, what remedy is there for state governments, where you have growing unemployment, and huge deficits? How can they deal with this problem on the state level?

**LaRouche:** Well, you have to have a political lynching of people like Nancy Pelosi. Or, maybe if you walk in with a rope, maybe she'll be nicer to you.

These elements which I proposed, both for the Federal system, as for the state system, housing and the state systems, these are intended as really permanent

changes. I mean, these are not temporary measures at all. These are permanent measures. First of all, putting the banks, the legitimate banks, the real banks and the homeowners under protection on the state level with Federal support—that's something that should be done anyway; that's part of the way you're dealing with the problem. The banking: the same thing. The credit system, the Federal banking system, the reform—what I was really aiming at is reforming the Federal Reserve system to make it actually a national bank, in the Hamilton sense. That would be a permanent change. You don't have to change anything else from those, because you're doing an international negotiation. So, these are permanent elements.

And it's extremely important that these things were voted up where they were voted up, because it creates a precedent and a starting point from which to actually implement the thing. It's something which, like you say, the Obama Administration will simply put a favorable sign on this thing, and push it through. And all the legislation and effort which was made on behalf of these reforms, can remain, can be made now, because they're still necessary. You still have homeowners in jeopardy, you still have banks in jeopardy, because this thing has not been resolved by the kind of protection, homeowners' protection, which will protect the banks involved—the legitimate banks. You still need this kind of reform of the Federal system, that is, the Federal banking system, the Federal banks, by converting the Federal Reserve System into a permanent national bank, as Hamilton had intended.

In other words, you've got Federal credit sitting in the middle. The Federal credit is created by the Federal government under our Constitution. You have, over here, you have the regular banks and other projects, which are authorized by the Federal government for Federal consideration. Now, you need an institution which operates as a national bank, which uses this relationship between the power of taxation and the regular banking community, the private banking community, and uses this function to manage that relationship, which is what Hamilton essentially intended. So, you need all these relationships: You need to convert the Federal Reserve system into a true national bank. It's in bankruptcy already; it's hopelessly bankrupt. So, take advantage of the fact that it's hopelessly bankrupt, and put it under Federal protection. Then take the institution of the Federal Reserve system, which is in receivership, and take the institution and move it into the

credit department, where it functions as a service unit to the U.S. government as a regular bank, which is what it should be. And now the pieces fall into place. And then, the kind of thing you're proposing under international agreement level falls into place, too.

My concerns in these designs that I made was specifically, to have several elements, each of which had its own independent validity, but which would also fall into place as a part of a step-wise approach to creating a new Federal system. And we need a new Federal system which is sane. And the way you create it is, by taking things which are valuable, intrinsically, and putting them into place, getting them legal authorization to be in place, and knowing that they're all going to function and intermesh as they should. So, you want the least effect on the individual citizen, or small business, and so forth, down the line. You want to make it *simple*, so that they have something they can understand, and if they go along with that, we can work this thing out. They know where they stand; you've protected their savings, you've protected their local bank, you've protected the community which needed this banking access, and you have these elements together, and they all fit.

Why do they fit? Well, we know how they fit. We have in our national experience, and observing what other nations had, we have the experience to know that this will work; that these kinds of institutions are things that people in place can understand, and can make work. So, you just put the system together; it's that simple. Because highly decentralized is very good, in this sense: You want a system which is understandable, people know how to react to it easily, learn easily how to react to it. "Oh, okay, I understand. Now, this is what you're saying? Okay, I can do that."

That's the way you want things to work, and then you can sort of get at a distance from it, let it operate on its own; you'll keep some supervision, see things aren't going differently than you imagined, and it will work automatically. The best system is one in which most of the parts work automatically, without constant direction from central supervision. And what I have done in these cases, is simply to specify the kind of things which, done individually, will fit together as individual parts, and will function in a largely decentralized way—will fulfill a centralized principle, but will function in a decentralized way. That's the best way to get performance. The best way to get performance is to inspire people to give it to you.

## Threat of Terrorist Attacks

**Schlanger:** This next question comes from New York City, but I know, from representing you on radio programs around the country, it's something on a lot of people's minds, and there's a lot of discussion of this. The questioner wrote: "Over the last week, a number of articles have appeared, talking about the threats to the President-elect's life, as well as warnings about some kind of major terrorist assault very early in Obama's first term. I believe the threat of both to be very high. Obviously, those protecting the President and the nation should be well aware of these threats. However, since so much attention is focussed on the President's security, one question that I raised, was to assess the risk to other prominent figures. I was assured that the risk was low. I'm not sure I agree with that, and I'd appreciate your view."

**LaRouche:** Well, you know, on Jan. 3 of 2001, before the inauguration of George Bush for the first time—George W. Bush—I warned of the likelihood of a major terrorist attack against the United States. Now, I had no specific indication of an actual terrorist attack. How did I know that? How did I know that something like 9/11 was going to happen, without knowing that 9/11 was going to happen? Why did I warn about that? Well, because I understand these processes, and I don't believe in the usual, silly conspiracy theories. I know how many Presidents of the United States have been assassinated. Virtually every assassination I know of, of a President, or attempted assassination of any significance, was done by the British. Lincoln was assassinated by the British. There's no doubt of that; the whole conspiracy was outlined, unless some details were kept out of the public view there. Who assassinated McKinley? It was by the British. Why'd they assassinate him? Aaah! Why? To get in Teddy Roosevelt. Why? In order to prepare for the King of England's intention, or what was to be the King of England soon, his intention to have World War I. And it would not have happened under McKinley.

There were two things, actually three things, that were crucial for starting World War I, which had already been intended by the British monarchy, especially the Prince of Wales at that time. One, was the ouster of the Chancellor of Germany, Bismarck, from office. Because Bismarck had put the plug in against the use of a Balkan war to trigger a Russia-Germany conflict. That was the reason he was put out: to clear the way for what became World War I, which, as Bis-



*President Woodrow Wilson. D.W. Griffith's famous film "The Birth of a Nation" (originally called "The Clansman"), promoting the KKK, drew heavily on Wilson's A History of the American People. On Feb. 18, 1915, the film was the first ever to be shown in the White House. Wilson's comment:*

*"It is like writing history with Lightning. And my only regret is that it is all so terribly true."*



Library of Congress

tention to replay the Seven Years War. So now, therefore, to understand that plot, you have to understand the Seven Years War, and you have to understand history, and you have to understand that history is not a matter of individual actions, randomly, but it's a matter of institutions which have built-in reflexes, and when certain things happen, you're going to get a certain kind of reaction. So, it happened.

Now, what was the significance of the assassination of McKinley? McKinley was an American patriot, and his Vice President, Teddy Roosevelt, was not. As a matter of fact, Teddy Roosevelt was the nephew of the former head of the British intelligence service in charge of the Confederacy. And he trained Teddy Roosevelt, and catered his backing. Teddy Roosevelt was succeeded by Taft, but then he was succeeded by another President, Woodrow Wilson. Woodrow Wilson came from a family which was the founding of the Ku Klux Klan, and when Woodrow Wilson was in the White House as President, he refounded the Ku Klux Klan on a national basis, with a ceremony in the White House itself. So, you have two characters who are British

assets—Woodrow Wilson and Teddy Roosevelt—who are both sent in as a part of a British-front operation, because the Confederacy was a British operation, of Lord Palmerston. So, therefore, you understand these things.

Now, you've got the situation that I faced on Jan. 3, 2001. You have a situation of an absolutely incompetent piece of crap—this President—who'd become the President. A worthless piece of crap! A complete creation of George Shultz, the same George Shultz who helped give us the Pinochet regime in Chile—not a good guy, and with some other similar kinds of things. Totally a British asset; not a patriotic American, a British asset—has been for a long time. You had an incompetent coming in as President, on a whisper. And with the crisis, as I knew it at the time, they were going to control the situation with some kind of dictatorship. How do you get a kind of dictatorship in the United States? You create a national emergency. How do you create a national emergency? Well, shoot the President, or do something similar, something on a similar scale.

All I said was, that what we're going to get is some kind of terrorist action, this year, which will be used to orchestrate some kind of an emergency situation, and that emergency situation will be used as a vehicle for controlling the Presidency under the President, George W. Bush, Jr. And it came.

I was looking at it in late August of that year; we were watching a number of cases which were likely terrorist attacks, one, around Washington, D.C. There was a big one around there, highly organized. And then you had another one, which was in New York City. And they used the New York City one. And everything that we saw that was going to happen, happened as a result of that. It was used for exactly that reason—to create a degree of dictatorship which had never existed before in the United States, under this President. We've been running under a dictatorship, under George W. Bush, Jr. How was it put into effect? This is the way it was done.

Now, I've got a new kind of a President. My indications are, that he's not long for this world. He might be elected, but he's not going to be long for this world. When did I get that? Early this year. I checked it; I've got a situation on my hands: This is a made-ready situation for an assassination of a prospective Presidential candidate, or President, either one. Before or after the election. The British are saying that, too. Look at Chicago, where the key factors are there; it's all there.



FEMA/Michael Rieger

*The World Trade Center, Sept. 18, 2001. LaRouche had forecast, when G.W. Bush was inaugurated in January of that year, that a “Reichstag Fire”-style terrorist incident would be used by the British as the pretext for imposing a U.S. dictatorship.*

See, it’s not a matter of having some insight into this or that; it’s a matter of understanding the process, and understanding the institutions, understanding how they work. When you get into certain kinds of situations, you’re on the edge of war; a different kind of situation, you’re not on the edge of war. Another situation, you’re in danger of an assassination attempt against a head of state; another situation, not.

So, you don’t operate the way these crazy people do. You operate on the basis of knowing that society is a process, a systemic process, and that under certain conditions, societies react in a certain way, and that’s the way it happens.

Now, where you’ve got a situation where you’ve got a naturally incompetent President-elect—for the present situation, he’s totally incompetent. Only some sudden inspiration would get him to act contrary to profile. It could happen; there have been religious conversions in the past. You could pray for one now. But in the present situation, since he’s useless as a policy-maker, unless he gets this magical conversion which I pray for him to receive, but unless that, the British have got a problem. They’re trying to control the United States. This guy can’t do it. What do they do? Well,

they’ve got to do a level of dictatorship. How do they get the necessary, desired level of dictatorship to control the United States, in a system where the whole damn world system is collapsing and they want dictatorship? Assassinate the President-elect. It solves their problem, from their standpoint.

Therefore, despite, or because of, all the stories I get from various sources, especially British sources, including the British press, that he’s “in danger of being assassinated”—and I say, you’re damn right he’s in danger of being assassinated. Being what he is, in his situation, with the present situation, he’s very likely to be assassinated. Why? Is it personal? No, it’s not personal. Nothing personal, buddy. Bang! Bang! This is policy; this is not personal. Bang! Bang! The best thing you can do to defend him, is for me to tell you what I know, which I just did. So, if some-

thing happens, you know it was done by them, and I know they’re the ones who would do it, or their agents. So, if something bad happens to him, you know who did it, and you know what to do about it. And that’s the best protection I can give him. I don’t want him assassinated, anyway. I don’t like that idea. I don’t think he’s qualified to be President, but he shouldn’t be assassinated.

In the meantime, let’s hope for a miracle. Let’s hope that somehow some miracle descends upon him, and he does become qualified, or at least under our Presidency, that can happen. If you have the right combination of people in the government, they can make a very incompetent President look very good, if he goes along with that. And that’s the best hope we have right now for this guy.

## Obama and the New Bretton Woods

**Schlanger:** This next question is somewhat of a follow-up to the last one, and I think it goes toward the lines of what you were just talking about as praying for a miracle. But it’s from the Italian Senate, where they do have a New Bretton Woods resolution which has been introduced. And someone writes to you: “Hello,

Mr. LaRouche. Your comments in recent months concerning Barack Obama have been very surprising. It often seemed like you wanted him to lose, which would have meant John McCain becoming President. I recognize that Obama is not perfect, like many others, and that his election is not the solution by itself. But isn't the best approach to try to influence him, so that it will be possible to adopt the New Bretton Woods?"

**LaRouche:** You should pray to God, that a miracle occurs, in that case. The best thing would be to get a better candidate, and we did have a better one, but it was not John McCain. But the problem here was that we allowed the influence of British institutions of the worst type, such as the biggest drug pusher of the Western Hemisphere, George Soros, who's a no-goodnik from way back, who worked for Hitler. Now, the fact that he worked for Hitler in the death squad operation, is not the whole story on him. The point is, he *liked* the job, and his behavior since then has followed that track. In other words, he really was recruited to doing that kind of work. Only now he doesn't do it for Hitler as a kid; now he does it for the British Empire as a regular job. And he's the biggest drug pusher in the Western Hemisphere. He's also a killer, and a ruthless killer. He's committed crimes all over the world; organized coups and everything of that sort. The man is a piece of filth.

That's your problem. This piece of filth, under British direction, orchestrated the nomination of the President-elect. And without that effort, he would not have been nominated, which means that he's a British-controlled event. He may not be a British-controlled person, but he's a British-controlled event. His nomination was a British-controlled event. More money was poured in, through drug trafficking circles and others, to get him nominated, to get him elected, than had ever been poured in before for any candidate, on a vast scale. And it was done by the British government, with George Soros playing a key part. So, you have to look at things that way.

Now, you would hope that redemption would have occurred. We hope that the good Lord would have struck something there and said, "Sinner, you've got to change your ways. You're going to betray the Devil."



EIRNS/William Salisbury

*LaRouche addresses a conference on the U.S.-China Relationship & Peaceful Reunification of China, in Los Angeles, 2007.*

## China's Unemployment

**Schlanger:** We have another question from China, someone who has a publication in China, a scholar who met you when you came out about a year ago, to keynote a convention in Los Angeles, and it's an interesting question: "Mr. LaRouche, you say that Chinese workers are underpaid, and that the Chinese government has underpaid them to compete in the global labor market for cheaper production costs. But, raising labor costs has already made many companies bankrupt, so how do you take care of the unemployment issues of the Chinese population?"

**LaRouche:** The issue here is that, what has happened, is not that the Chinese workers are underpaid, but that *China* is underpaid. What was happening? You had a transfer of production from the United States to China, in the main; that's the key point here. All right, now, what was the difference in the payment for that production? It was a vast reduction in the payment, in net effect to China, relative to what would have been paid in the United States, if the production had occurred here. That was the argument in favor of this: that the Chinese worked cheaper, that China works cheaper.

Now, does the Chinese population, particularly that which is employed, have skills and infrastructural capabilities which are comparable to those of the United States? By no means! The United States, for example,



the United States and Germany have the highest level of skilled productivity in the world. No one in any part of the world, could actually produce, in the long run, more cheaply than the United States and Germany, because we have superior technology. Now, you put the production over into China, on the basis that China requires, is paid *less* than the United States would be paid. What does that mean? That means that what China is getting as a nation for its production is below the actual cost of production. In other words, China is allowed to have about 30% of the population of China on the one hand, and 70% on the other. You've got this whole thing throughout, this whole thing of development of export of industries from here in the United States. What you do is, you move something into a market. The money you save by moving into that market, is largely what you do *not* pay for in supporting infrastructure in the economy as a whole. So, you move into a country, and you don't provide the infrastructural development, which is what China's problem is right now. The infrastructure of China as a whole is not sufficiently developed to maintain the levels of productivity that the United States would have achieved before.

What we have at the same time done, is to lower the level of payment for whole categories of goods, below the actual cost of production. And you often do

that by cutting infrastructure, and cutting other essential components of production, by cutting resources.

Can you get fresh water out of a tap in the United States these days? You wanna drink it? Used to be able to. What happened? The investment in the infrastructure required to give you drinkable water at the faucet was taken away. It was just cut out of the budget. All kinds of things were cut out of the budget. Now, you're going to China, and what's happened is, what is *paid* for production in China is *below* the assessable actual net cost of physical production on a world scale. So therefore, China works for *below cost*. It's not just necessarily that the Chinese worker is paid below cost. It means that China is paid below cost for its contribution.

Now, you turn around, and China is now extremely vulnerable, because of what it's *not* being paid for. It's vulnerable for a lack of infrastructure. Its present national

income from exports abroad is not sufficient to give it the kind of growth it wants. China does expend on growth. It does expend on the railway system and other infrastructural systems, the large water systems, the dam, the Three Gorges Dam. These are good projects, useful. But it's not enough! China has a large population, and this does not account for the needs of the Chinese population.

So therefore, what would that mean? That would mean,



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*Much of China's agriculture proceeds as it has for millennia, leaving some 70% of the rural sector impoverished.*



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*When Chinese peasants leave the land and seek urban jobs, many remain in poverty, as investment has been largely limited to coastal areas. The government is trying to redress this imbalance.*



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*A factory in Beijing. "What China is getting as a nation for its production," LaRouche stressed, "is below the actual cost of production."*



*Workers constructing China's Three Gorges Dam, now the largest source of hydroelectric power in the world. The dam is a useful project, but it's not enough for a country the size of China.*

on a world scale, a shock effect of raising the cost of production, the *price* of production, to levels which correspond to the actual *cost* of production, by society. Not just some individual, but by society. In other words, you have to take the whole community in which production occurs, and it's the cost of maintaining that community, not just the production, that's important. So therefore, we should be raising the price of production, and cutting the income of other things that are not productive, such as the slumlords and whatnot, cut that kind of production, that kind of payment, and realize what the real costs of production are; and then, what the result would be: We would be compelled to go to methods of increase of productive powers of labor productivity, physical productivity, per capita, and improvements, and invest in those high-technology improvements in order to lower the actual cost of production. We have not done that. What we have done is, we've gone constantly back to

*cheap* labor in various parts of the world, running from one country to another seeking cheap labor, looting these populations with cheap labor operations, instead of developing the economy.

Actually, if you look at the United States, for example, in 1967-68, since that point, the United States has been losing money, itself. This was a cut in infrastructure that year, especially in the latter part of the '68 period, in that year. Since that time, the United States has been operating at a net loss, as measured in physical terms to the present day. We have a loss in infrastructure, a net loss. We have a net loss in manufacturing, a net loss in every category. A net loss in income. Look at pensions! Look at health care! Look at all these things that we're being deprived of. Net loss! And therefore, we have to increase the productivity of the world, by raising the prices at the expense of some foolish things, raising the prices to cover the actual cost of production worldwide. And compensating that, at the same time, by increasing the investment in technology and in capital intensity, which will enable us to cheapen the actual net physical cost of production by more advanced technologies.

But, in the meantime, we have to maintain, pay the *full bill* of all the costs, the national costs that go into production, at the point of production. And we haven't done that. So that's what we have to get to.

For example, we need nuclear power. Give us nuclear power, on a large scale, and I can increase the productivity and lower the cost of production worldwide. Get you better water, and everything else. Go back to mass transit, instead of relying on highway transportation. I can give you a cheaper cost of transportation. I can give you a better household life. I can save hours a day, back for family life, because you're not commuting, stuck on the highway going to and from work five days or more a week. These are the ways we have to think, not just in terms of what somebody says that the production costs, this or that. We have to think about a system. We have to think about providing the kind of system which meets *all* the requirements of society.

And we need to fully employ China! We're going to have to raise what they get paid. Raise the level, or increase the production to a level that China as a whole is better able to pay its own bill. So the way we reach that, is, you come to an agreement with China, and with India, and with Russia, and with other countries, and you set forth an agreement, a Roosevelt-style agreement, over a long term. You set five-six year agreements, and long-term agreements, and these projects



will then enable you to work your way out of the thing. Right now, it's chaotic.

So yes, China does need help. And the United States should help it. The United States *can* help it, and we should help it. But that's the way to do it: by going to this high-gain method, and getting a more equitable consensus of who gets paid and who doesn't.

**Schlanger:** There are a lot of questions coming in that express urgency, but many of them are urgent about what Lyn is going to do. "Are you going to do this?" "Can you get this done in the first 100 days?" And so on. Well, Lyn is doing his job. And, I just want to take a moment to say to people watching this web-cast that you have a responsibility also, and LaRouche PAC is going to do its job. We have videos on the website that are being churned out very quickly now, on key issues, such as national banking vs. monetary policy. There's quite a bit more. I urge you to go to the LaRouche PAC website.

But, when we talk about the urgency, don't wait for some mysterious force to whisper in the ear of Michelle Obama so she can have pillow talk with Barack, and he will wake up in the morning thinking like Franklin Roosevelt. We really do need people in this room, and people listening, to take these ideas and go out and spread them. And part of spreading them is contributing, so I would feel negligent if I didn't bring that up, especially for those of you who are out there feeling quite urgent about the need to do something. These are some things you can do right away.

## Hyperinflation and Hyperdeflation

Lyn, I have a question from an economist and a banker from the Southwest of the United States, who has been talking for a while about how much he agrees with you about the problem of low interest rates for feeding the speculative bubble. And he said he's been watching very closely to see when hyperinflation would take off, and it began to happen with the gas prices, the food prices this Summer, the commodities prices, but then it's fallen again. He says, "Is it still your view that this bailout package, the pumping of money into the financial system, that we're still on the verge of a hyperinflationary explosion?"

**LaRouche:** Yes, we are. But you've got two different tendencies, at different levels. On the one level, you have the politically sensitive government, U.S. government, which is doing everything possible to ma-

nipulate prices, politically, wherever they can. But then you have to look at the long-term problem. The way they do that is, look at the big one: Look at the orders of quadrillions of dollars in things tied to hedge funds, and therefore, you're having a real scramble in the hedge-fund resolution area right now, that people are trying to find out how to pay for some of these hedge-fund demands that are coming in heavily.

It's going to get worse. You're going to have—right now, you're on the verge of a real storm of assault on every kind of financial institution. And you will find that you have a terrified Secretary of the Treasury, Paulson, who's sitting there in absolute terror. I don't know what he's doing in his pants, but I do know what I see on his face. That's the general situation.

So no, we are in an intrinsically hyperinflationary situation, but also, at the same time, a hyperdeflationary. Now, to understand how these things balance, you've got to, on the one hand, consider the rate of collapse that's going on, absolute collapse. Which means that you're going to go into absolute disintegration of the world economy, and if you try to maintain the system, you're going to go into a Weimar style of hyperinflationary blowout. If you *don't* go to a hyperinflationary blowout, you will go to a hyperdeflationary blowout at the bottom, one of the two.

Now, you're getting the hyperdeflationary blowout, how? You have a collapse of trade. Why a collapse of trade? Well, trade is not exactly collapsing; something else is collapsing: Letters of credit are not being issued, are not being uttered. Now, that means, that if a manufacturer is shipping something from one place to the other, it's not going to get delivered. No letter of credit. The manufacturer has processed it, the buyer has purchased it, but they can't move it in between. So you get international letters of credit, and you get bill of lading credit and so forth, inside the United States, and you can not get the goods shipped, because the shipper will not carry the goods for you, because they're not getting the letter of credit or equivalent that's required to ship those goods.

So, it's not the fact that purchases are not occurring. The purchase is occurring. It's not that the goods aren't being produced to be shipped. They are being produced to be shipped. There's a contract between the buyer and seller, but the goods aren't being shipped. No letter of credit. The letter of credit system has collapsed.

So you're getting these kinds of complications, in which everything is disintegrating. And, on the one hand, you have an intrinsically hyperinflationary pro-



cess which is tied to the driver of the financial derivatives sector. You've got an actually deflationary process, as a result of collapse of production, with people selling at any price, to try to get out from under the debt. Both things are going on at the same time.

Essentially, the process, since it's tied, the determining factor here is the financial derivatives sector. That's your driver. So don't look at the system from the bottom up, from the individual purchase and sale, or act of production. Look from the top down. The top level is the financial derivatives, and that's the driver of the whole crisis. All the phenomena in between, up and down, are simply a reflection of an environment in which the financial derivatives factor of debt is the main driver.

### Europe's Potential Role

**Schlanger:** We have a question from the audience, from someone who's visiting from Denmark, Feride Gillesberg, who asks the question about the Four-Power Agreement: What about Europe? How much power does Europe have in this, and what should the Europeans do, and the relationship in this sense between the American system and the European parliamentary system?

**LaRouche:** Well, the European system has no independence anymore. The European system has no political control over itself. It has no credit-creating capability. It's not allowed to do that, not *real* credit-creating capability. You know, you go to [European Central Bank president Jean-Claude] Trichet—it's a waste of time. So Europe has given up sovereignty, as a group of nations.

Now, that doesn't mean it's going to stay that way. The tendency now is for people to ignore the Maastricht Agreement. And, when you mention Trichet, the roomful of people will burst out laughing, because nobody's paying any attention to that anymore. They're in an emergency situation; they're doing what they have to do in the short run. There are no solutions, no nothing. So Europe is not a factor in making a decision.

The key factor in Europe in making a decision is a certain relationship between Russia and France, under Sarkozy. There is a connection there. Sarkozy is threatening to play an independent role of some type, and he does play something of an independent role, a very peculiar kind of independent role, which most people don't understand, but it's there. And therefore, Sarkozy is the only head of state on the continent of Europe,

outside of Russia, who has any particular significance in these kinds of matters. And the possibility is that he *will* come to play a role.

Now, under what condition would he play a role? *If* Russia, India, China decide to approach the United States with the kind of proposal that I've indicated, then the role of Sarkozy in Europe would become crucial. Sarkozy could be a factor in bringing that about. Apart from Sarkozy, I don't see any government of Western or Central Europe which is going to play a significant initiating role at this time. And I think Sarkozy's role would be catalytic, that he would probably indicate certain things, that his discussion with China, with Russia and India—particularly China and Russia—would indicate something, and that might be a factor in catalyzing something.

But the key thing lies essentially: The direct United States relationship to Russia, China, and India, is what is needed to break the barrier here. And therefore, the United States coming in one way, directly or indirectly, into an agreement with India, Russia, and China, would be the key thing. That would make things change. Europe would then change, suddenly. But short of that, until that occurs, I don't see much possibility of anything coming from Europe. And therefore, you can not interchange these parts. You have to have U.S., Russia, China, and India, in some way brought together. I think it can be done, and other countries can play a part in influencing that, outside of that group; but they're not capable of initiating it. I mean, Sarkozy could play, probably—of the countries I can think of, France under Sarkozy is the country most likely to play, outside that group, a significant role in influencing something on that group. That's the best I can give you.

**Schlanger:** I must say I'm quite impressed by the scope of questions coming in literally from all over the world. By the way, I should recognize, in addition to the groups meeting in Ibero-America, there are LaRouche Youth Movement meetings around this webcast throughout Western Europe—in Paris, throughout Germany organized by the BüSo, and also at universities throughout the United States. I know the University of Texas, the University of Houston, all over the Boston area, up and down the West Coast, and we won't have time for all of the questions, obviously, but we will make sure they are passed on to Mr. LaRouche. If you didn't get your question answered today, and within his constraints, we'll see what he can do.



EIRNS/Helene Möller

*Antonella Banaudi and Matt Ogden*

*LaRouche stressed that the job of both artists and scientists “is to understand the universe, to understand the environment, to understand the conditions that shape us and shape our lives and shape our nations. And use the human mind—its creative powers, its insight—to see what these situations are and how we can change them, for the benefit of mankind.” The photos here are from workshops by Italian Classical singer and educator Antonella Banaudi, with the LaRouche Youth Movement in Boston, in September 2008.*



EIRNS/Helene Möller

*Ms. Banaudi and Myhoa Steger*



EIRNS/Helene Möller

*Emily Reuter and Jessica Tremblay*



EIRNS/Helene Möller

*Anna Shavin and Matt Ogden, as Zerlina and Don Giovanni, perform a duet from Mozart's opera.*

## What Future for Young Classical Artists?

But I have a question that I think you're going to like, Lyn, from a young Classical artist in the heart of Europe, who writes that he “surrounds himself with many talented painters, sculptors, poets, and musicians, and we've all come to support your person and your ideas very much. As we agree very much that a new rebirth, a renaissance, is the only way of turning the focus again towards physical production and the investigation of the true sciences, I have the following important questions about the arts: Apart from the study of nature and her principles, what advice could you give to young Classical artists in a time of post-

modernism? Once we have perfected our skills, where are we to turn? Are there people in the world today willing to support us, and willing to listen? And how do we recognize those who are truly noble from those who are crooks?”

The second part of the question: “What themes would you consider the most relevant to cover in new literature, and in a new reborn dramatic art, in paintings. Great deeds, be they good or evil, make up splendid material for drama, and as our renaissance project might go on for generations, we ask for your advice that we may lay the right foundations.

**LaRouche:** On this matter, I can call your attention

to something I have just written which has just been published in *EIR* [Nov. 21, 2008], and will be available in other locations, on the subject of “Mathematics Is Not Science.” And it pertains to two areas, first of all on physical science, because no principle of physical science is determined by mathematics. Because by its very definition, any principle of physical science lies outside the domain of mathematics. And this is nowhere better illustrated than in the case of Johannes Kepler’s uniquely original discovery of the universal principle of gravitation, which, as Einstein emphasized, in looking at this matter from the standpoint of Bernhard Riemann, is that the principle itself lies *outside* mathematics and confines mathematics.

In a similar way, the principle of artistic creativity can be looked at in various ways. Take the case of Classical drama, as a relative case, especially Classical tragedy. Now, there is no such thing as an individual hero or tragic figure in Classical drama. That is, no figure in Classical drama qualifies as an individually tragic figure. That’s not a Classical drama. Because if the failure—and take all the histories of Classical drama. Start it from what we know in European history. Start with the first famous Classical drama, which was attributed to Homer, the *Iliad*. That is the model for European Classical drama. What’s the cause of the tragedy of the *Iliad*? You have, except for one figure who acts in most cases as an individual hero, all the gods and demi-gods are bums. And the poor people are listening to the whispering advice of these gods and goddesses who are running around whispering in their ears with various schemes and so forth. And so you have a slaughter.

Now, you take the entirety of Classical Greek tragedy, it’s modeled on this *Iliad* model. “Voices, voices from outside, have given me this mysterious message. Aaugh! I have to act accordingly. Ohhhhhhh!” Tragedy. And you get this sort of thing. Therefore, the principle of Classical drama is simply, there is no tragic hero. There is no individual who is guilty of the tragedy. That’s simply Romantic nonsense. People say that, and I don’t want to see the plays they perform. They disgust me. The tragedy lies in the fact that society whispers to imagined gods, and is unable to act rationally, because it’s trapped in the advice it gets from these crazy gods, or what it imagines to be these crazy gods. “We can’t do this.” “You’d better not do that!” “Something will happen to you if you do that.” “Don’t do that!” “Oh no, don’t do that! Please don’t do that!” So therefore, society is trapped, as if in a barbed wire

fence, or electrified fence, by a set of fears, a set of mysterious fears, and they can never act.

Once in a while, a figure who says, “Enough of this crap, I’m going to do it. It has to be done, for rational reasons. I will not listen to the voices of the gods,” acts, and acts as a hero to save society from itself. But in the usual case, as in the case of many among our recent U.S. Presidents, the President—no matter how talented otherwise—is a damned fool, who listens to the whisperings. “You won’t seem successful if you won’t do this. We won’t like you, we won’t help, if you don’t do this.” So he turns into a cringing coward who does things out of expediency. “Don’t you realize you wouldn’t dare do that? You’re foolish to do this.” “Yes, I would do that!” “No, I can’t do that!” Boom! Crash! Society goes to Hell.

Therefore, the hero exists, the tragic case does not, not as an individual. The hero is one who is able to convince a society, as Roosevelt did, or Lincoln did, to lift a society to do what is necessary without regard to foolish fears of the whisperings of the people who are whispering to the gods. So the hero exists, but not the tragic figure as an individual. What is tragic is the society, as such. A society of people who listen to the whispers: “Don’t do this! Mother says don’t do this! Father says you’d better not! The guy next door who’s very well informed says, that’s not a good idea, you know! They may get you.” And that kills you. And therefore, the idea of the hero, of the tragic hero, *exists*; the tragic individual does not exist.

Take the case of the famous one in Schiller, *Wallenstein*. *Wallenstein* is a tragedy, but not of a Wallenstein. Wallenstein is unable to recognize a solution outside the framework of what he’s been given. And you get a sense of this in the first part of *Wallenstein*, *Wallenstein’s Camp*. The assembly of this vast army to engage in what is going to become religious warfare, which is going to destroy everything. And the drama, the trilogy, ends with the death of Wallenstein. But the Thirty Years War didn’t end there. And Schiller wrote this thing based on his studies, not only of the Thirty Years War, but also his studies of the Netherlands War before it. He combined the two. The war in the Netherlands and Wallenstein war, the Thirty Years War, or part of it, as one.

The tragedy lies within the *society*, not within the leading individual. The society wants to blame the leading individual for what it’s done to itself! Like the United States has done to itself! There was no one President who did what’s been done to this United States since Roosevelt was there. Most of the Presi-



dents of the United States have been tragic figures in that sense, but they were tragic because they listened to the powers that control the United States, to the whispering gods and goddesses, and to the foolish people on the street. And where reason would have told them to act differently, they said, “You’ve got to think about the way my family feels. Look, my wife would divorce me,” and so forth and so on. All these kinds of fears.

And the problem in politics and in real life is what real drama is concerned about—the greatest dramatists are not some bum, imagining stories in an attic. They are people looking at *reality* as in great poetry, other great drama. They are looking at reality, and adducing from reality a way of trying to show people what the reality is that they’re living in. Why they behave the way they do. Why societies behave the way they do. This is not to titillate you with an amazing story. It’s to give you a sense of coming out of a society which is frightening to you. As a member of an audience, you walk in, you’re dealing with a situation you can’t understand, you can’t solve it. And if the dramatist does a good job, and the actors do a good job, you go out, not with a sense that you understood the problem fully, but you go out with a sense that this is something you could possibly comprehend! It’s something you could deal with. It reminds you of situations in life which maybe you could deal with. Society on a grand scale.

And so, *that* is the relationship. That’s science. Science involves man’s attempt to master the universe, as in the first chapter of *Genesis*. Man and woman are unique in understanding the process of Creation, and being able to do something to change that process, as ministers to change the process in a necessary way, down the line. Our job is to understand the universe, to understand the environment, to understand the conditions that shape us and shape our lives and shape our nations. And use the human mind—its creative powers, its insight—to see what these situations are and how we can change them, for the benefit of mankind.

Roosevelt did. Abraham Lincoln did. George Washington did. John Quincy Adams did. In a sense, Bismarck did. Bismarck is actually a hero, in what he did, within the framework within which he was operating. He was no failure. Lazare Carnot was a hero, within the framework of what he did. He wasn’t a failure. Many great scientists have been true heroes, in the sense that they succeeded in meeting a challenge. Some leaders on a minor scale—I mean, Martin Luther King was one of the greatest heroes of the United States. He was a man

that stood up and did something that nobody else could do. He should have been President. That’s probably why they killed him. He had that quality that nobody else around him had. Unique. He was a true hero.

And this is what we try to understand from tragedy. And we have to have the same attitude, as toward Classical art, the same attitude toward matters of science, how the universe is organized. So the two are essentially the same thing. And this involves going to a higher state of mind, like the questioner is talking about—a group of people. They have a certain amount of skill. Can they make the next step? Yes, good, fine. You know this, you know that. Can you actually understand the kind of thing you’re talking about, as it applies to real life? Can you actually understand that? And that’s the challenge. It’s the same challenge in physical science.

For example, I’ve said recently in this piece [“Mathematics Is Not Science”], I refer to the last paragraph in Shelley’s “In Defence of Poetry,” there’s a summation of the state of mind which the individual must have, as a creative state of mind, what the function of poetry and similar aspects, to understand society, and to understand what you have to do to try to influence society to solve its problems, and that attitude, which you find in the way Rembrandt paints a picture. Rembrandt, this wonderful thing of the bust of Homer looking up at the ridiculous spectacle of Aristotle. That sort of thing. This is what you must perceive.

And you must think of yourself as comparable to a scientist, in art, in trying to understand mankind better, looking at the greatest works of the greatest artists, and seeing what it is they really give you. What makes them great artists? What’s great about Leonardo da Vinci, apart from his scientific skills, in some of his paintings? This is the sort of thing. And the motive is, the gratification is, to come out of the experience feeling good about yourself, because you have understood mankind a bit better than you did before. And you have understood yourself, also a bit better than you did before. And the feeling between physical science and great Classical art is exactly the same.

**Schlanger:** With that, we’re going to bring the webcast to a close. This will be archived, it will be on the LaRouche PAC site, and we should make sure that everyone in the country sees it in the next days ahead. I’d like you to join me in thanking Lyn, not just for his speaking today, but for what he’s been doing for the last 86 years. Thank you, Lyn.